



2022 Sustainability Report





At Johnson Controls, I am proud that we lead with integrity, respect, unwavering moral purpose, and humanity. We stand in solidarity with those who have united in support of peace and stability, and we will move together toward a world that is peaceful, healthy and sustainable.

The climate crisis is the most pressing environmental challenge of our time and, as a company, we have committed to net zero Scope 1 and 2 emissions by 2040. We are working internally and partnering with others around the world on urgent climate action. For our customers, we solve for zero, deliver products and services that contribute to low carbon buildings and reduced emissions, and are firmly committed to helping our customers pursue their net-zero carbon goals. With our suppliers, we now weigh sustainability equal to cost and quality in supplier performance evaluations.

We are committed to measurable, transparent, and swift action to address climate risks. This year we became the first S&P 500 industrial company to have issued three distinct sustainable finance instruments designed to support and reward our initiatives aimed at combatting climate change. We also achieved a 41 percent reduction in greenhouse gas emissions intensity and a 15 percent reduction in energy intensity against our 2017 baseline. Our employees are at the center of it all, working together to deliver healthy people, healthy places, and a healthy planet for generations to come.

George Oliver
Chairman and CEO



Thank you

The photographs used in this report were part of a photography competition held by the Global Sustainability Network in 2021 as part of Earth Month.

The photographers have given their permission for us to use these images. Any other use of these photographs is prohibited unless agreed with the photographer.

Mandar Agaskar

Selda Avci

William E Baker Jr.

Yann Boutin

Debaditya Chakraborty

Tim Cotter

Debbie Ellers

Mark Evans

Leandro Josue Garbanzo Diaz

Keith H Gifford

Tiago Graça

Katarína Kalmárová

Eva Květonová

Tania Jessica Lai

Todd Liebenauer

Ricardo Rodríguez Meoño

Josh Monasmith

Stephen J Penney

Manfred Petz

Pakpong Prasitvittayakun

Thilageswaran Rajagopal

Varun Ramesh

Saurabh Raut

Amanda F Roth

Saranya Sumpattayanont

Warakorn Tank-On

Manish Verma

Katharina Weeber

Contents

Introduction	7	Social	58	Our employees	97
Letter from George Oliver, Chairman and CEO and Katie McGinty, Vice President and Chief Sustainability and External Relations Officer		Diversity and Inclusion (D&I)	58	Health and safety	97
We are honored	9	Our culture of inclusion	63	Keeping our employees and customer sites safe during COVID-19.....	98
Our company	11	Global initiatives	65	Human rights	103
Case studies.....	16	INVOLVE, Cork, Ireland.....	65	Information security/cybersecurity	107
Sustainable finance	21	India Engineering Center	66	Governance	109
Sustainability at Johnson Controls	23	Women in Controls.....	67	Company leaders	109
“Sustainability strategy and commitments”	23	Events and cultural awareness	68	Executive compensation tied to sustainability and diversity	109
Johnson Controls sustainability strategy and commitments	24	Total Well-Being Program	69	Responsibility for economic, environmental and social topics.....	110
2021 progress.....	26	Diversity and Inclusion councils and committees....	70	Sustainability governance	112
Products and services	28	Business Resource Groups	71	Risk management.....	113
Supply chain.....	29	Employee development, training and education	77	Ethics and integrity	115
Employee and external engagement.....	30	Talent management	77	Data appendix	122
Governance	33	Training and education.....	78	Sustainability process data.....	122
Stakeholder engagement.....	35	Leadership development.....	79	Environmental data	126
Leading in supplier sustainability.....	36	Commercial training.....	81	Results: Energy.....	126
Materiality	40	Field operations training	82	Results: Emissions.....	129
Opportunities and risks due to climate change.....	41	Manufacturing training	83	Results: Water and effluent.....	132
Improving our operational footprint	43	Performance management.....	83	Results: Materials.....	133
Energy and emissions	43	Employability.....	85	Social data	134
Manufacturing plants and facilities	44	Investments and economic impacts	87	Governance data	143
Refrigerant reduction	45	Green revenue.....	87	GRI Content Index	147
Fleet emissions	45	Community investment	89		
Renewable energy.....	46	All eyes on Ukraine	90		
Water and effluents.....	48	Community engagement.....	91		
Our solutions in action	50	Johnson Controls Foundation.....	93		
Waste.....	52	Volunteering.....	94		
Materials	55	Community Leadership Program	94		
Case studies	56	Supplier sustainability	95		
		Supplier diversity.....	95		



Introduction

[2-12](#) | [2-14](#) | [2-22](#)

Letter from George Oliver, Chairman and CEO, and Katie McGinty, Vice President and Chief Sustainability and External Relations Officer

As we look back on the unprecedented challenges we've faced over the last year and reflect on the unfathomable events unfolding in Ukraine, Johnson Controls recognizes how important it is for countries, communities and world leaders to unite in solidarity during such momentous times. We will continue to collectively uphold our own company values and remain committed to leading with integrity, respect, unwavering moral purpose, and humanity. We stand in solidarity with people around the globe who have united in support of peace and stability.

At Johnson Controls, we understand that to support these principles, we must continue to build a healthier, safer and more sustainable planet. Since 1885, sustainability has been at the heart of our business and is fundamental to everything we do. The dedication of our global team of 100,000+ employees, stewards of their communities in more than 150 countries, enables us to achieve our sustainability goals and deliver innovative, sustainable solutions for our customers.

The importance of immediate climate action

The climate crisis is the most pressing environmental challenge of our time, and we are stepping up to do our part. However, we cannot do it alone; we must work collectively with other leading companies and governments across the globe to solve the challenges ahead. As the most recent UN climate report revealed, strong climate action is needed immediately and the window to take action is closing swiftly.

The buildings in which we spend so much of our daily lives play a big part in contributing to global CO₂ emissions. Johnson Controls has a special responsibility to be a leader in addressing climate change, given that almost 40 percent of global CO₂ emissions come from buildings. That's why, as a company, we have committed to net zero Scope 1 and 2 emissions by 2040 and are developing products and services that contribute to low carbon buildings and reduced emissions. We are firmly committed to helping our customers and others around the world pursue their net zero carbon goals, ensuring healthy people, healthy places and a healthy planet.

"As a service" for healthier, more sustainable buildings

In July 2021, we launched OpenBlue Net Zero Buildings as a Service, a one-stop shop for customers looking to achieve net zero. With features such as remote monitoring and predictive maintenance, OpenBlue solutions enable customers to achieve their sustainability strategy and goals that can drive significant improvement in energy efficiency and corresponding carbon emissions.

In January 2022, we unveiled OpenBlue Indoor Air Quality as a Service, the first dedicated "as-a-service" Indoor Air Quality (IAQ) solution for buildings, delivering energy-efficient, turnkey clean air outcomes. We developed this critical innovation just as employees returned to their workplaces and students returned to school. Everyone deserves healthy places to work, learn and play, and we are proud that our solutions make this possible.

Further improving our own sustainability

In addition to helping our customers achieve net zero, Johnson Controls is continuing to take significant steps to further improve our own environmental impacts. In January 2021, we announced a new set of ambitious sustainability commitments, including science-based targets across our operational and product-based emissions and a net zero carbon pledge for Scope 1 and 2 emissions:

- We intend to cut Scope 1 and 2 emissions by 55 percent and our Scope 3 emissions related to our customers' use of our products by 16 percent in absolute terms by 2030 relative to a 2017 baseline, along with actions supporting emissions reductions in our supply chain.
- Our Scope 1 and 2 targets are consistent with the reductions required to restrict warming to 1.5°C, the most ambitious goal of the Paris Agreement.

We are moving quickly to act on our sustainability commitments – even while we reduce our footprint beyond the 70 percent reduction in both greenhouse gas intensity and energy intensity that we have already achieved since 2002.

And we are leading the way in supplier sustainability, too. Sustainability is now equal to cost, quality and delivery in supplier performance evaluations.

Putting a financial value on our commitments

We've continued to affirm our leadership in sustainable finance over the last two years. Johnson Controls recently became the first S&P 500 industrial company to release an Integrated Sustainable Finance Framework, as well as issue a Sustainability-Linked Bond. This builds on our green finance leadership following our prior green bond issuance and the linking of our senior credit facility to sustainability metrics. As part of our Integrated Sustainable Finance Framework, we further committed to achieving interim absolute emission reduction targets by 2025.

Engaging with global leaders

We are committed to working with leadership across industries and governments to deliver progress on climate change; we realize getting to net zero is a complex journey that can't be addressed in isolation by one company. Together with the Business Roundtable (BRT) Energy and Environment Committee, we work closely with our peers in the business community to support policies that preserve the environment and maximize energy options. In a recent episode of BRT TV we underscored that we have to move forward with urgency, and we have the opportunity to accelerate progress through strong public-private partnership. We believe that, with that alignment, we can solve the climate crisis.

We want governments to be aware that we support strong and deliberate action to transition our world to a low-carbon economy. Last year, we were honored to join President Biden and world leaders for the Leaders Summit on Climate, where we addressed the role of the US business community in supporting ambitious global climate action and policy that also creates jobs and fosters economic growth.

To avoid the worst impacts of climate change, the world must work together to limit global temperature increases. The United States and the international community must aggressively reduce GHG emissions and create incentives for developing new technologies to achieve these reductions. At Johnson Controls, we know that when we take this challenge on, we will cut emissions, cut costs, and create good jobs and a more resilient, healthy infrastructure.

We were privileged to attend the UN COP26 Climate Conference in Glasgow in November 2021 to support bold policy agreements to accelerate climate action, and while there, to announce a [declaration](#) signed by business leaders across many continents aimed at catalyzing climate action.

Partnering with like-minded organizations and generating a deeper understanding of the role our built environment plays in achieving climate goals is critical to our mission. In February 2022, we teamed up with TED Countdown and The Climate Pledge, an initiative co-founded by Amazon and Global Optimism, to generate further awareness of the critical role buildings play in meeting the commitment to be net zero carbon by 2040. As a founding member of the World Economic Forum's First Movers Coalition, a new platform for companies to make purchasing commitments that create new market demand for low carbon technologies, we recognize how accelerating innovation is critical to making our buildings more sustainable and lifting up entire communities.

Recognition for leading by example

Awards are one measure of the impact our efforts are making in the world. We are very pleased to report that Johnson Controls has been included on FORTUNE's "World's Most Admired Companies" list in 2022. Our inclusion reflects the strides we've made in attracting and retaining our talented employees and our commitment to our goal of ensuring a healthy, safe and sustainable world. Additionally, Johnson Controls recently celebrated its first score of

100 on the Human Rights Campaign Foundation's 2022 Corporate Equality Index, the nation's foremost benchmarking survey and report measuring corporate policies and practices related to LGBTQ+ workplace equality.

We are honored to be recognized by multiple organizations for our leadership in sustainability and ESG:

- Received HRH The Prince of Wales's inaugural Terra Carta Seal
- Named one of Corporate Knights Global's 100 Most Sustainable Corporations in the World and number one in our industry category
- Included on the Forbes list of Best Employers for Diversity 2021
- Identified as a Sustainalytics Top-Rated ESG Performer for managing material ESG issues
- Ranked 67 on the Drucker Institute's list of best-managed companies in America

Employee engagement

We are grateful for our global team of experts who share a common goal of elevating Johnson Controls commitment to advancing sustainable and inclusive business practices. Johnson Controls is pleased to report that more than 13,000 colleagues have included sustainability and diversity metrics in their annual goals, supported by multiple trainings offered at all levels. In furtherance of our robust and recognized diversity and inclusion initiatives, we have elected to publish our EEO-1 report with information regarding the makeup of our workforce. Additionally, our Global Sustainability Network (GSN), an employee-driven Business Resource Group, has a presence in 42 countries and proactively supports our goal to foster a culture of sustainability. Our GSN engages and empowers people who want to make a difference and has seen membership increase by more than 400 percent in the last year.

As we move forward and continue to lead in climate action and sustainability, we realize there is more work to be done. We are building on more than 135 years steeped in innovation to create a more sustainable economy for years and generations to come. We feel a great sense of responsibility and privilege, especially in this pivotal moment in history, to do everything in our power to ensure a world that is peaceful, inclusive, healthy, and sustainable.



George Oliver
Chairman and CEO



Katie McGinty
Vice President and Chief Sustainability
and External Relations Officer

We are honored

Sustainability is at the heart of our business and fundamental to everything that we do. We are proud to be recognized as one of the World's Most Ethical Companies, to be ranked number one in our industry group and number 12 overall as one of the 100 Most Sustainable Corporations in the World, and to be recognized by the following organizations for our commitment, our results and our transparency.



For strong environmental, social and governance management



100 Most Sustainable Corporations in the World. Ranked #1 in our industry and #12 overall



Awarded World's Most Ethical Company 14 times since 2007 by Ethisphere Magazine



Recognizes global corporations that are demonstrating their commitment to, and momentum towards, the creation of genuinely sustainable markets



As of 2021, Johnson Controls received an MSCI ESG Rating of AAA for the fourth year in a row



Johnson Controls named to prestigious Financial Times European Climate Leaders list



Ecovadis Gold Sustainability Rating since 2019



Named one of the 100 Best Corporate Citizens by Corporate Responsibility magazine for the 16th year in a row



Honored as one of the Carbon Clean 200 by Corporate Knights and As You Sow since 2016



Awarded to companies with an ESG performance above the sector-specific Prime threshold, which means that they fulfill ambitious absolute performance requirements



Listed on the Calvert Responsible Index since 2009



FTSE4Good Index Series and FTSE Environmental Opportunities 100 Index



Listed on the S&P 500 ESG Index since its inception



Named by Euronext World among 120 most advanced companies globally



UN Global Compact 100 Index since 2013. Since 2004, Johnson Controls has been committed to the UN Global Compact and its principles of human rights, labor, the environment and anti-corruption.



2021 Best Employers for Diversity



Named "China's Top Employers" for 11th Consecutive Year



2021 CDP Supplier Engagement Leader



Named in the Top 100 Global Innovators 2021 for the sixth year in a row

World's Most Admired Companies

Named to FORTUNE's "World's Most Admired Companies" in 2022



Our company

[1](#) | [2-2](#) | [2-6](#) | [203-1](#) | [203-2](#)

Delivering sustainability to our customers

At Johnson Controls, we accelerate sustainability through intelligent buildings and energy-efficient solutions that enable healthy people, healthy places and a healthy planet. Since 1885, when we entered the market with our first electric room thermostat, we have been making buildings smarter and earning the trust of our customers with products and services that reduce energy use and improve sustainability. Today, through the hard work and dedication of our global team of 100,000 experts in more than 150 countries, we deliver on our vision of a safe, comfortable and sustainable world.

We enable smart cities and communities by providing products and services that optimize building performance, improve safety and enhance comfort. Our products and solutions, including our comprehensive digital platform OpenBlue, support smarter, more efficient buildings for industries including healthcare, education, data centers, airports, stadiums, manufacturing and beyond.

We believe we offer the world's largest portfolio of building technology, software and service solutions through some of the most trusted names in the industry. Our offering includes a wide range of world-class heating, ventilation and air conditioning (HVAC) equipment and systems, control systems, security systems, fire detection systems, fire suppression systems, equipment and services. We further serve customers by providing technical services, including maintenance, management, repair, retrofit and replacement of equipment (in the HVAC, industrial refrigeration, security and fire protection space), energy-management consulting and data-driven "smart building" services and solutions powered by our OpenBlue software platform and capabilities.

We partner with customers by leveraging our broad product portfolio and digital capabilities powered by OpenBlue, together with our direct channel service and solutions capabilities, to deliver outcome-based solutions across the lifecycle of a building that address customers' needs to improve energy efficiency and

reduce greenhouse gas emissions. We believe our leadership in sustainability ultimately creates long-term benefits for our customers, employees, shareholders and society.

Net Zero Buildings as a Service

In 2021, Johnson Controls launched OpenBlue Net Zero Buildings as a Service, a turnkey solution for companies looking to achieve net zero carbon and renewable energy goals. The offering recognizes its customers' need for assistance in making goals easier to plan, execute, track and achieve while end users pay for expected outcomes rather than assets. Through simple, fixed-fee models, Johnson Controls takes on the responsibility for upfront capital decisions, design and construction, and decarbonization goal achievement and reporting.

Net Zero Buildings as a Service understands the need and demand for 360-degree net zero carbon solutions. Businesses, governments, and global coalitions have all set ambitious sustainability goals over the next two decades, with many aspiring for net zero emissions by 2030. This new, as-a-service offering includes turnkey access to successful net zero building roadmaps, impactful OpenBlue sustainability innovations and real-time performance dashboards that analyze energy, water, materials and greenhouse gas emissions.

Understanding the market trends, unique industry requirements and investment pitfalls is an important element in making large sustainability decisions, Johnson Controls helps customers stay abreast of important trends and technology innovations that feed into a customized roadmap highlighting opportunities and managing risks and uncertainties against a rapidly changing regulatory environment.

In addition, Johnson Controls is partnering with customers, leading technology companies, research institutions and government entities to build innovative solutions in pursuit of net zero carbon.

Green buildings:



Johnson Controls has supported our customers in certifying more than **75 million square feet** of green building space around the world.

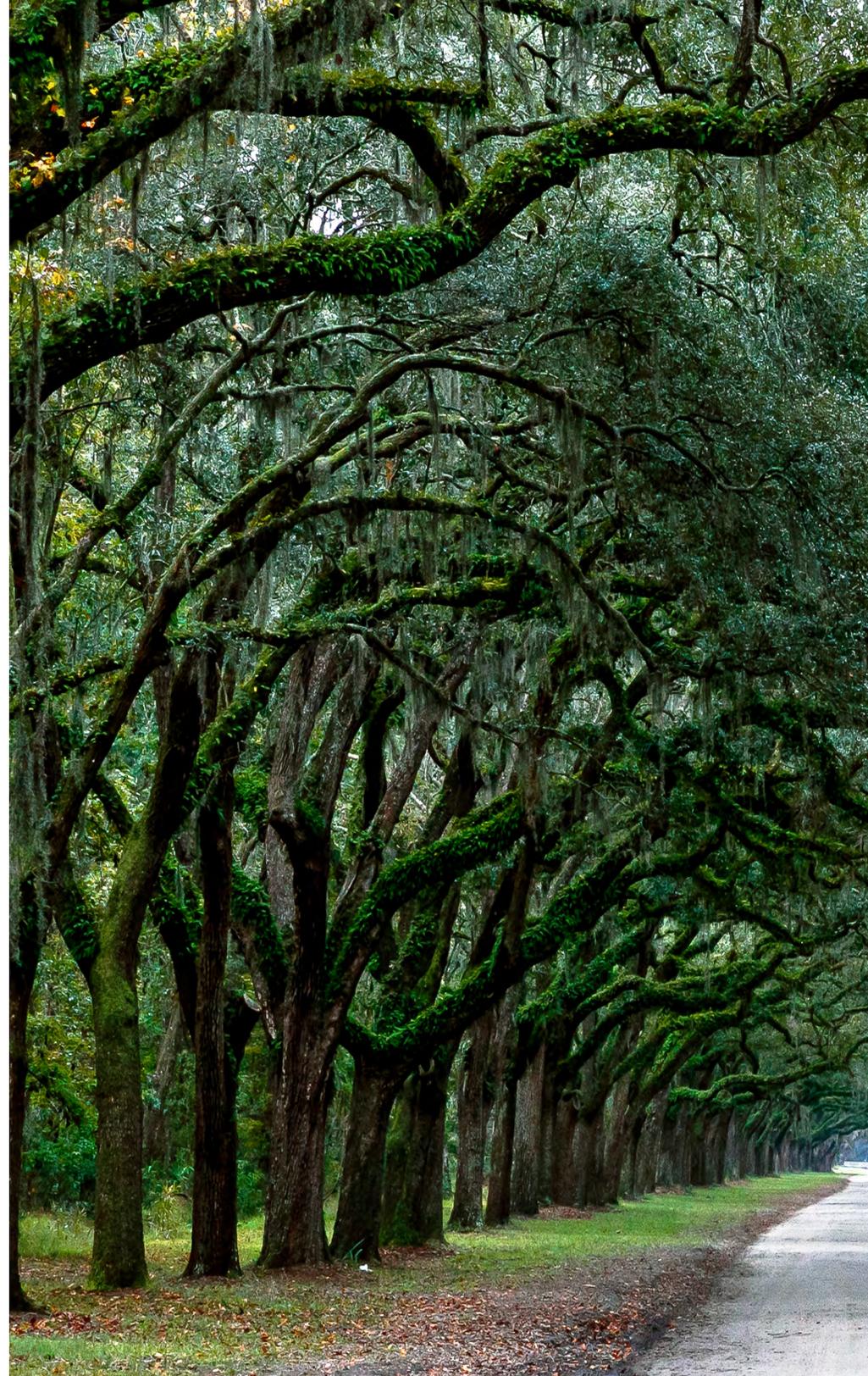
In China alone, we have helped our customers achieve Leadership in Energy and Environmental Design (LEED) or Excellence in Design for Greater Efficiencies (EDGE) for locations covering 55.7 million square feet and China's Three Star green building certification for locations covering more than 5.7 million square feet.

7.2 million square feet since 2010



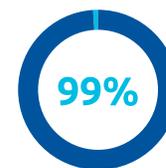
Last year in Latin America, we completed customer projects with LEED certifications for more than 1.4 million square feet, bringing the total completed customer projects with LEED certifications to in excess of 7.2 million square feet since 2010.

All three of our corporate headquarters buildings - in Glendale, Wisconsin; Cork, Ireland; and Shanghai, China - are LEED-certified, as are several of our manufacturing facilities.

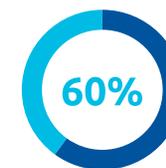




Energy-efficient technology: Reducing our customers' energy consumption and carbon emissions is our business, and Johnson Controls leverages its market-leading portfolio of energy-efficient technology to achieve this. Our line of YORK chillers includes the revolutionary YORK YZ magnetic-bearing centrifugal chiller, the most efficient chiller in the world. In addition to delivering a 35 percent improvement in energy efficiency over a conventional chiller, it also utilizes a next-generation refrigerant with a 99 percent reduction in global warming potential (GWP), and a refrigerant charge up to 60 percent lower than traditional systems. Our ducted HVAC products also deliver significant energy savings for our customers. We are introducing ducted systems that meet and exceed the 2023 Department of Energy standards for energy efficiency well ahead of the compliance date, including our YORK Select line of rooftop units, which are 22 percent more efficient than these standards. Finally, our product portfolio includes one of the most comprehensive sets of heat pumps in the world. These products enable homes, buildings, campuses, and district systems to achieve efficient, beneficial electrification by shifting away from direct fuel combustion.



99% reduction in global warming potential (GWP)



60% lower refrigerant charge

In 2021, Johnson Controls-Hitachi launched its third-generation premium variable refrigerant flow (VRF) heat pump platform. The system achieves an approximate 50 percent improvement in energy efficiency over the first-generation design, offers low ambient heating options to deliver reliable operation in colder climates, and features a frost wash function to keep the outdoor heat exchanger clean while boosting energy performance.

Additionally, we launched a new side flow product platform to improve design flexibility and performance. The modular system features a 40 percent smaller footprint and 15 percent lower refrigerant charge when compared to conventional systems. Both VRF platforms will play a critical role in delivering high-efficiency heating and cooling to our customers without the use of on-site fuel combustion.



Our energy-efficient technologies are not limited to our heating and cooling products. Our digital and controls solutions can fully optimize equipment and building operation while delivering optimal outcomes for operating costs, carbon emissions, indoor air quality, and other customer objectives. The Johnson Controls OpenBlue suite of digital solutions sits at the core of our offerings, creating a platform for deeper optimization and improved outcomes using predictive analytics.

Energy retrofits: We also help our customers achieve energy savings using Energy Performance Contracting. Through these projects, we deploy equipment upgrades and management services to deliver guaranteed energy savings and help customers achieve greenhouse gas reductions. Since January 2000, performance contracting projects have helped avoid more than 35.2 million metric tons CO₂e and are set to save more than \$7.2 billion through energy and operational savings over the project term.

Water conservation: Johnson Controls offers a wide portfolio of technology to balance the water-energy nexus, enabling the most water- and energy-efficient cooling technologies for the regions of the world under water stress. Through our acquisition of Silent-Aire, we now offer one of the most water-efficient cooling technologies for data centers.

\$7.2 billion
saved through energy and
operational savings



Johnson Controls products and solutions enable our customers to reduce total consumption, increase efficiency of the systems that distribute and use water, and create healthy and sustainable environments.

Our products and services across sectors address:

- Water loss reduction
- Water demand reduction
- Water infrastructure
- Wastewater infrastructure
- Storm water infrastructure

Solving for zero

Johnson Controls businesses are recognized for providing sustainable products, services and solutions. Our customers trust us to provide purposeful technology and insights that improve resilience, safety, and resource efficiency.

Industries	Products and solutions	Services and support
Data centers	HVAC equipment	Energy and efficiency solutions
K-12 education	Building automation and controls	Design and construction solutions
Federal government	Security	Training services
Global marine and navy	Fire detection	Managed services
Residential	Fire suppression	Systems integration
Healthcare	Digital solutions	Product documentation
Industrial and manufacturing	Industrial refrigeration	Replacement parts and supplies
Higher education	Residential and smart home	Product selection tools
State and local government	Retail solutions	
Public and affordable housing	Distributed energy storage	
Sports and entertainment		
Transportation		



Case studies

With a workforce of more than 100,000 employees and operations that span the globe, we are aware of the impacts our actions have. When partnering with other stakeholders, we strive to connect with those who endeavor to create positive externalities and generate net-positive economic outcomes for our world, our communities, and the customers we serve.

Given our size and scope, we take great effort to help mitigate the environmental risks to the planet and our economy through product and operational excellence. We are proud of the work and progress we have made, and we continue to incorporate sustainability innovation into the way we conduct business.

Here are just a few examples.

Agromousquetaires - cutting water use, energy emissions and costs

Located in France, the dairy division of the Agromousquetaires group collaborated with Johnson Controls to successfully advance its energy efficiency, decarbonization, and water conservation efforts by upgrading its chilled and hot water production with heat pumps. Approximately 3,500 MWh of energy is saved each year, cutting greenhouse gas emissions by a factor of sixteen and eliminating the equivalent of 970 tons of carbon dioxide annually. The upgrade is supported by energy monitoring technology to track key performance indicators.

Approximately



3,500 MWh
of energy saved each year

eliminating the equivalent of

970 tons
of carbon dioxide annually



Newark Board of Education - Energy Savings Improvement Program

In Newark, New Jersey, Johnson Controls partnered with the Newark Board of Education to advance their \$95 million Energy Savings Improvement Program (ESIP) initiative.

The collaboration is expected to drive \$120 million in savings and reduce the district's carbon footprint by more than 17,500 metric tons of carbon dioxide annually- the equivalent of planting 21,400 acres of forest.

Throughout the 20-year life of the contract, the guaranteed operational and energy savings will be so significant that there will be no need to allocate funds from the existing budget. Additionally, water conservation solutions are expected to reduce usage by approximately 30 percent across 56 buildings.

The planned improvements across 60 schools include solar PV arrays, updated controls, LED lighting retrofits and water conservation solutions. In addition, our teams will provide a wind turbine, combined heat and power units, updated building automation, centralized enterprise management systems, and retrofitted indoor and outdoor LED lighting in addition to replacing boilers and chillers and upgrading the HVAC systems.

Newark's ESIP was selected by the Bond Buyer editorial board to receive its 2021 ESG/Green Deal of the Year award. Johnson Controls is proud to play a role in making this initiative possible.

We also continue to maintain strong ties to the community through our science, technology, engineering, arts and math (STEAM) programs for local students.

\$95 million
Energy Savings Improvement
Program initiative



\$120 million
in savings reducing carbon
footprint by more than



17,500 metric tons of carbon
dioxide annually



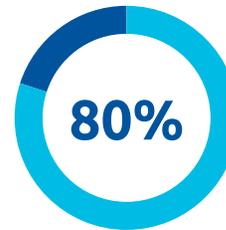
Reduce water usage by
approximately 30%
across 56 buildings



Aalborg Forsyning - Northern Denmark

In Aalborg, Denmark, the local government has retooled the local hospital with an advanced heating and cooling system. To serve the hospital with chilled water, Aalborg Forsyning (the utility provider for greater Aalborg) will supply cooling to the hospital using the nearby chalk quarry's lake as a source. Ambitious goals include the expansion of this project to the local university and other educational institutions in the area.

Aalborg Forsyning will partner with Johnson Controls to provide the necessary heating and cooling equipment to make this project possible. The pipeline that connects the water source to the consumers is first used for free cooling before it is further cooled in the chillers. On its way back to the lake, the same water is then used for the excess heat resulting from the cooling process. This creates a dual use: the excess heat from the chiller can be enhanced by heat pumps and used in the district heating grid. This maximizes performance, lowering costs, generating positive energy savings, and lowering CO₂ emissions.



With the new facility, the hospital is expected to save approximately 80% of their current electricity use compared to the previous cooling facility.

Powerhouse Brattørkaia

The Powerhouse Alliance, a 10-year-old Norwegian collaboration for innovation in energy, wanted to build a net zero energy smart building (Powerhouse Brattørkaia) that would serve as a leading example for the northern hemisphere: one that produces more energy than it consumes over its lifespan.

The aim of the project was threefold: to maximize the amount of clean energy produced by the building, to minimize the energy required to run it, and to serve as a pleasant space for tenants and the general public.

Johnson Controls implemented state-of-the-art building management solutions, installed low-energy building devices, such as LED lighting and variable air volume HVAC systems, together with our most advanced energy-efficient heat pumps and electric car chargers.

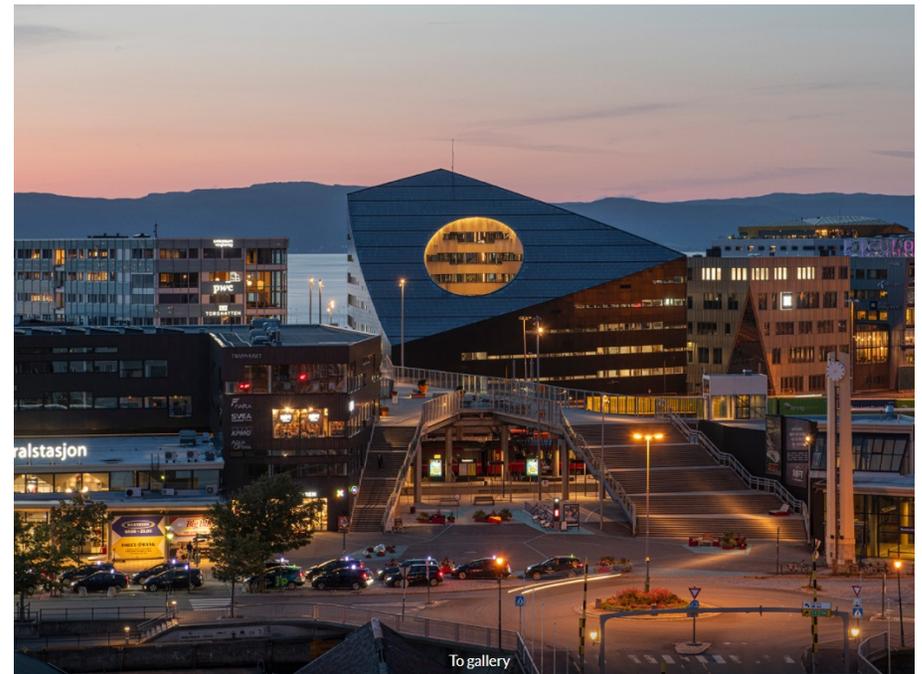
We also helped design a complete energy system that harvests twice the energy of the building's annual consumption and draws heating and cooling energy from the ocean while sharing it with the building and other surrounding structures.

All systems are tracked on a digital dashboard using OpenBlue technology, that details occupancy, comfort and sustainability KPIs in given building zones.

On average, the Powerhouse Brattørkaia produces more electricity than it consumes daily and supplies renewable energy to itself, its neighboring buildings, and electric buses, cars and boats through a local microgrid. It produces 485,000 kWh annually, which is enough excess electricity to charge 200 electric vehicles.

The building is extremely energy efficient, achieving the BREEAM Outstanding certification, the highest possible ranking by the world's leading sustainability assessment method.

 **Net positive, producing**
485,000 kWh annually





Sustainable finance

[201-2](#) | [201-3](#)

We are proud to be a leader in sustainable finance. We are the first S&P 500 company to have issued three distinct sustainable finance instruments that incentivize combatting climate change.

In September 2021, we became the first S&P 500 industrial to issue a sustainability-linked bond in the US debt capital markets. Our sustainability-linked bond ties the interest rate on the bond to the achievement of 2025 interim targets of 35 percent emissions reduction for Scope 1 and 2 and five percent emissions reduction for Scope 3.

Just one year earlier, we completed our inaugural green bond issuance, making Johnson Controls one of the first industrial companies to issue a green bond in the US debt capital markets. In December 2019, Johnson Controls became one of the first industrial companies to tie its senior revolving credit facilities to individual sustainability metrics in the US syndicated loan market.

Our sustainability-linked bond and green bond were issued in line with our integrated sustainable finance framework (updated from our previous green finance framework). This framework is aligned with the most current editions of the International Capital Market Association principles and guidelines for green, social, sustainability, and sustainability-linked bonds and loans. These principles intend to promote integrity of the sustainable financing market by offering guidelines that recommend transparency, disclosure and reporting to drive investment in sustainable projects.

This integrated framework received a positive second-party opinion from Sustainalytics, an independent firm with recognized environmental and social expertise. They called the framework "credible and impactful", noting that our key performance indicators are "very strong", and our sustainable performance targets are "ambitious" to "highly ambitious". This opinion affirms our desire to provide an ESG impact via our debt financing and to further strengthen our commitment to reducing greenhouse gas emissions.

We believe in setting a high bar when it comes to investments that qualify for green and sustainable financing. We also believe in full transparency in the review and reporting of the investment framework and proposed utilization of proceeds. We intend to use the proceeds from any green, social and sustainability financing with the aim of contributing to environmental and social objectives. Such objectives could include climate change mitigation, climate change adaptation, natural resource conservation, biodiversity conservation, pollution prevention and control, and creating positive outcomes for specific underserved populations.

We have established a Sustainable Finance Committee consisting of members of our Sustainability Leadership Committee, treasury, legal and other subject matter experts. This committee is responsible for evaluating and selecting projects that will receive allocations related to green, social and sustainability use of proceeds, based on adherence to the definition of eligible green and social projects in our framework. It also ensures that all eligible green and social projects selected are aligned with the Johnson Controls Enterprise Risk Management program since we fully integrate our climate risks and opportunities and our actions related to the same into our Enterprise Risk Management process. This provides a common framework and terminology to ensure consistency in the identification, reporting, analysis and management of key risks.

Following the issuance of an instrument under our sustainable finance framework, we intend to report annually (and, in the case of any sustainability-linked financing, in connection with relevant dates for assessing any potential pricing adjustments) on (1) the allocation of proceeds related to any green, social and sustainability use of proceeds, and (2) the progress toward the targets and objectives set forth in any sustainability-linked financing.

Also see the [Sustainable Finance](#) section of our website.



Sustainability at Johnson Controls

Sustainability strategy and commitments

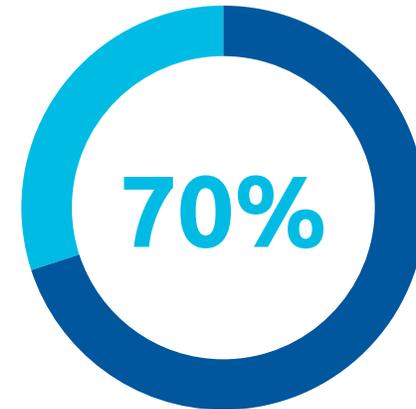
[2-23](#) | [2-28](#) | [3-1](#) | [3-2](#) | [3-3](#)

Ambitious vision. Impactful, measurable results.

As a global leader in smart, healthy, and sustainable buildings, sustainability has been a central focus of our operations for decades. Johnson Controls was among the earliest industrial companies to report emissions and pledge emission reductions and has made tremendous progress, reducing carbon emissions intensity by more than 70 percent since 2002.

We continue to take significant steps to further improve our environmental impact and have committed to achieving net zero Scope 1 and 2 carbon emissions by 2040 – ten years ahead of the goal set out in the Paris Climate Agreement. By 2030, we aim to cut our Scope 1 and 2 emissions by 55 percent and reduce Scope 3 emissions by 16 percent. These ambitious 2030 emissions reduction targets have been approved by the Science Based Targets initiative. These build on our 2025 sustainability strategy, which was adopted in 2018 based on our company footprint, sustainability materiality assessment and corporate strategic plan.

The Johnson Controls sustainability strategy and commitments have a measurable impact aligning to climate action, products and services, supply chain, employee and external engagement, and governance.



Reduced carbon emissions intensity by more than 70 percent since 2002.

Johnson Controls sustainability strategy and commitments

Achieve by

Climate

2021	2025	2030	2040
<p>Set science-based targets consistent with the Intergovernmental Panel on Climate Change scenarios: 1.5°C for Scope 1 and 2 emissions and well below 2°C for Scope 3 emissions</p> 	<ul style="list-style-type: none"> Reduce greenhouse gas emissions intensity and energy intensity by 25 percent  Reduce water use by 10 percent at water-stressed locations  25 percent of manufacturing locations landfill-free  	<ul style="list-style-type: none"> Reduce absolute Scope 1 and 2 emissions by 55 percent  Reduce absolute Scope 3 emissions by 16 percent  <p><i>Approved science-based targets by the Science-Based Targets initiative</i></p>	<p>Achieve net zero Scope 1 and 2 carbon emissions in alignment with The Climate Pledge</p> <p>Achieve 100 percent renewable electricity usage globally</p> 

Products and Services

2025	2025	2030
<p>Provide increasingly sustainable products and services. Integrate sustainable design for products and services identified as having the highest environmental and social impact</p> 	<p>Invest 75 percent of new product development R&D in climate-related innovation to develop sustainable products and services</p> 	<p>Double annual avoided emissions through customer use of Johnson Controls OpenBlue digitally enabled products and services</p> 

Supply Chain

2022	2025
<p>Weigh sustainability equal to other key metrics in supplier performance evaluations and provide a preference for suppliers with excellent sustainability ratings</p> <p>Create a supplier sustainability council and provide suppliers with training on sustainability best practices and OpenBlue digital tools to meet ambitious public sustainability goals</p> 	<p>Increase diverse supplier spend at a rate exceeding revenue growth</p> <p>Launch an initiative focused on underserved markets and increase the Johnson Controls spend with women and minority-owned businesses</p> 

Employee and External Engagement

Foster a culture of sustainability that engages and attracts people who want to make a difference



2025

Establish sustainability employee engagement groups globally

Volunteer 2.5 million hours and align 80 percent of volunteer activities with the UN Sustainable Development Goals

2025

25 percent reduction in recordable safety incidents



2025

Lead in global partnerships that significantly increase our sustainability impact

Leverage our impact through at least three global strategic sustainability partnerships

Launch an initiative to educate the next generation of diverse sustainable building industry leaders, in partnership with HBCUs



Governance

Demonstrate our commitment from the top and continue to integrate sustainability into company goals and decision-making

Ensure a robust sustainability governance process and implement new policies and practices to maintain leadership

Disclose climate-related financial risks



2021

Include sustainability and diversity goals in senior leaders' performance assessments, which are linked to executive compensation, to drive accountability



Science shows this is a critical time for climate action, and we need to move fast to avoid the worst impacts of climate change. We are not waiting until 2030 to achieve strong, absolute emission reductions, and hope others will do the same. We are dedicated to sustainability at Johnson Controls, and are proud to share our significant progress toward our ambitious strategy and commitments.

2021 progress

[2017 baseline]

2-24

Climate

2021

Set science-based targets consistent with the Intergovernmental Panel on Climate Change scenarios: 1.5°C for Scope 1 and 2 emissions and well below 2°C for Scope 3 emissions

In 2021, our Science Based Targets (SBTs) were approved by the Science Based Targets initiative. Our Scope 1 and 2 targets align with the ambitious Paris Agreement aim to limit global temperature to 1.5 degrees Celsius. Our SBTs establish commitments to reduce our Scope 1 and 2 emissions by 55 percent by 2030 against a 2017 baseline and reduce our Scope 3 emissions 16 percent over the same period. This includes further reducing our internal carbon emissions and providing sustainable product and service offerings.

2025

Reduce greenhouse gas emissions intensity and energy intensity by 25 percent

We exceeded our 2021 goals to reduce both greenhouse gas intensity and energy intensity. Greenhouse gas intensity is measured as total Scope 1 and 2 emissions divided by revenue. Energy intensity is total energy divided by revenue.

Since 2017, we have achieved a 41 percent reduction in greenhouse gas emissions intensity and a 15 percent reduction in energy intensity. Reductions in both categories were driven by focused efforts on facilities, refrigerants and our fleet.

See [Energy and emissions](#) in this report.

2030

Reduce absolute Scope 1 and 2 emissions by 55 percent

Our company has achieved a 38 percent reduction of Scope 1 and 2 emissions since 2017, reducing more than 415,000 metric tons of CO₂e to date.

In fiscal year 2021, we became the first S&P 500 industrial company to publish both an integrated sustainable finance framework and issue a Sustainability-Linked Bond. The interest rate on our Sustainability-Linked Bond is tied to reducing both our operational emissions and our customers' emissions. Through our Sustainability-Linked Bond, we are committing to interim targets of a 35 percent reduction of Scope 1 and 2 and a five percent reduction of Scope 3 by 2025.

2030

Reduce absolute Scope 3 emissions by 16 percent

In fiscal year 2021, we reduced Scope 3 emissions for use of sold products by 9.7 percent compared to fiscal year 2017. Our Scope 3 SBTi target is a 16 percent reduction by 2030, and relevant to category 11 products in use. The biggest contributor to our reduction in Scope 3 emissions in fiscal year 2021 was the sales of more energy-efficient chillers, as well as continued growth of renewable electricity.

2040

Achieve net zero Scope 1 and 2 carbon emissions in alignment with The Climate Pledge

We have launched our internal Net Zero Transition Plan for Scope 1 and 2, focused on emission reductions across our global facilities, including energy and refrigerant emissions and our global fleet. We are utilizing our Net Zero as a Service teams, including the full suite of OpenBlue solutions, to accelerate our transition to net zero.

2040

Achieve 100 percent renewable electricity usage globally

In 2021, we offset 100 percent of our greenhouse gas emissions from electricity from our manufacturing plants in the United States and our US corporate headquarters through the purchase of 209,000 MWh of renewable energy certificates.

We have four sites supplied with 100 percent renewable energy, located in Corropoli, Italy; Vacarisses, Spain; Subic, Philippines; and Enschede, The Netherlands. We are also growing our onsite renewables in several locations, including our corporate headquarters buildings in Glendale (USA) and Shanghai (China), Matamoros (Mexico), Puspokladany (Hungary), Neuruppin (Germany), Cologno (Italy), and Wuxi and Guangzhou (China). We entered into a green tariff in Wichita, Kansas, near our 1.3 million square foot HVAC manufacturing plant which, beginning the fiscal year 2021, was 100 percent powered by wind energy.

In 2022, we are making significant investments in renewable energy. Our projects entail onsite renewables and additionality of renewable energy. Our total investment could account for nearly 75 percent of all our US electricity usage.

2025

Reduce water use by 10 percent at water-stressed locations

We ensure we keep a current list of water-stressed locations and drive reductions in high-stress areas as well as across our entire global footprint.

In 2021, we updated our list of water-stressed locations in alignment with the latest data from the World Resources Institute's Aqueduct™ tool. Our year-over-year reduction is one percent at these locations, and we have targeted efforts to work with these sites to achieve the 10 percent reduction by 2025.

See [Water](#) section of this report.

2025

25 percent of manufacturing locations landfill-free

We are on track to meet our landfill-free goals. As of 2021, 19.5 percent of our manufacturing facilities are landfill-free. Our enterprise has 24 landfill-free facilities, 19 of which are manufacturing sites.



Products and services

Provide increasingly sustainable products and services. Integrate sustainable design for products and services identified as having the highest environmental and social impact.

We are committed to lowering emissions across the value chain. Our product offerings are designed to lower emissions, including the transition to electrification, low-global warming potential (GWP) refrigerants, and digital offerings to monitor and optimize the energy, emissions, and water usage.

Our suite of digital tools includes Metasys, Central Utility Plant, and OpenBlue Enterprise Manager. All these systems are designed to optimize the usage of energy and water in offices, utility plants, and manufacturing facilities. Through OpenBlue and smart metering, our customers can manage energy and water usage across a global network of facilities.

We offer alternative refrigerants across all chiller platforms, with GWP reductions ranging from 56 to more than 99 percent compared to conventional refrigerants. For example, our award-winning YZ chiller achieves a 99 percent reduction in refrigerant GWP, while also boasting up to a 35 percent reduction in energy consumption and 60 percent reduction in refrigerant charge when compared to conventional chillers. In 2021, we announced that our ducted systems product portfolio will use a new refrigerant with a 78 percent reduction in GWP by 2025.

We believe we offer the most comprehensive range of heat pumps and refrigeration equipment across residential, commercial and industrial buildings, enabling solutions with the lowest total life cycle greenhouse gas emissions for any application. Heat pumps are so efficient that they produce around three units of heating and cooling energy output for every one unit of energy input.

Invest 75 percent of new product development R&D in climate-related innovation to develop sustainable products and services

In fiscal year 2021, 78 percent of new product research and development was invested in climate-related innovation to develop sustainable products and services. Innovations include reduction of emissions across Scope 1, 2 and 3, reduction of material usage, and improved life cycle management.

2030

Double annual avoided emissions through customer use of Johnson Controls OpenBlue digitally enabled products and services

Emission reductions from our company and our customers will be driven by Johnson Controls state-of-the-art equipment that leads the market in efficiency, magnified by OpenBlue technologies and innovations. These solutions leverage big data and artificial intelligence to optimize building sustainability and deliver significant improvement in energy efficiency and corresponding carbon emissions.

In July 2021, we launched OpenBlue Net Zero Buildings as a Service, a turnkey solution to deliver decarbonization outcomes for our customers' building asset portfolios. OpenBlue Net Zero Buildings as a Service leverages our suite of building technology applications with sustainability innovations to track and analyze greenhouse gas emissions. This enables us to assist our customers on their journey to net zero by delivering outcome and risk management solutions to achieve decarbonization goals. See "[Delivering sustainability to our customers](#)" in this report.

Since January 2000, performance contracting projects have generated more than 35.2 million metric tons CO₂e through energy savings over the project term. The projects actively under management are set to save more than \$7.2 billion through energy and operational savings.

Supply Chain

Weigh sustainability equal to other key metrics in supplier performance evaluations and provide a preference for suppliers with excellent sustainability ratings. Create a supplier sustainability council with cohorts of suppliers, and their tier-one suppliers, and provide suppliers with training on sustainability best practices and OpenBlue digital tools to meet ambitious public sustainability goals.

In 2021, we doubled the weight the Sustainability Rating has on supplier scorecards. Now, sustainability is equal to cost, quality and delivery in supplier performance evaluations.

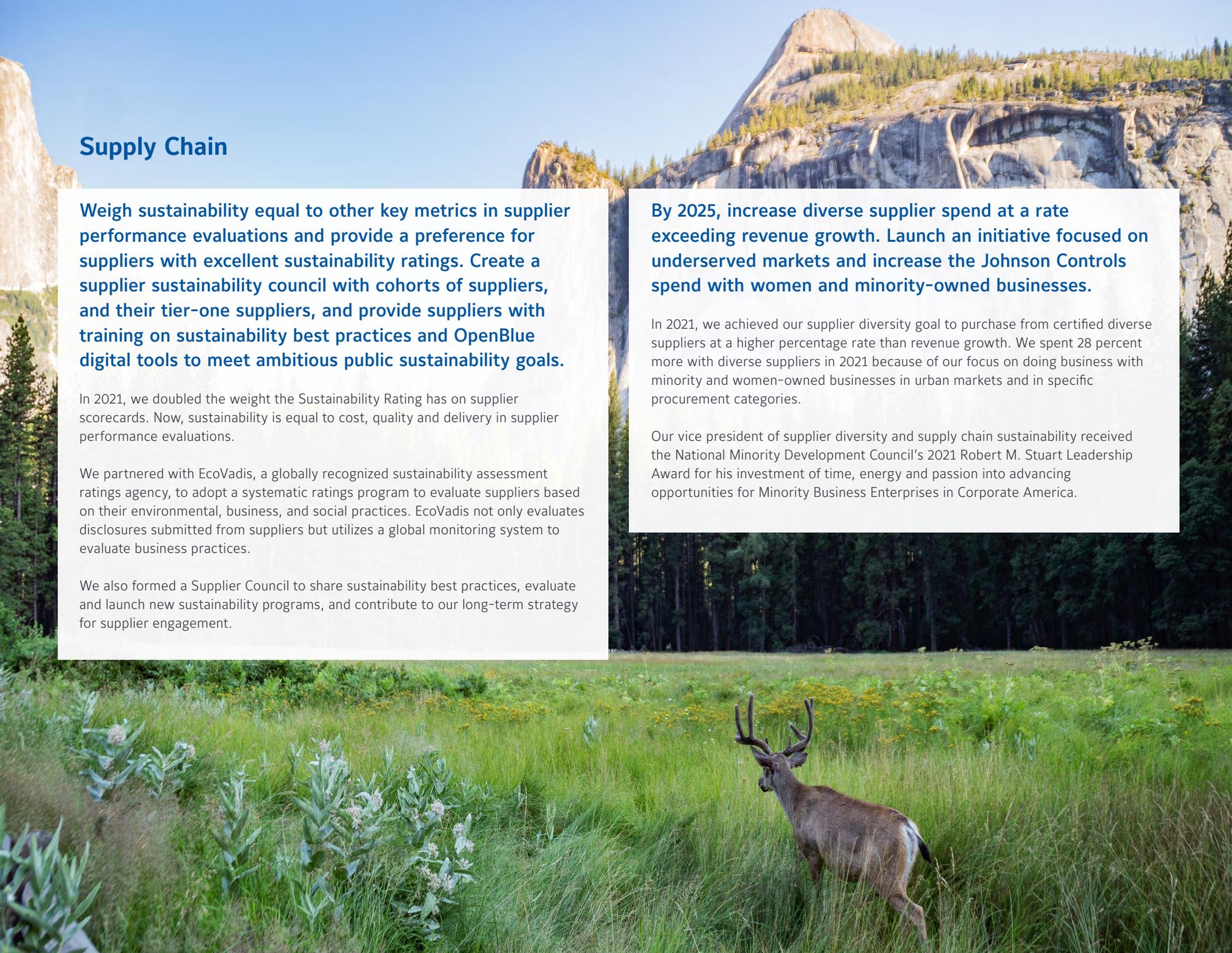
We partnered with EcoVadis, a globally recognized sustainability assessment ratings agency, to adopt a systematic ratings program to evaluate suppliers based on their environmental, business, and social practices. EcoVadis not only evaluates disclosures submitted from suppliers but utilizes a global monitoring system to evaluate business practices.

We also formed a Supplier Council to share sustainability best practices, evaluate and launch new sustainability programs, and contribute to our long-term strategy for supplier engagement.

By 2025, increase diverse supplier spend at a rate exceeding revenue growth. Launch an initiative focused on underserved markets and increase the Johnson Controls spend with women and minority-owned businesses.

In 2021, we achieved our supplier diversity goal to purchase from certified diverse suppliers at a higher percentage rate than revenue growth. We spent 28 percent more with diverse suppliers in 2021 because of our focus on doing business with minority and women-owned businesses in urban markets and in specific procurement categories.

Our vice president of supplier diversity and supply chain sustainability received the National Minority Development Council's 2021 Robert M. Stuart Leadership Award for his investment of time, energy and passion into advancing opportunities for Minority Business Enterprises in Corporate America.



Employee and External Engagement

Foster a culture of sustainability that engages and attracts people who want to make a difference

Every employee is empowered to engage in our culture of inclusion. We are creating an environment where the voices of our colleagues are heard, contributions to our business success are recognized and rewarded, and differences are valued. See the [Diversity and Inclusion](#) section of this report.

Johnson Controls Mexico achieved gold level, the highest level, in the Mexican Standard on Job Equality and Non-Discrimination. Johnson Controls is one of only two multinational corporations to be awarded the gold level at multiple sites. This certification was issued by Factual Services with the endorsement of the Mexican Federal Secretary of Labor.

In furtherance of our robust diversity and inclusion initiatives, we have elected to publish our EEO-1 report with information regarding the makeup of our workforce because, while it is impossible to capture the diversity of backgrounds and thought in a single chart, we want to be transparent about our diversity. View our [EEO-1 report](#).

2025 Volunteer 2.5 million hours. Align 80 percent of volunteer activities with UN Sustainable Development Goals

Since 2003, our employees have volunteered more than 1.8 million hours in local communities. More than 83 percent of our volunteering and philanthropy efforts align with UN Sustainable Development Goals. In fiscal year 2021, our corporate philanthropy efforts resulted in contributions of more than \$12 million. In addition, our employees gave in excess of \$2.6 million.

At Johnson Controls, we lead with a strategic approach to philanthropy and volunteerism, building communities that are safe, smart and sustainable. In 2021, we launched the Community College Partnership Program, investing in the technicians of tomorrow. We are investing \$15 million over five years to help expand community college associate degree and certificate programs in HVAC, fire and security, and digital building automation systems across the United States.

Throughout the next three years, we intend to invest \$2 million in Urban League programs. As part of the Johnson Controls Foundation's strategic plan to foster impactful relationships and support social equity, our partnership with this century-old organization reinforces our commitment to economic empowerment, equality and social justice. Both programs not only invest in our communities, but also build the workforce and technical skills needed to enable the future of decarbonized buildings. "Johnson Controls has been a strong champion for underrepresented communities in Milwaukee and an outspoken voice on racial justice and education," Milwaukee Urban League President and CEO, Dr. Eve M. Hall said. See [Community involvement](#) section of this report.

2025 Establish sustainability employee engagement groups globally

Our nine Business Resource Groups (BRGs) provide employees with the opportunities to engage, advocate and develop, both personally and professionally. In 2020, our company re-launched the Business Resource Group structure with active support and ongoing engagement from our executive team. We are pleased to report a growth of more than 300 percent in our BRG membership in the fiscal year 2021 across 39 chapters around the globe.

The Global Sustainability Network (GSN), our sustainability-focused Business Resource Group, grew by more than 400 percent in the fiscal year 2021 and has members in 42 countries from all regions of the world. The GSN drives local employee engagement in environmental and social projects. **This Sustainability Report features photos from employees around the world who participated in the 2021 Earth Month Nature Photography contest.**

2025

25 percent reduction in recordable safety incidents

As of the end of 2021, we have reduced recordable safety incident rate by 33 percent from a 2017 baseline, exceeding not only our 2021 goal, but also the 2025 goal. We are firmly committed to continue our Zero Harm vision worldwide. In addition, in response to COVID-19, we created additional Zero Harm processes, tools and solutions to support our employees and sites through the pandemic.

2025

Lead in global partnerships that significantly increase our sustainability impact. Leverage our impact through at least three global strategic sustainability partnerships by 2025.

We align with the United Nations Sustainable Development Goal 7 – Affordable and Clean Energy. We published our UN Energy Compact and became a signatory to the 24/7 Carbon-Free Energy Compact in partnership with Sustainable Energy for All and UN Energy. This is a new global effort to develop and scale technologies, energy policies, procurement practices and solutions to transform the broader energy system and enable rapid, cost-effective carbon-free energy.

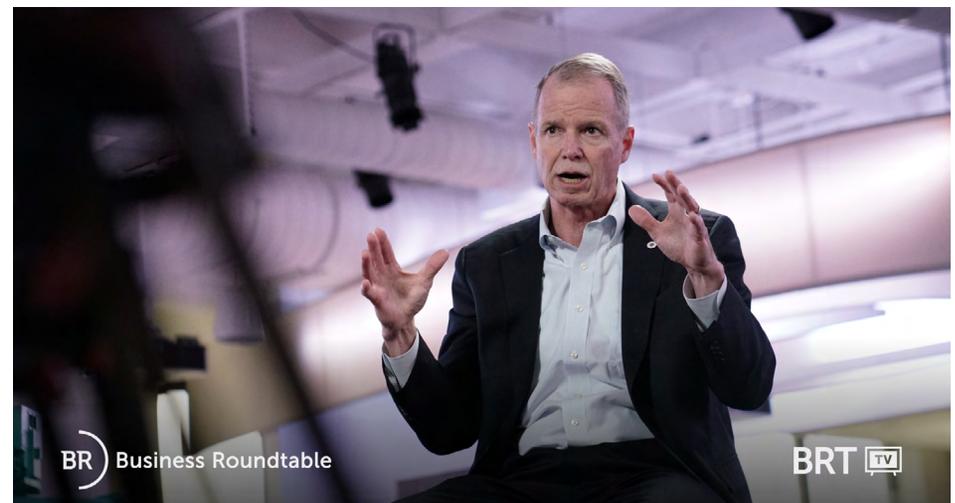
Johnson Controls is also counted among the founding partners of the First Movers Coalition (FMC), an initiative led by US special envoy for climate John Kerry and the leadership of the World Economic Forum. The focus is on decarbonizing hard-to-decarbonize sectors, and we hope that we can provide helpful perspective as a manufacturer of equipment made from steel and other metals to the important work of the FMC. Applying circular economy principles will generate a cycle of lower carbon, lower energy, and smarter manufacturing across the value chain. We will build on our current practices of reusing and sourcing recycled metals to drive towards sourcing near net zero carbon steel by 2030.

We were the first US company to sign up to the EP100 energy efficiency commitment. We are leading by example on efficient cooling across our own operations and are joining businesses around the world who have challenged

themselves to cool their operations in the most energy-efficient ways possible. This is being accomplished through a new initiative launched in September 2019 by the international nonprofit The Climate Group, in partnership with the Alliance to Save Energy.

We were one of the first six industry partners to participate in the Cold Climate Heat Pump Technology Challenge of the US Department of Energy. This initiative aims to reduce the carbon footprint of cold climate heating solutions. They will do this by building upon recent industry advancements to accelerate the market's shift to cleaner, more efficient cold climate heat pumps for consumers, as well as helping people to reach the goal of a net zero carbon economy. Our leadership has been recognized by the DOE and we were honored to be the only HVAC company invited to share a virtual podium with the Secretary of Energy in a forum to encourage understanding and adoption of heat pumps.

At COP26, as Chair of the Energy and Environment Committee of the Business Roundtable Energy and Environment Committee, George Oliver led an initiative to align CEOs around the world. The result was a statement signed by business organizations spanning three continents urging climate action. Oliver led a panel of CEOs at the US Pavilion at COP26 presenting the statement and supporting negotiations to reach important climate agreements.





Governance

Demonstrate our commitment from the top and continue to integrate sustainability into company goals and decision-making. Ensure a robust sustainability governance process. Implement new policies and practices to maintain leadership.

Our commitment and governance process starts at the top with our board of directors and CEO. We created a Governance and Sustainability Committee that receives quarterly progress briefings on ESG programs and goals, sustainability management, sustainability risks, sustainability trends, and environmental health and safety.

The authority for day-to-day management of economic, environmental and social topics is delegated to the Executive Committee, which comprises the senior executives responsible for all our major corporate functions, including our Vice President, Chief Sustainability and External Relations Officer and our Chief Human Resources Officer. The Executive Committee reviews, approves and monitors our sustainability goals and commitments.

The Sustainability Leadership Committee (SLC) is chaired by our Vice President and Chief Sustainability and External Relations Officer and reports to the Executive Committee and our board of directors. Its members consist of senior leaders across our businesses, functions and regions. The SLC is charged with ensuring we are leaders across all measures of sustainability, embedding sustainability into our culture and operations across the enterprise, building sustainability metrics into our products and services, as well as employee performance goals and launching working groups to address specific sustainability-related topics.

Our CEO and Executive Committee members have sustainability and diversity goals embedded into their performance goals. Integrating sustainability into the goals of our executive team and linking them to compensation ensures sustainability is embedded into our products, services and culture.

Disclose climate-related financial risks

We disclose our climate-related financial risks consistent with guidance from the Task Force on Climate-Related Financial Disclosures in the [CDP Climate Change disclosure](#). Our senior leadership completed a climate-related risk and opportunity scenario analysis consistent with TCFD guidance, and we use that analysis to identify the most critical climate-related risks and opportunities and to develop management strategies for mitigating risks and capitalizing on opportunities. For example, our most recent risks and opportunities analysis clearly showed a financial upside in the development of products and services that exceed relevant regulations. As a result, we decided to put at least 75 percent of our annual research and development budget toward climate-friendly solutions, and we have undertaken an effort to develop a qualitative assessment of environmental risks and opportunities that will inform future capital investments.

Include sustainability and diversity goals in senior leaders' performance assessments, which are linked to executive compensation to drive accountability

Sustainability and diversity performance goals are required for the top leaders of our company, including our CEO and executive team. These goals are included as part of the individual performance goals of +10/-25 percent used to modify executive compensation.

For 2022, more than 13,000 employees tied their annual goals to sustainability and diversity.



Stakeholder engagement

Leading in supplier sustainability

[2-6](#) | [2-29](#) | [204](#) | [308](#) | [414](#)

Sustainability is now equal to cost, quality and delivery in supplier performance evaluations. In 2021, we doubled the weight the Sustainability Rating has on supplier scorecards.

Our Sustainability Rating includes waste reduction, energy use, water consumption and diverse business involvement. It is now weighted at 21 percent of preferred suppliers' global scorecards, making sustainability equal in weight to cost, quality and delivery.

We partnered with EcoVadis, a globally recognized sustainability assessment firm, to launch our supplier council, share sustainability best practices, and train procurement teams on supplier sustainability. This approach increased procurement team engagement regarding sustainability issues, uncovered opportunities to enhance sustainability in several procurement categories, and helped us identify and address root causes of poor supply chain sustainability performance.

We are proud to have been honored by CDP as a Supplier Engagement Leader and to have received the EcoVadis Gold Sustainability Rating for the third year in a row.

In addition, we spent 28 percent more with diverse suppliers in 2021 because of our focus on doing business with minority and women-owned businesses in urban markets and in specific procurement categories.

We employ a proprietary supplier questionnaire, called the Johnson Controls Sustainability Supplier Rating, to assess our suppliers' sustainability programs. The online survey is administered to key suppliers annually. It was first released in January 2010 and is available on the Johnson Controls website.

The survey contains questions related to human rights, working conditions, employee safety, energy management, carbon footprint, waste management, local and diversity sourcing, and overall environmental impact. It also asks if the supplier is publicly reporting data, such as its greenhouse gas emissions, and specifically asks if the supplier is disclosing its carbon emissions to the CDP global disclosure system. In addition to this survey, on-site reviews of supplier operations may also occur as needed.

"EcoVadis has a dedicated person working with Johnson Controls to train their procurement teams in supply chain sustainability. In addition, EcoVadis provides data validation and ESG ratings of key Johnson Controls suppliers via our global platform.

Johnson Controls and EcoVadis are working together to drive improvements in supply chain sustainability which contribute to other overall ESG initiatives."

EcoVadis | Business
Sustainability Ratings



Our leaders on climate action

In April 2021, George Oliver was the sole industrial company CEO to join President Joe Biden and other world leaders for the president's virtual Leaders Summit on Climate.

He also testified in front of the US Senate Budget Committee at a hearing on climate change in April. Senator Sheldon Whitehouse said of the hearing: "This is one of the most impressive panels of witnesses ever gathered on climate change in the US Congress."

"Mr. President,
we are ready to
get to work."

Chairman and CEO George Oliver at
the 2021 Leaders Summit on Climate



At Johnson Controls, we have a special and unique responsibility to be a part of tackling climate change, given almost 40 percent of global CO₂ emissions come from buildings. Technology and partnerships are some of the key, eco-friendly ways to decarbonize buildings that benefit both businesses and the planet.

Hear George Oliver, chairman and chief executive officer, discuss the impact of climate change and the urgent need to do our part in this episode of the Business Roundtable TV.

Businesses across the globe are committing to measurable climate action - but what exactly are they doing, and why? In collaboration with TED Countdown and The Climate Pledge, Katie McGinty, Vice President and Chief Sustainability and External Relations Officer, discusses the key role buildings play in net zero strategies and driving sustainability.



[Click here to play video](#)



[Click here to play video](#)

First Movers Coalition

Committing to sourcing 10 percent near net zero carbon steel

At COP26 in Glasgow in November 2021, Johnson Controls became one of the founding partners of the First Movers Coalition, an initiative led by US special envoy for climate John Kerry and the leadership of the World Economic Forum. The focus is on decarbonizing hard-to-abate sectors, and working with the value chain, our suppliers and customers to lower the embodied carbon in building materials and building services. We are already working with our steel suppliers and understanding their environmental product declarations (EPDs) as we set targets to deliver low-carbon steel to the industry. Applying circular economy principles will generate a cycle of lower carbon, lower energy, and smarter manufacturing across the value chain. We will build on our current practices of reusing and sourcing recycled metals to drive towards sourcing near net zero carbon steel by 2030.

Cold Climate Heat Pump Technology Challenge

One of the first six industry partners

Johnson Controls is one of the first six industry partners to participate in the US Department of Energy's Cold Climate Heat Pump Technology Challenge, an initiative to develop affordable and efficient heat pumps for any building owner in any climate. It aims to accelerate the market's shift to cleaner, more efficient cold climate heat pumps for consumers and help reach the goal of a net zero economy.

The Climate Pledge

Committing to reaching net zero carbon emissions by 2040

Johnson Controls signed The Climate Pledge, a commitment co-founded by Amazon and Global Optimism. Signatories of the Pledge commit to reaching net zero Scope 1 and 2 carbon emissions by 2040, ten years ahead of the goal set out in the United Nations' Paris Climate Agreement.

[2-23](#) | [2-29](#) | [3-1](#)

Voluntary Corporate Commitments	Date Adopted
UN Global Compact	2004
Climate Group EP100	2015
Responsible Corporate Engagement in Climate Policy	2015
American Business Act on Climate Pledge	2015
"We Are All In" pledge	2017
Commitment to adopt Science-Based Targets	2018
Three Percent Club	2019
High-Level Commission on Carbon Pricing and Competitiveness	2019
Statement on the Purpose of a Corporation	2019
Science-Based Targets (set in 2020; approved in 2021)	2020
The Climate Pledge	2021
First Movers Coalition	2021
24/7 Carbon Free Energy Compact	2021
Better Climate Challenge	2022

West Virginia v EPA - amicus brief

Johnson Controls signed an amicus brief in a case regarding the US Environmental Protection Agency's (EPA) authority to regulate greenhouse gases under the Clean Air Act.

The brief makes two key points:

- Companies are committed to mitigating climate change by expanding their use of clean energy
- The EPA's authority to regulate greenhouse gas emissions is critical in the fight against climate change

24/7 Carbon-Free Energy Compact

We align with the United Nations Sustainable Development Goal 7 – Affordable and Clean Energy. We published our UN Energy Compact and became a signatory to the 24/7 Carbon-Free Energy Compact in partnership with Sustainable Energy for All and UN Energy. This is a new global effort to develop and scale technologies, energy policies, procurement practices and solutions to transform the broader energy system and enable rapid, cost-effective carbon-free energy.

Business Roundtable Energy and Environment Committee

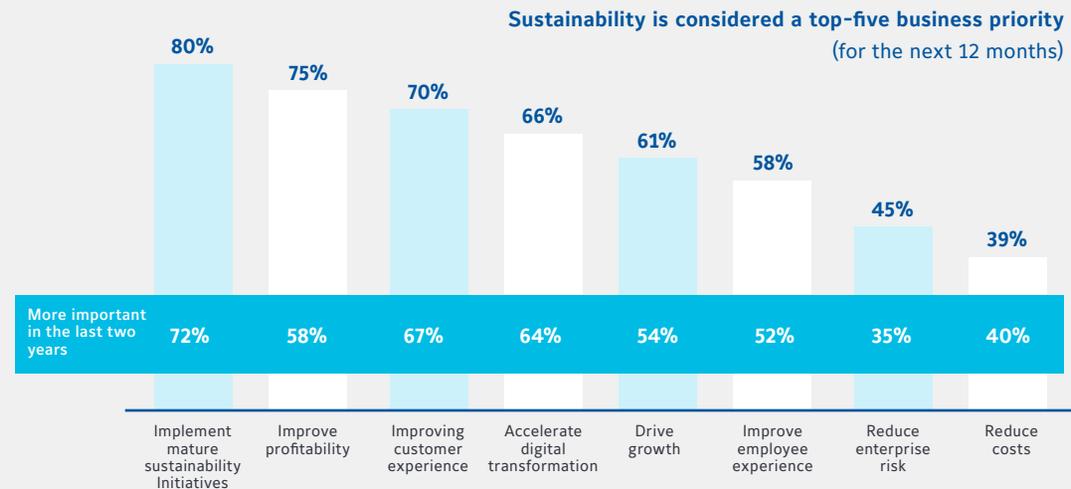
Our CEO George Oliver is on the board of the Business Roundtable (BRT), an association of chief executive officers of America’s leading companies, and chairs their Energy & Environment Committee. Through research and advocacy, Business Roundtable supports policies to spur job creation, improve US competitiveness and strengthen the economy. Its Energy and Environment Committee is dedicated to advancing policies that encourage innovation and support an environmentally and economically sustainable future. The Business Roundtable believes that, to avoid the worst impacts of climate change, the world must work together to limit the global temperature rise consistent with the Paris Agreement and strongly advocates for policies that align with these goals.

Stakeholder engagement in collaboration with Forrester Consulting

In 2021, Johnson Controls commissioned a study in collaboration with Forrester Consulting that surveyed more than 2,300 senior sustainability leaders in 25 countries. The global study assessed how companies are pursuing their sustainability goals and illustrated that it is a top business priority for companies.

Key learnings include:

1. Sustainability maturity delivers competitive advantage



2. Incremental progress delivers exponential results
3. Achieving decarbonization requires a strategic plan and strong leadership

Download the full study results here: [forresterstudy \(johnsoncontrols.com\)](https://forresterstudy.johnsoncontrols.com)



Materiality

[2-29](#) | [3-1](#) [3-2](#) | [3-3](#)

Every two years, we complete a Sustainability Materiality Assessment. During this process, we engage our business leaders, employees, key suppliers, some top customers, highly regarded NGOs, and industry groups with expertise in sustainability, labor groups, and the trade press. We also consult academic leaders who are knowledgeable about our business to ensure cross-functional and global representation.

The process helps Johnson Controls assess the environmental, social and governance topics that are priorities for our employees, customers, supply chain participants and nonprofit stakeholders.

The ESG Material Topics of greatest importance to Johnson Controls and our stakeholders are:

- Ethics and compliance
- Employee health and safety
- Product quality and safety

- Innovation
- Energy-efficient products
- Human rights
- Cybersecurity
- Energy and environment laws and regulations
- Waste and hazardous materials management
- Climate policy and engagement leadership
- Sustainable products and services

We use this feedback to help us identify priority sustainability issues, inform our sustainability strategy, ensure we report on the issues of greatest interest, and integrate this stakeholder feedback into our Enterprise Risk Management process. Ensuring that we focus on the most important topics, we also have determined to report to GRI Standards: Comprehensive Guidelines, and thus include the following in our sustainability reporting:

2021 Reporting Topics

Economic performance	Energy	Occupational health and safety	Rights of indigenous people
Market presence	Water and effluents	Training and education	Local communities
Indirect economic impacts	Biodiversity	Diversity and equal opportunity	Supplier social assessment
Procurement practices	Emissions	Non-discrimination	Public policy
Anti-corruption	Waste	Freedom of association and collective bargaining	Customer health and safety
Anti-competitive behavior	Supplier environmental assessment	Child labor	Marketing and labeling
Tax	Employment	Forced or compulsory labor	Customer privacy
Materials	Labor/management relations	Security practices	

Boundary for all topics: Business operations that were at least 51 percent under Johnson Controls operating control and financially consolidated during the reporting year.



Opportunities and risks due to climate change

[201-2](#)

Please see our [CDP Climate Change questionnaire 2021](#) for a detailed analysis of Johnson Controls risks and opportunities related to climate change.

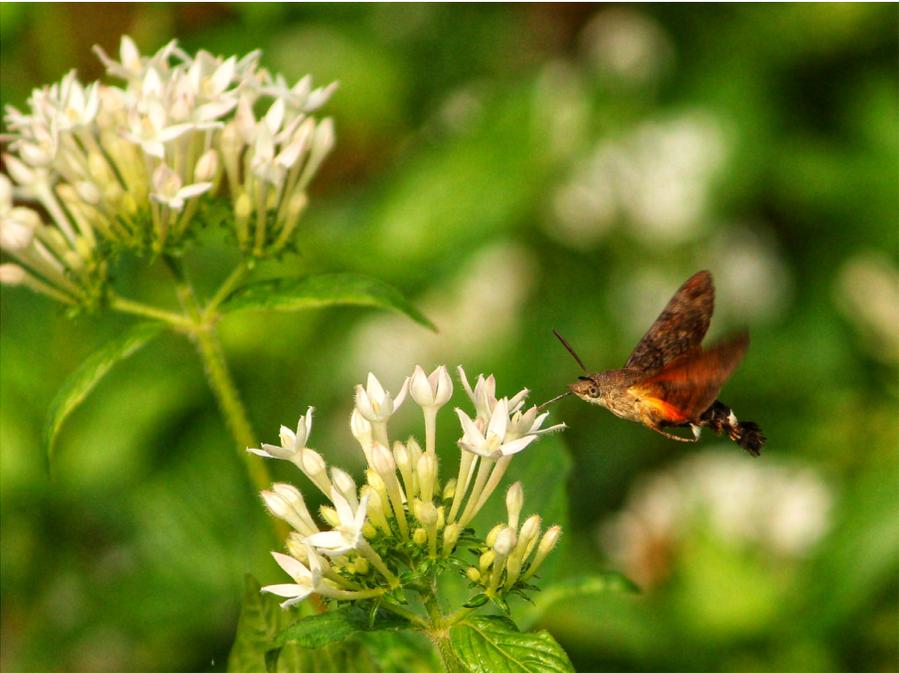
In fiscal year 2020, senior leadership completed a climate-related risk and opportunity scenario analysis, consistent with guidance from the Task Force on Climate-Related Financial Disclosures. We used the analysis to identify the most critical climate-related risks and opportunities and to develop management strategies for mitigating risks and capitalizing on opportunities.

We identified five climate-related risks:

- [Emerging regulation](#)
- [Innovation of solutions that reduce our customers' greenhouse gas emissions](#)
- [Raw material costs](#)
- [Extreme weather events](#)
- [Water stress](#)

And three climate-related opportunities:

- [Use of lower-emission sources of energy](#)
- [Revenue from solutions that directly address building efficiency and decarbonization](#)
- [Revenue from technologies that support building resilience](#)



Improving our operational footprint

Energy and emissions

3-3 | 302 | 305

Johnson Controls has always been a company that drives energy efficiency, both internally and for our customers.

We are firmly committed and ready to lead the charge to a lower-carbon economy and address climate change. Since January 2000, we have helped our customers save more than 35.2 million metric tons CO₂e, and projects are set to save more than \$7.2 billion through energy and operational savings over the project term.

As a smart buildings solutions leader, we are committed to achieving net zero carbon emissions for Scope 1 and 2 emissions and 100 percent renewable electricity usage globally before 2040. By 2030, we are committed to reducing Scope 1 and 2 emissions by more than half (55 percent) and Scope 3 emissions by 16 percent from a 2017 baseline.

To achieve our commitments of reduction in both energy and emissions, we are committed to improving environmental performance across all categories of Scope 1 and 2.

The three primary contributors of Scope 1 and 2 emissions come from our facilities, fugitive refrigerants, and fleet. We measure emissions monthly, applying continuous improvement across all categories throughout the year. We have cross-functional project teams focused in each area to develop our low-carbon transition strategies. As noted, for 10 years Johnson Controls has had third-party verification of its environmental metrics and progress against targets.

\$7.2 billion
energy and operational savings

Net zero
for Scope 1
and 2 emissions
before 2040



2030
emissions reduction
for Scope 1 and 2



emissions reduction
for Scope 3



Manufacturing plants and facilities

Our Global Manufacturing and Operations Council established the Johnson Controls Manufacturing System (JCMS), a maturity matrix covering all aspects of our manufacturing and operations.

JCMS defines progressive levels of maturity in environmental and sustainability management, goals and practices. It also provides a framework for continuous improvement in operational management, including the pillar of Environment and Sustainability.

We have implemented an [Energy Hunt Program](#) across our manufacturing facilities globally. Energy Champions in each plant lead a cross-functional Energy Hunt team in continuous improvement activities that result in annual energy intensity improvements. This program drives culture change and helps our plants identify energy savings opportunities by evaluating measures that include HVAC temperature scheduling, lighting, supply and demand of compressed air, building envelope, and employee energy awareness and engagement.

The Energy Hunt program has yielded significant benefits for Johnson Controls. Since 2011, 1,427 low- or no-cost projects resulted in energy and operational savings of more than \$35.6 million. We monitor projects using our Continuous Improvement Track system. We implemented initiatives to improve the energy efficiency of manufacturing operations and processes, and to certify our manufacturing plants to ISO14001, ISO50001, and other relevant standards.

To accelerate our net-zero transition, we are assessing our facilities globally for deep retrofits, going beyond the standard Energy Hunt measures to uncover decarbonization opportunities. Our best-in-class Sustainability as a Service teams are turning their skills internally to put Johnson Controls on a path to net zero. The first phase is targeting our eight of our largest-emitting plants in the United States, with plans to expand net zero assessment and retrofit in Asia Pacific. This work is exemplified at our plant in Norman, Oklahoma. The plant will receive the latest OpenBlue technologies, a new chiller plant, highly efficient smart transformers, EV charging, and solar carports.

Refrigerant reduction

Our manufacturing sites actively look to reduce all forms of refrigerant loss through site-specific, multi-disciplinary management teams. These meet on a regular basis with a continued focus on company-level goal setting; education and awareness; optimizing our current management of processes, standards, and protocols; and investment, implementation and sharing of best management practices, including leak detection programs, digitization, and monitoring technology, to effectively manage this important resource.

In 2021, through the implementation of a kaizen focused on refrigerant loss reduction, Johnson Controls reduced the carbon footprint of refrigerant loss in our operations by 31 percent over the prior year.

Fleet emissions

Around a quarter of our greenhouse gas emissions come from our vehicle fleet. In fiscal year 2021, we reduced vehicle emissions by 19 percent from a 2017 baseline.

We have a specific vehicle emissions reduction workgroup to analyze emissions data and ensure we achieve reductions throughout our fleet. We annually analyze our transportation supply chain to improve cost structure and reduce energy use. Over time, we are systematically changing our fleet vehicles, utilizing higher fuel economy and electric vehicles where appropriate. We also optimize our logistics and our packaging to decrease weight and increase load factors.

Johnson Controls has implemented several fuel consumption and greenhouse gas reduction strategies. Our strategies include the use of vans and trucks with higher miles per gallon economy, telematics, and implementing a policy that prohibits speeding and encourages fuel-efficient driving techniques. We also collaborate with our suppliers to decrease environmental impact from transportation by participating in the US Environmental Protection Agency's SmartWay program and encourage our leased truckers to also participate.

We have vehicle emissions reduction work happening globally, including:

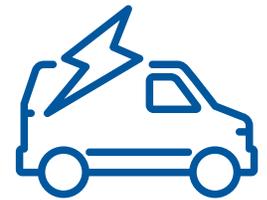
100 percent electric fleet in Uruguay

As part of our global response to mitigate emissions, our Uruguay Subscriber Business kicked off the project to renew their response and service fleets with electric vehicles. They targeted the transition of the response fleet to 100 percent electric vehicles before the end of fiscal year 2022 and the service units by the second quarter of 2023, setting the pace to a more sustainable business model in the country.



North America

An electric vehicle pilot is being conducted at select locations in North America to inform our overall strategy on electric vehicle use in our North American fleet. Teams are piloting electric vehicles and determining a charging solution that works for our take-home business model. As we are committed to emissions reductions now, we are also researching hybrid vehicle options as a steppingstone. We continue to add lower emissions cars and vans into our fleet as we look to the future of converting to electric vehicles.



Europe

Electric vehicles have been available as an option to company car drivers in Europe since October 2020, and our drivers across Europe are choosing both electric and plug-in hybrid electric vehicles. Within the van or service vehicle fleet, we will soon be piloting electric vehicles, and are currently using Mild Hybrid Electric Vehicles wherever possible. Within Europe, electric vehicles now represent about five percent of our fleet with planned significant growth.



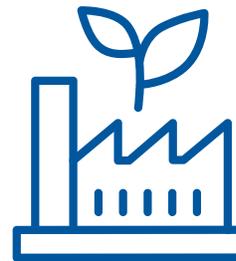
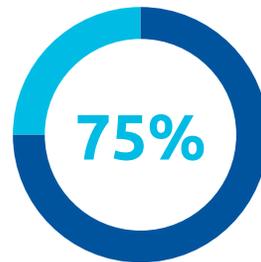
Renewable energy

We continuously seek cost-competitive, lower-carbon purchased electricity and other energy sources. We voluntarily purchase Green-e certified Renewable Energy Credits (RECs) and make sure they are considered in addition to the green power that may already be offered in the standard electricity mix.

We have four sites supplied with 100 percent renewable energy located in Corropoli, Italy; Vacarisses, Spain; Subic, Philippines; and Enschede, The Netherlands. We are also growing our onsite renewables in several locations, including our corporate headquarters buildings in Glendale (USA) and Shanghai (China), Matamoros (Mexico), Puspokladany (Hungary), Neuruppin (Germany), Cologno (Italy), and Wuxi and Guangzhou (China). Our Johnson Controls corporate headquarters building in Glendale, Wisconsin is LEED Platinum certified and has on-site solar generation, which directly supplies a proportion of the site's electricity needs for electricity, offsetting our electricity consumption from the standard utility supply.

In fiscal year 2021 we offset 100 percent of our greenhouse gas emissions from our manufacturing plants in the United States and our US corporate headquarters through the purchase of 209,000 MWh of renewable energy certificates. We also have on-site renewable energy in some of our locations, including our corporate headquarters buildings in Glendale and Shanghai and to our Matamoros site.

In 2022, we are making significant investments in renewable energy. With onsite renewables, green tariffs, and renewable energy resources projects, our total investment will account for nearly 75 percent of all our US electricity usage.



We entered into a green tariff in Wichita, Kansas, near our 1.3 million square foot HVAC manufacturing plant which, beginning the fiscal year 2021, was 100 percent powered by wind energy. The Johnson Controls Wichita plant receives its wind energy from Soldier Creek Wind Farm, a 300-megawatt wind farm in Nemaha County, Kansas. The projected energy cost savings from the wind power agreement are approximately \$2.7 million over the life of the 20-year contract – the equivalent of taking 100,000 passenger vehicles off the road.

In addition, Johnson Controls will install improved capacitor banks to more efficiently consume the plant's wind energy. This will lower the plant's energy consumption by nearly five percent, totaling additional energy savings of \$3 million over the next 20 years.

**Energy savings of
\$3 million
over the next 20 years.**





Water and effluents

3-3 | 303

Since 2018, Johnson Controls has implemented projects globally to reduce water consumption and promote recycling and reuse processes, further enhancing circular processes throughout our global network of facilities. The recycling processes also enable the proper discharge of water through wastewater treatment processes to prevent discharge to the natural, freshwater environment.

We aim to reduce water consumption by 10 percent at our water-stressed facilities by 2025. We measure consumption from facilities in our operational control of our manufacturing and office buildings, detect and repair water leaks, recalibrate flow meters, and deploy water-saving technologies.

In 2021, Johnson Controls initiated a focused effort on water reduction. Our manufacturing facility in Taoyuan implemented a process for water reuse and recycling. Each week the fire system runs for 30 minutes. Previously, the water ran through the typical rainwater downpipe and fully discharged from the facility. The team installed a water storage tank so the water can be fully recycled and used for watering flowers and for toilets.

Also in 2021, we updated our water-stressed locations in alignment with the WRI Aqueduct 3.0. Twelve locations previously identified as water stressed were removed and 17 locations were added. This completes our total list of 23 water-stressed locations, including facilities in Mexico, India, Brazil, Thailand, and Arizona in the United States.

We are in the process of overlaying the WWF Water Risk Factor tool for an assessment of the risk level at each location. Starting with our facilities in Mexico, our Environmental and Health and Safety engineers have started a detailed process utilizing kaizen to implement solutions that reduce total consumption.

In March 2022, our team launched a focused, global effort to reduce water consumption at our updated list of water-stressed locations globally. Starting with our facilities in Mexico, the team is designing a global program for water reduction, reuse, and recycling with best practices implemented in each of our water-stressed locations. This systematic approach to water conservation will be added to our Johnson Controls Manufacturing System (JCMS) for application throughout our global facility network.

Our approach to the siting and management of all our facilities remains consistent with our commitments as a signatory to the United Nations Global Compact, our Code of Ethics, our environmental, health and safety standards, and all applicable laws and regulations.

In addition, we use innovative water reclamation technologies at several of our facilities, including all three of our corporate headquarters buildings - in Glendale, Wisconsin; Cork, Ireland; and Shanghai, China - which are LEED certified. Our Glendale facility has a 30,000-gallon rooftop cistern to capture rainwater for re-use in water closets and urinals.

Water efficiency is a focus for our customers in the consumer product goods and chemicals industries, given the water-intensive products and manufacturing processes. Our focus is to reduce water consumption with heat pump technology, leveraging wastewater systems as a primary source of energy. An example of our work is with a large, global beverage producer. With the installation of two heat pumps, the manufacturing facility saved 70,600 tons of water annually.

One of the ways we accomplish these goals for customers is by offering an innovative financing model that allows customers to pay for water infrastructure improvements over time, without upfront investment, through energy and water cost savings. We also seek to continuously improve and innovate by implementing best business practices in water management and conservation across our operations.

Data center cooling solutions

Water is a key consideration for data center site selection. With the acquisition of Silent Aire, Johnson Controls now offers a full portfolio of data center cooling solutions to address the energy-water nexus, providing technologies to optimize the usage of energy and water across all geographies, with a specific shift to air-cooled chillers in hot and humid climates. Our balanced product portfolio offers air cooling, water cooling and direct evaporative cooling (DEC). We work with data center customers to design an optimized solution for their specific location.

Our solutions in action

In **Denmark**, our ability to design optimized solutions allowed a data center customer to utilize heat pumps as a cooling solution instead of traditional evaporated water-cooling technology. The project saved 132,000 tons of water each year, or 360 tons per day. In addition to the water savings, the design also enabled waste heat generated from the data center to be reused to heat 6,900 homes.

Our work with local and state governments also addresses the issues of water scarcity, aging water infrastructure, and clean water and sanitation. In water metering and leak detection, Johnson Controls has delivered more than 120 projects totaling \$1 billion in water, energy and operational savings.

For example, in the **City of Toledo**, 126,000 mechanical water meters that will lose their accuracy over time are being upgraded to new static water meters, which maintain their accuracy over their useful life and can also identify leaks at the customer's property.

These new water meters will be read through an Advanced Metering Infrastructure (AMI) system to fully automate meter readings and virtually eliminate vehicle emissions from the meter reading process. The project also includes a customer engagement web portal that informs account holders about leaks on their property and provides them with useful information about finding and repairing leaks on domestic plumbing and offers useful tips for conserving water.

Our experts also developed a comprehensive water loss project at two correctional sites in the **Oklahoma Department of Corrections** system. The project included the following:

- Replacement of three sections of water mains that were more than a century old
- Creation of a water atlas to map the entire water distribution system
- Comprehensive acoustic leak survey to identify leaks – once found, those leaks will be repaired
- Installation of water-conserving plumbing fixtures
- Installation of three pressure-reducing valve stations to reduce excess system pressure – this will conserve water, preserve the water-conserving fixtures installed by Johnson Controls, reduce the leak flow rate on future leaks, and prolong the useful life of existing pipes
- Installation of a network of new and innovative acoustic leak noise loggers across the two sites – these loggers pinpoint the leak site and communicate that information through LTE-M cellular radio to a secure web portal daily for the maintenance staff to review
- Installation of water meters at select buildings to monitor usage during unoccupied hours – the usage data is relayed daily via 4G LTE cellular radio to a secure web portal for the maintenance staff to identify leaks at those remote buildings

We also conducted an acoustic leak noise survey at **CFB Kingston, Ontario, Canada**. The team found seven leaks on the base, one of which was a circumferential crack on an eight-inch cast iron main. The site was excavated, and the crack had an average width of 1/8" (3 mm) and covered more than half of the circumference of this large iron pipe. The estimated leak flow rate from this one crack was 215 gallons per minute (813 liters per minute). By repairing this one leak, the Johnson Controls team saved our customer more than 112,884,100 gallons (427,313 m³) of treated water a year.





Wastewater efforts

Acknowledging the major energy and greenhouse gas footprint associated with water pumping and treatment, we have delivered 37 projects in wastewater treatment facilities and distribution systems focused on energy efficiency and resource recovery. While wastewater treatment has a considerable energy cost, our team has executed projects that both reduce energy consumption from the grid and produce renewable energy. For example, Johnson Controls has worked with the **City of Evansville** and others to convert gas from their anaerobic digesters into electrical and thermal energy to offset the energy use at the wastewater treatment plant.

These projects have also implemented grease-receiving improvements to reduce clogging challenges in the sewage conveyance system and improve the renewable energy recovered in the process. The renewable energy production from the City of Evansville project produced an equivalent carbon offset of more than 2,800 metric tons per year based on the electrical offset only – that is the equivalent of powering 340 homes! Our team offers innovative financing for our customers that unlocks the benefits of resources recovered through the transfer of financial and operational risk.

Combining technologies to boost outcomes

The Johnson Controls BlueStream™ hybrid cooling system combines water- and air-cooling technologies to reduce water consumption by up to 80 percent while maintaining energy performance, allowing our customers to optimize performance for energy and water objectives. We have partnered with two national laboratories – the [National Renewable Energy Laboratory](#) in Golden, Colorado, and Sandia National Laboratory in Albuquerque, New Mexico – to test the BlueStream in data center cooling applications. NREL's high-performance computing data center saved 1.16 million gallons of water in its first year of incorporating BlueStream and 2.10 million gallons during a two-year period, while also maintaining a power usage efficiency (PUE) below NREL's threshold of 1.06, allowing the data center to retain the title of one of the most efficient in the world. This accomplishment earned NREL and its partners a 2018 DOE Federal Energy Management Program Federal Energy and Water Management Award and the Data Center Dynamics 2018 Eco-Sustainability award.



Waste

[3-3](#) | [306-1](#) | [306-2](#)

The primary driver of waste for Johnson Controls is waste generated during the manufacturing of building technology equipment.

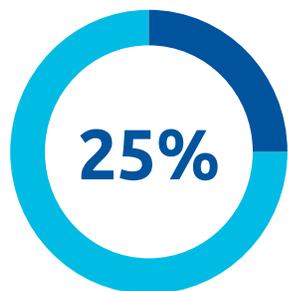
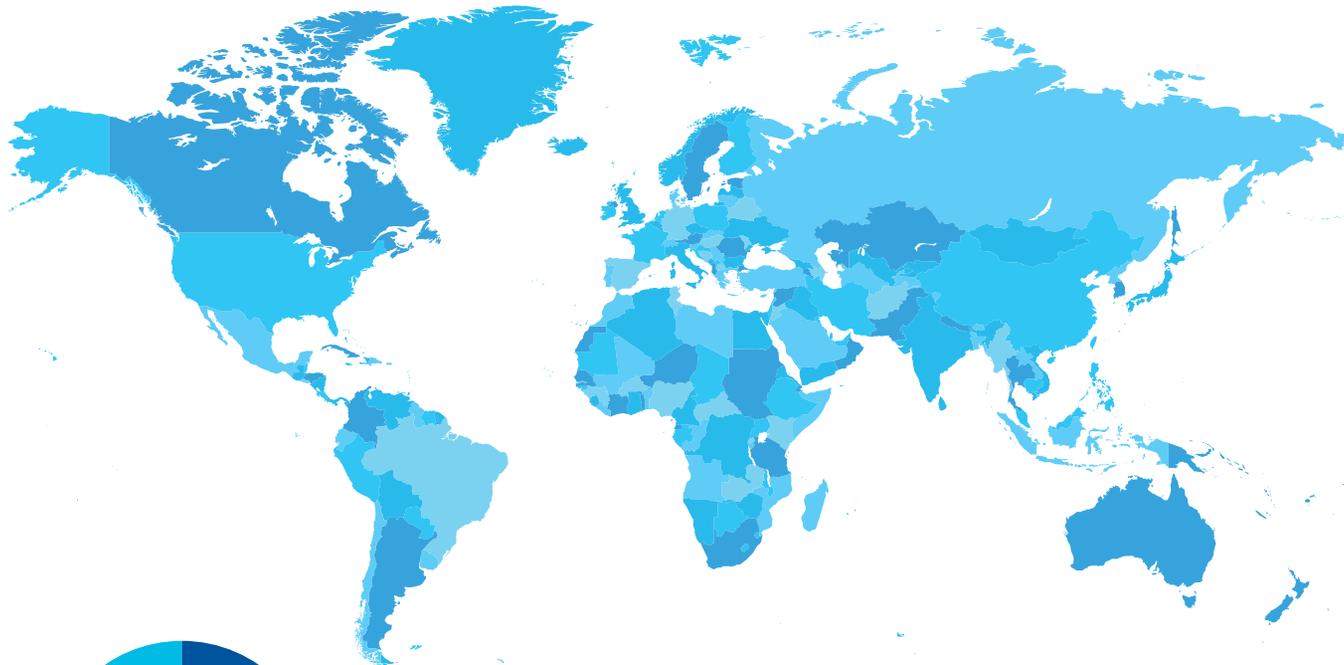
Our goal is that 25 percent of our manufacturing locations will be landfill free by 2025. In 2021, 19.5 percent of our manufacturing locations, 19 manufacturing and 24 total locations, have a 100 percent diversion rate and are recognized as zero landfill.

Every location is encouraged to eliminate the disposal of waste sent to landfill. We engage in a range of programs, initiatives and activities specific to waste. Some of our current activities include:

- Running a corporate-level workgroup specifically focused on reducing waste and helping plants achieve their zero-landfill goals.
- Establishing and tracking progress of our waste generation towards zero waste to landfill.
- Continuously finding ways to improve our waste management throughout the life cycle of our business, including finding ways to reduce waste in the first place or to reuse or recycle materials. This includes reducing waste across our corporate facilities, using compostable materials in the cafeteria and other activities.
- Promoting and encouraging recycling among our customers and end-users, including supporting take-back programs, public education, and retrofit options.

As part of the continued commitment from employees to reduce our impact on the environment and ensure we protect our world for future generations, we are proud that 24 facilities are now recognized as attaining zero waste to landfill in fiscal 2021. These facilities are located in all regions of the world, making environmental sustainability a truly global effort. This achievement directly improves the communities in which we operate.

To be recognized as zero landfill, a site must participate in an independent review and demonstrate to the senior Environmental Health & Safety (EHS) Leadership team that 100 percent of the waste generated is either recycled, reused or converted to energy. Each location started the journey to zero landfill several years before they completed the recognition process, and a large part of their success can be attributed to the focus and personal commitment from the employees at each site. Their support has helped to ensure Johnson Controls has a positive impact on the world we live in by reducing the amount of waste being placed in the ground.



25%

Our goal is that 25 percent of our manufacturing locations will be landfill free by 2025.

The facilities that have achieved this impressive milestone are:

- FSP Frome, UK (July 2015)
- FSP Luneburg, Germany (September 2015)
- BMS Rajecko, Czech Republic (September 2015)
- BMS Sungnam, Korea (February 2016)
- Distribution Echt, Netherlands (March 2016)
- Distribution Enschede, Netherlands (March 2016)
- FSP Port Arthur, Texas (April 2016)
- FSP Stockport, UK (September 2016)
- FSP Lammhult, Sweden (September 2016)
- BMS Toronto, Canada (March 2017)
- FSP Neuruppin, Germany (January 2018)
- Distribution Letchworth, UK (May 2018)
- BMS Corropoli, Italy (June 2018)
- JCH Barcelona, Spain (June 2018)
- IR Nantes, France (July 2018)
- FSP Great Yarmouth, UK (August 2018)
- IR Holme, Denmark (August 2018)
- JCH Shimizu Works, Japan (May 2019)
- JCH Taoyuan Works, Taiwan (July 2020)
- FSP Lubbock, Texas (August 2020)
- IREF Finland (November 2020)
- JCH Guangzhou (April 2021)
- JCH Guangzhou works (April 2021)
- APAC Singapore (July 2021)

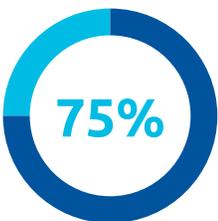


Materials

[3-3](#) | [301-1](#) | [301-2](#) | [301-3](#)

At Johnson Controls, we select materials based on a range of criteria, including customer requirements, quality, cost, and other key factors. To minimize our environmental impact, we strive to reduce total consumption and minimize waste through employee training and process improvements, increasing the use of easy-to-recycle materials, and purchasing energy-efficient (ENERGY STAR or EU-labeled) equipment whenever possible.

We are focused on helping our customers achieve net zero buildings by providing products with low carbon footprints – continuously working towards net zero. As a founding member of the US State Department and World Economic Forum’s First Movers Coalition, we are committed to reducing our impact in high-carbon sectors. Johnson Controls already has experience in dialing down carbon in one of the tough-to-abate sectors: steel. Now we are doubling down to accelerate progress. Currently, 75 percent of steel purchased by Johnson Controls in the United States is manufactured using the low-carbon Electric Arc Furnace (EAF) steel-making technology. We are accelerating our engagement of continued carbon reduction using increased recycling and renewable energy and engaging with suppliers to expand low-carbon materials options.



of steel manufactured using the low-carbon Electric Arc Furnace (EAF) steel-making technology

Building materials

Johnson Controls is a world leader in HVAC, fire protection, security, building management systems and other building equipment. Our products require the use of many materials, including metals and refrigerants. Most of the metal products we manufacture have a minimum of 30 percent recycled content. We also work to make sure materials that cannot be utilized in the manufacturing process are recycled. For example, we work with vendors to recycle 100 million pounds of scrap metal each year.

Today, many organizations are choosing to renovate their spaces rather than starting fresh in a new space. Choosing to upgrade buildings with Johnson Controls means sound stewardship through updated technology, energy retrofits and central plant strategies that improve existing assets in all buildings. By taking a holistic approach, Johnson Controls covers all aspects of a retrofit, starting with identifying organizational goals and technical needs. We help select the equipment that provides the best outcome, and then engineer, install and commission the system.

Single use plastics

Our focus on life cycle assessment includes the packaging of our products. In 2020, we started to eliminate all single-use plastic packaging from our LUX thermostats retail packaging for non-connected devices. In addition to eliminating single-use plastic the packaging is designed for loss prevention, cost reduction, and consistency across the line. The original packaging consisted of a PET clamshell heat sealed around the device, a display card, a manual, and hardware components. Retailers requested that this packaging be changed based on upcoming policies and bans on plastics as well as commitments to eliminate plastics form packaging. The current solution features a single printed piece of recycled content cardstock material. In addition to the enhanced features, use of recycled content, and fully recyclable packaging, the new solution is less expensive and enabled a cost reduction from the original plastic clamshell.

Case studies

Circular economy thinking in our facilities

We encourage creativity and circular economy thinking in our facilities around the world. As an example, at our fire suppression equipment production facility in Frome, UK we have implemented a process that has led to no waste going to landfill – a process that follows the waste hierarchy. First, they reduce and reuse, and then they recycle items including wood, metals, waste oil, plastics, and batteries.

Scrap brass is collected and reused and recycled at each step of the process, resulting in significant savings in materials and a cost saving of more than \$13 million annually. Residue and clippings are sent to an ingot supplier who reuses the brass to make new ingots. Overflows and feed material are put back into the production process.

The facility embeds circular thinking into not just production, but in how it ships and receives materials. The Frome location was shipping equipment to another location in single-use cardboard and wood boxes. An employee separated the cardboard from the wood, recycling both. This is a good but time- and resource-consuming solution.

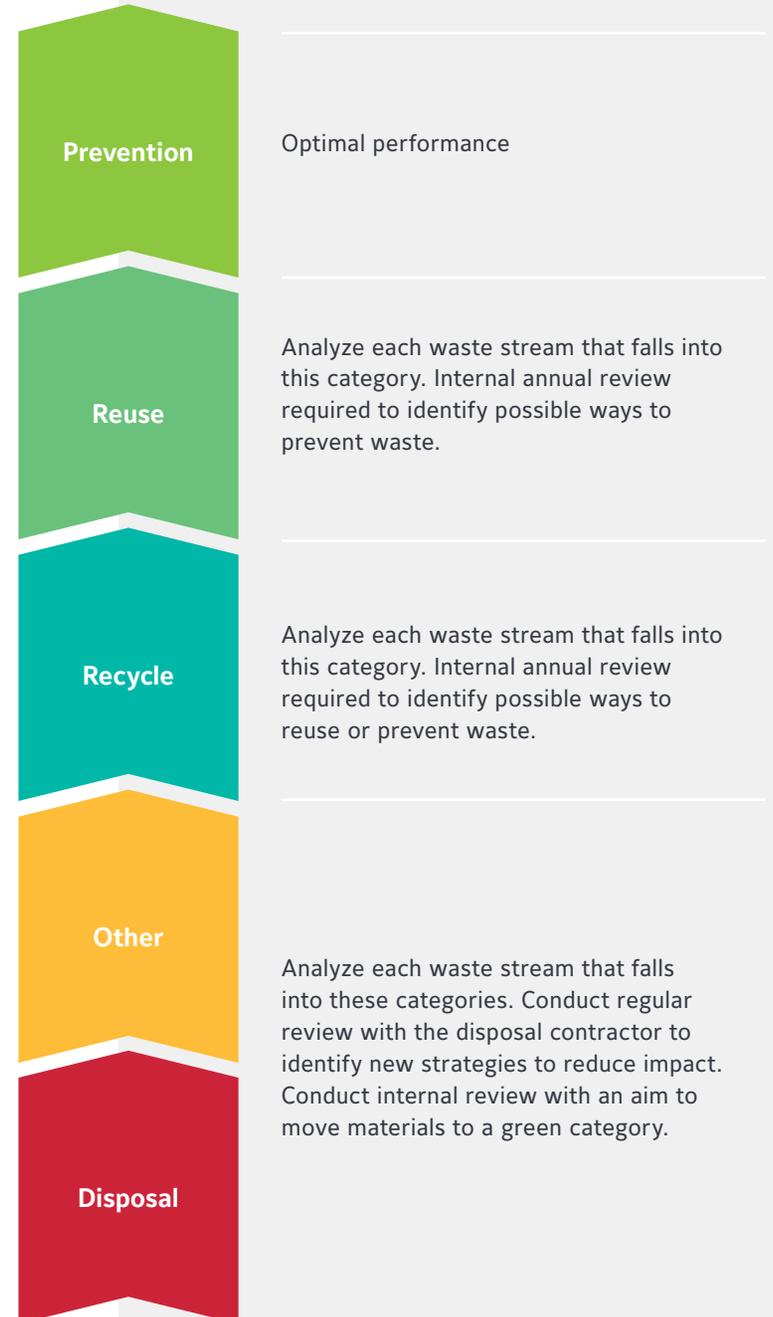
As part of their Zero Landfill process, both locations worked together and developed a reusable drum for the equipment. Now, they put in the equipment in the reusable drum for shipping, a much more efficient process for both locations. The empty drums are put back on the truck they were delivered in. This work and circular thinking approach reduced cardboard, wood, cost and time.

Taking paper out of the box

Driven by our commitments to sustainability, protecting the environment and delivering innovative products and services, we have launched a critical initiative in Global Products to remove paper documentation from our packed products and replace it with online digital content. Taking paper “out of the box”, the same content will now be accessible via a QR code on the packaging, pack sheet and product label.

Reducing paper in technical documentation to only that required by legal and regulatory compliance requirements will save approximately 150 metric tons of carbon dioxide equivalent and 290 megaliters of water each year as well as generate significant financial savings. It is also a clear demonstration to our global customers and communities of how we will consume less energy and conserve resources.

Our waste procedure





Social

Diversity and Inclusion (D&I)

405 | 406

In the two years since establishing our new Diversity and Inclusion goals, strategy and objectives, we've learned, we've grown, but most importantly, we've made an impact. As we executed our mission to empower employees, 2021 brought the actualization of our vision for a rich culture of inclusion.

We are honored that Forbes Magazine recognized Johnson Controls as one of the 2021 Best Employers for Diversity, and that our employees around the world are driving our inclusive culture.

In furtherance of our robust diversity and inclusion initiatives, we have elected to publish information regarding the makeup of our workforce because, while it is impossible to capture the diversity of backgrounds and thought in a single chart, we want to be transparent about our diversity.

View our [EEO-1 report](#).

Diversity and Inclusion mission, vision and pillars

As a company that prides itself on powering our customers' missions and serving the communities where we live and work, the Office of Diversity and Inclusion supports and uplifts the people behind those advancements. We understand our role in empowering employees to bring their authentic selves to work each day, which in turn adds value, fosters creativity and inspires change across the organization. Our D&I mission, vision and roadmap continue to inform our strategies and drive business objectives, further enabling our culture of inclusion to succeed. The six pillars of our D&I Roadmap serves as our guiding light to a sustained culture of inclusion that celebrates diversity.



Diversity and Inclusion Mission and Vision

Empower every employee to take an active role in creating a culture that values **uniqueness**, celebrates **creativity** and drives **innovation**.

Our rich culture of inclusion will drive the right **mindsets** and **behaviors**, unlock **engagement**, accelerate **productivity** and foster **innovation**, leading to exceptional customer outcomes.

Pillars





Employee Experience

As the first pillar of our D&I Roadmap, we remain committed to elevating every employee’s experience by ensuring they feel supported personally and professionally at Johnson Controls. Our focus on the employee experience is underscored by driving an employee-owned culture of inclusion that values and celebrates talent.

Perspectives Listening Series

Over the last year, thousands of employees attended the Perspectives Listening Series to engage in honest, courageous, and authentic conversations between colleagues on topics that are timely and relevant to employees, our communities and global society. These sessions stimulate courageous and authentic discussions between employees that highlight unique experiences, diverse mindsets and the prevailing resilience our employees bring to work each day. In fiscal year 2021, our panels covered a variety of important and impactful topics, including:

[411](#)

Healing History: Leveraging our Past to Power our Future

In 2021, the world became even more aware of the tragedies members of indigenous communities have faced and the impact residential schools have had on Canada’s First Nations, Inuit and Métis peoples. Many of our indigenous employees joined in the leader-led discussion, inspiring courageous, authentic conversations.

Redefining Able: The Power and Resilience in Living with a Disability

Our Chairman and CEO, George Oliver, joined leaders from across the enterprise to discuss the visible and invisible conditions that may be impacting our colleagues. The session inspired employees to join the conversation, speaking of the sheer grit and determination it can take to function on a daily basis. The challenges and achievements revealed by employees highlighted the value of an inclusive and compassionate work environment.



Business Resource Groups (BRGs)

Our Business Resource Groups (BRGs) act as our company’s first avenue for developing and promoting high-performing individuals. Employees involved with BRGs share a common interest in professional development and improving corporate culture to ultimately impact business results that lead to exceptional customer outcomes.

300 percent increase in 2021

Our Business Resource Groups (BRGs) saw a more than 300 percent increase in FY21, due in part to the rich programming and renewed leadership commitments to personally and professionally developing BRG members. The BRGs also celebrated two years of operating under a new structure that enables advancements in two key areas: community and business impact, and member development and engagement. Our outstanding membership growth also resulted in the expansion of our global holidays and observances, creating additional opportunities for education, collaboration and celebration.



Learning and Development

By embedding D&I into the development tools and resources that support employee growth, as well as prioritizing continuous learning at all levels of the company, our business continues to enable the mindsets and behaviors that foster our culture of inclusion.

Leader-focused inclusion learning series

In 2021, we launched a leader-focused inclusion learning series and app for our Executive and BRG Leadership teams. The web-based learning application provides personalized lessons and tools to support diversity and inclusion education. As leaders across the enterprise engage with the app, we see best-in-class adoption rates and receive positive feedback on how both leaders and their teams are benefiting from this resource.





Talent Management

Fully engaged and empowered employees contribute to business success. We recognize that hiring and retaining top talent requires the development of core skills, leadership competencies, and strategic alignment with the goals and values of our company. We incorporate this philosophy into all our hiring practices as well as the personal and professional development of our people. The foundation of our D&I strategy is our people, and the attraction of high-performing talent is not enough. We are fully committed to managing the life cycle of our employee population, from our interns to those preparing for retirement.

Diversity and Inclusion is embedded in our strategies to hire top talent. As a result of our continued partnership, Johnson Controls exceeded its diverse hiring goals in fiscal year 2021 adding qualified diverse talent at every level of our company. We also continued building relationships with early-career and professional organizations, as well as firms that specialize in sourcing minority talent, to attract high-performing candidates from across the world.

Future Leaders Global Internship Program

To support hiring and retaining top talent, in 2021, we launched our Future Leaders Global Internship Program in the United States. The program includes high-quality tools and resources for managers and interns, social media components, a world-class intern program experience, including professional development, networking, and an innovation challenge, tied to our ESG strategy. This program is closely linked to our workforce planning and diversity strategies.

The program brought interns from different business units, functions, roles and locations together for a shared experience in learning, understanding and growth within the organization. From the global onboarding sessions that created a collaborative community of interns, to the high-impact innovation challenge they were each tasked with completing, the inaugural class of Future Leaders highlighted the importance of cultivating talent and early-career development. Based on its initial success, the program will be rolled out worldwide in fiscal year 2022. In 2021, 50 percent of our US interns were from diverse backgrounds.



External Impact

Johnson Controls supports the communities where we live and work. We're proud of the partnerships we have cultivated in our more than 135 years of business, and we continue to expand our global reach to form new relationships with businesses and organizations that align with our values and vision.

In addition to longstanding partnerships with diverse organizations and suppliers, Johnson Controls fostered numerous new relationships with local groups in 2021 to access top talent and create stronger alliances with our peers, customers and communities.



Metrics and Measurements

It's critical that we measure our performance in order to understand our opportunities and document our progress and areas for improvement. We measure our female representation and our internal engagement programs globally and our minority representation in the United States. The monthly CEO and Executive Committee reporting of our progress creates a significant pull from our business leaders to engage D&I initiatives in the daily work of their business and teams.

We make data-based decisions on where best to invest our time and resources to achieve both our short- and long-term objectives. We implemented a monthly cadence for progress-to-goal reports to remain aligned with our enterprise strategy.





Our culture of inclusion

Our commitment to equality and allyship

We commit to our employees, our customers, our communities and our shareholders to operate a business that is equitable, inclusive and free of bias and discrimination. While racism can take many different forms across the globe, one consistency we have is that racism, hatred and bigotry of any kind are not accepted or tolerated at Johnson Controls.

In 2021, we continue to stand firm in our commitment to equality while simultaneously strengthening our position as an ally with our employees, customers, communities and shareholders. In March 2021, Building Solutions North America (BSNA) launched the BSNA Allyship Pledge Program. The program is designed to be a self-sustaining model that meets employees' personal needs to feel supported and builds strategic alliances to assemble a diverse talent pipeline and drive business results. The pledge is designed to promote sponsorship and advocacy for our employees to help champion inclusivity and professional development within our organization. The business saw more than 400 employees throughout all levels of the organization take the pledge to be an ally.

Stand downs

The term "stand down" represents the intentional pausing of normal work activities for staff to focus on a particular issue that is serious in nature and requires everyone's attention and alignment. Our Zero Harm policy is in place to ensure the safety, health and well-being of each employee at Johnson Controls, which

includes a diverse and inclusive workplace. All leaders are empowered to conduct a stand down for any reason, including following any alleged unwelcome, offensive, or inappropriate behavior that occurs at a Johnson Controls location, job site, or between co-workers, which causes one or more employees to feel uncomfortable, threatened or intimidated in the workplace.

Learning and development

As D&I has continued to evolve within the company, the Office of Learning and Development has played an integral part in helping ensure that enterprise learning and development programs are aligned with the company's D&I strategy. Further alignment creates a more inclusive learning experience for all employees across the organization. This includes embedding diversity and inclusion into all learning enterprise programs to empower team members to own the company's D&I mission and vision while working to build a culture of high performance at Johnson Controls.

Our Enterprise Learning Competencies provide employees – no matter their rank or role – with the key capabilities, skills and behaviors needed to support their development and performance which will ultimately help drive business results. To align the company's Enterprise Leadership Competencies with the D&I strategy, we published Inclusive Leader Editions of our Competency Quick Guides for the Leading Self and Leading Teams levels.

For the company's executive-level leadership, the offices partnered to deploy a virtual D&I coaching application that focuses on behavioral change to support the company's global D&I learning strategy.

The app provides flexibility as well as different ways to engage leaders for short periods of time to help them form more inclusive habits.

To further support the advancement of women and their career development at Johnson Controls, the company launched the Women's Leadership Program late last year. The seven-month global program focuses on building a personal brand, personal development planning, networking, and building confidence to drive their own career. The program brings together more than 300 women from across our geographies and functions so they can network with senior leaders and create a forum to build relationships across the businesses. It is also an opportunity to develop valuable leadership skills.

Diversity and Inclusion workshop series

Last year, the Office of Diversity and Inclusion deployed a regional D&I Workshop series to help further educate managers on the company's Diversity and Inclusion strategy and what they as leaders can do to implement those strategies in the workplace.

Session content focused on these key topics:

- The company's D&I strategy and why workplace diversity and inclusion matter for the company and for each employee personally.
- Understanding unconscious bias, how it can show up in the workplace, and how to interrupt bias in decision-making when it comes to performance management and hiring practices.
- How to create an inclusive culture by fostering a sense of belonging and increasing psychological safety for teams.



Global initiatives

INVOLVE, Cork, Ireland

INVOLVE is an employee-led committee that organizes Diversity and Inclusion and Corporate Social Responsibility events at the Johnson Controls headquarters in Cork, Ireland. The purpose of INVOLVE is to empower employees to take an active role in creating a culture that values each person's uniqueness, celebrates creativity, and drives innovation so employees can bring their authentic selves to work as part of One Team.

With the support of the site's senior leadership team, the committee continues to focus on the pillars of inclusion, volunteering and evolving. Through networking and self-development, the team highlights not only demographic diversity but also cognitive and physical diversity (gender, age, race, religion, neurodiversity, visible and invisible disabilities, etc.). The group hosted several educational events and programs to further its mission, including:

Cahaya Surya Bakti (CSB) in Malaysia – With the help of employees, the group raised \$2,600 for a charity in Malaysia that provides schooling, food and transport to children in the Rohingya refugee community. The donation allowed for ten children to receive these necessary services for a full calendar year.

UN International Day for Elimination of Racial Discrimination – To further educate employees on racism in Cork and around Europe, the committee shared a toolkit with links to documentaries, information on hate crime legislation, reports from nonprofits on racial discrimination and coverage of how racism manifested itself globally during the pandemic.

World Autism Awareness Month – During the month, the committee hosted a guest speaker who shared her experiences parenting multiple children on the spectrum while also being recently diagnosed with Asperger's herself. Lenora's powerful story included her training regimen to climb Kilimanjaro for charity.

International Traveller and Roma Day (Traveller Visibility Group) – Guest speakers from the TVG, a community development organization that supports travellers in their day-to-day lives so they can participate in Irish society as equals. The speakers spoke about the challenges facing Irish Travellers today, and the work TVG is doing to meet these challenges.

International Day Against Homophobia, Transphobia, and Biphobia – Following the leadership of JC4e, the company's LGBTQIA+ Business Resource Group, the committee promoted the group's events leading up to the day. The committee also celebrated the anniversary of marriage equality in Ireland and shared some archival footage on the history of marriage equality in Ireland.





India Engineering Center

Our India Engineering Center (IEC) has been an integral part of driving our D&I mission across our Pune, Mumbai and Gurgaon locations. Since their formation in 2019, the team developed initiatives that align with the global D&I mission, vision and pillars. Last year, the IEC developed and executed events around three key focus areas: Developing female leadership; Promoting a regional mix of professionals with disabilities; and Establishing networks with both internal and external D&I groups. These activities and events included:

- **A COVID-19 India-focused Perspectives Listening session**– 1,200 India-based employees listened to their colleagues' lived experiences on how COVID-19 affected them and their families during the dangerous outbreak in India, and how they found resilience and support along the way.
- **Sponsorship and educational support**– With the help of more than 30 volunteers from the IEC, the sponsorship included financial support as well as online training certification programs for 13 Leela Poonawalla Foundation (LPF) girls. The group completed the certification program on "Scrum Agile" for more than 40 LPF girls from varied education streams across India.
- **Redefining Able: The Power and Resilience in Living with a Disability**– A Perspectives Listening session where a panel shared their lived experience about living with a physical or mental disability. The global panel was comprised of employees from different regions and business units across the enterprise and included a member from the IEC.
- **International Women's Day**– Female employees were recognized for their contributions to the business. This included an enterprise-level video where female leaders talked about conquering their fears while emphasizing that impossible is nothing.



Women in Controls

Founded by women in the Global Products and Controls businesses, the Women in Controls group was created to empower women in this business unit to grow their careers and to make mentoring and coaching opportunities more accessible to them, while promoting a balanced and inclusive organization.

The group's goals have further grown to additionally focus on attracting qualified female talent to the industry while retaining existing company talent and creating future female leaders within the business.

At its formation, the group consisted of ten women, exclusively from the sales and marketing teams in the Controls division. The group has now grown to members located across the United States, United Arab Emirates and the United Kingdom.

Women in Controls engages group members to enable them to connect, grow and learn from each other. This includes monthly and/or quarterly meetings, sharing best practices amongst members, book clubs, and hosting guest speakers from inside and outside the company. Events are organized by different members throughout the year to help promote engagement throughout the group.



Events and cultural awareness

Our global business celebrates the uniqueness of every individual and their experiences. Providing the space for our employees to engage and be heard and understood is critical to our cultural IQ and our culture of inclusion. From our Perspectives Series to our many annual cultural, environmental and awareness celebrations, we embrace the ways we differ as a collective strength for our company, our customers, and our communities. Our BRGs host these important celebrations further demonstrating the power of an engaged workforce.

Our leaders are also engaged externally. For example, our Vice President of Diversity and Inclusion moderated a panel discussion titled “Perspectives on Tech Careers and the Tools to Pursue Them” at the Summerfest Tech event last June in Milwaukee, Wisconsin. The panel discussed the current state of diversity in the tech industry and what companies can do to help accelerate interest for women and people of color in the industry.

Total Well-Being Program

The Total Well-Being program at Johnson Controls promotes and encourages a harmonious work-life balance and a positive, healthy lifestyle. The program was designed to align with our Zero Harm Vision and Power of Prevention strategies to protect our employees' safety, health and wellness.

The pillars of our Total Well-Being program ensure wellness is intrinsically tied to the work we do, not only at an individual level but across the enterprise as well. Throughout fiscal year 2021, our global and regional Well-Being Councils compiled and created resources that support health and wellness, prioritizing the accessibility and inclusivity of well-being for our employees.

Our Total Well-Being Global Council understands that a universal approach to wellness is both impractical and ineffective. Much like our customer solutions, tools for achieving well-being should be personal, intentional and sustainable. As a result, our Regional Well-Being Committees were launched to oversee and provide guidance to local facilities on their journeys to wellness. With the support of our Executive Steering Committee, the Total Well-Being Program will continue to:

- foster a culture of inclusion and wellness
- engage and educate employees with meaningful and personalized content
- offer a simplified, employee-centric approach to well-being
- create value by empowering employees to own their wellness.



Physical

Promoting care of our bodies for optimal health and functioning.

Mental

Supporting people to cope with the stresses of life and work.

Social

Behaviors that reflect our shared values to promote social cohesion.

Financial

Being in control of our finances and making informed choices.

Diversity and Inclusion councils and committees

To mobilize D&I across our global business and enable leaders and their teams to take an active role in our culture of inclusion, we have created D&I councils and committees to support our efforts. These groups are in place to drive a structured approach that will allow for maximum engagement of employees at every level and in every location of our business.

As an example, our Global Products D&I Council was formed in 2019 and is comprised of director-level leaders representing 16 product business units (PBUs) or functional areas. Each council member is responsible for an annual D&I action plan to drive tangible progress within their PBU or functional area. This council meets monthly to share best practices, participate in training, and develop toolkits and other support materials and to hold each other accountable to progress.

Our Global Products organization spans the globe with its functions, product business units, locations and environments, resulting in various employee experiences. As the Global Products D&I program and D&I council matures and aligns with the enterprise D&I mission to create a culture of inclusion, we identified the need to have a deeper understanding of the ways think about topics related to diversity and inclusion.

To drive our strategy, we conducted a series of focus groups to gather insights from employees and create programming most aligned with the needs of our people and businesses. This project took place in the fall of 2020 with the following highlights:

- Approximately 100 front-line managers offered their voices in nearly 30 hours of dialogue
- 15 focus groups were conducted across North America, EMEA and APAC in three different languages
- 30 hours of rich discussion drove insightful outputs and recommendations which were provided to each VP/GM, Human Resources Business Partner, and D&I council leader to direct actions and focus for fiscal year 2021 and beyond

Another great example is our Building Solutions North America (BSNA) D&I council, consisting of high-performing team members who share a passion for our D&I mission. Five workstreams were formed to develop creative and focused D&I strategies that align with our BSNA D&I goals and objectives:

- **Benchmarking** helps us better understand employees' mindsets and preferences, gather external best practices, and develop and improve our D&I programs and initiatives.
- **Workforce Segmentation** is focused on developing aspirational diversity goals at a more granular level (by leadership level, business function, role category, etc.), and developing a strategy to communicate these goals to the organization.
- **Talent Acquisition** will increase attraction for diverse talent pools by reviewing and optimizing employer branding programs, such as internship, early career, university relations, and more.
- **Collaboration and Allyship** is a framework to promote and foster accountability and support relationships by guiding future leaders, supporting career development, and bolstering business impact.
- **Culture and Development**, while at the center of and connected to all our work streams, is focused on investing deliberate effort to develop diverse talents, monitor growth, and build a culture of inclusion through initiatives, training and capability building.

D&I committees were formed at the leader level within our regions, our businesses, and our functions. These smaller groups focus more narrowly on the diversity and inclusion efforts of their respective teams. These committees serve as a structured way to engage every employee in the work of D&I. Aligning with the office of D&I and the councils in their respective regions, the outcome is a grassroots, one team approach to diversity and inclusion providing sustained, long-term success.



Business Resource Groups

Our BRGs consist of employees who share similar interests, backgrounds, experiences, and/or characteristics. These employee-driven groups connect with and support one another while providing a safe environment for respectful dialogue that encourages progress and growth.

While the tangible benefits of BRGs are measured by our membership growth, talent retention and consistent innovations, the inspiring actions, engaging discussions and meaningful progress that took place across Johnson Controls throughout 2021 highlighted the value BRGs bring to our company.

Community and business impact

Business Resource Groups develop annual strategic goals and initiatives to support what is important to their network and, through this, engage in sponsorships, events and volunteerism across the globe. In addition, the networks allow our employees to drive innovation and deliver on our customer promise in a safe, collaborative and inclusive environment.

Member development and engagement

The strength of our organization is its people. The BRGs provide life and business skills to ensure that we grow our talent holistically. We provide tailored and targeted programming to grow our internal talent, and to enhance our development workshops, webinars and experiential learning. Investments in our employees' growth and development will yield a natural talent pipeline for internal promotions.

Our Business Resource Groups

Asia Pacific BRG

Our community for supporting and uplifting Asia Pacific Island Heritage

The APBRG creates a stimulating and rewarding work environment to attract, develop and retain top talent from the growing Asian population locally and abroad, while facilitating inter-cultural exchanges of knowledge, experiences and practices across all cultures. The APBRG holds many cultural awareness events throughout the year, including celebrations for Chinese New Year and Diwali.

Global Sustainability Network

Our community for employees passionate about the company's sustainability mission

The Global Sustainability Network supports the Sustainability Strategy to foster a culture of sustainability that engages people who want to make a difference. Its vision supports Johnson Controls as the global leader in smart, healthy and sustainable buildings, re-imagining the performance of buildings to serve people, places and the planet. The Global Sustainability Network is proud to host Earth Month celebrations throughout the month of April each year.

Johnson Controls for Equality

Our community for LGBTQIA+ employees and allies

JC4e fosters a work environment that is inclusive to all employees regardless of sexual orientation or gender identity. Our impact extends to all lesbian, gay, bisexual, transgender and queer employees and their allies. JC4e hosts many awareness events throughout the year, educating and increasing awareness on various topics, including our annual Pride Month celebration each June. JC4e is also the driver of our company's participation in the Corporate Equality Index survey each year.



ONYX

Our community for Black and African employees and their allies

ONYX is designed to improve the recruitment, retention and professional development of black employees for the overall benefit of improving the diversity within Johnson Controls. ONYX leads our Black History Month celebration each year, commemorates Martin Luther King Jr. Day, and offers educational and engagement activities throughout the year to promote awareness.

Synergy

Our community of emerging young professionals

Synergy advances emerging leaders, new employees or anyone interested in enhancing their professional networks by creating connections and promoting the development of our future leaders. Synergy hosts an annual IMPACT Program that aims to provide education and development opportunities to empower any employee who is interested in professional development at Johnson Controls.

UNIDOS

Our community for Hispanic, Latinx, immigrant employees and their allies

UNIDOS drives our D&I mission by prioritizing the professional and skills development for the Hispanic, Latinx and immigrant employee network. UNIDOS aligns its goals with our enterprise strategy to ensure members thrive in a high-performance culture, create growth platforms and consistently drive operational excellence. With members in more than 37 countries, UNIDOS has redefined what 'community' looks like at Johnson Controls.





UNlimited

Our community for employees living with disabilities and caregivers

UNlimited is dedicated to supporting people living with disabilities through the principles of awareness, appreciation, acceptance and assistance. The group strives to improve the recruitment, retention, engagement and professional development of those impacted by disabilities. UNlimited hosted our International Day of Persons with Disabilities celebration in December, which focused on mental health and the awareness of both visible and invisible disabilities.

Veterans Engagement Team

Our community for veterans around the world, military families and supporters

The Veterans Engagement Team (VET) strives to make Johnson Controls the veteran's employer of choice, leveraging this tested, diverse talent pool to exceed our business expectations. VET honors, connects, and supports military veterans. Each year on November 11, Johnson Controls honors those who have served in the armed forces by observing Veteran's Day, Poppy Day, Armistice Day and Remembrance Day at both a regional and enterprise level.

Women's Global Network

Our community for supporting, uplifting, engaging and inspiring women

The Women's Global Network (WGN) harnesses the power, influence and intelligence of female Johnson Controls employees to establish a community that fosters professional development, networking and the awareness and advancement of women in our workplace. The Women's Global Network hosted a global, around-the-sun summit last summer, offering breakout sessions, keynote speakers and development opportunities in each region and in multiple languages. The WGN is also the proud presenter of our annual International Women's Day celebration each March.



ASIA PACIFIC
Business Resource Group
Johnson Controls



ONYX
Black Employees Business Resource Group
Johnson Controls



JC4e



EMERGING LEADERS
Johnson Controls



VET
VETERANS ENGAGEMENT TEAM
Johnson Controls



UNIDOS
Uniting Johnson Controls
Johnson Controls



UNlimited
Johnson Controls



Global Sustainability Network



WOMEN'S NETWORK
Johnson Controls



Employee development, training and education

403-5

Talent management

At Johnson Controls, we support the continued development of our people and have embedded this focus through our performance and talent processes.

We encourage our employees to own their careers by giving them the forum to discuss their career aspirations and the support to pursue them.

Leaders are engaged in monthly discussions with their direct reports – one of the topics is centered around development.



Our career development processes include career profiles, discussions and planning, which inform the annual talent review and succession planning process. Strategic talent reviews and succession planning occur annually across all business areas globally. In these meetings, senior leaders discuss key talent management topics including the review of critical roles, top talent, strategic talent moves, and their talent management focus for the coming year. As part of this process, talent assessments and career development plans are used to drive development of high-potential employees by identifying individual key strengths and areas for improvement, and identifying key events and experiences needed for the development of the individual.

In 2021, we launched an Enterprise Leadership Competency model that defines a consistent set of capabilities and behaviors across all levels of the organization – from individual contributor to senior executive. This model has been embedded into all our talent processes, including Recruiting, Performance Management, Learning and Development, Career Development, and Succession Planning. Leveraging this model allows us to provide common information to all employee populations on our expectations for successful performance in all roles and levels of the organization and enables employees to obtain feedback on their strengths and development areas as it pertains to both their current roles and roles to which they aspire.

Across the organization, one way our leaders are monitoring the progress on representation of diverse talent is via our succession planning and talent review processes, which allow for pipeline development and career planning for diverse talent. To provide even greater visibility to succession, diversity and key development needs, we moved our succession plans online in 2021, and continue to migrate all our key talent processes online.

Training and education

High performance at Johnson Controls is an outcome of a person's ability to change, adapt, and grow throughout their career. At Johnson Controls, the emphasis is on the value of real-life, real-time learning that enables a person to meet the demands of challenging and changing work.

Our approach to learning focuses on reinforcing key principles that are designed to support a person's effectiveness in their current job, and in future situations. Throughout the world, Johnson Controls employees are encouraged to develop by doing, take charge of their learning and growth, and seek support along the way.

Johnson Controls ensures that managers and employees are equipped with the tools necessary to learn, grow and develop throughout their careers. We provide technical and leadership training to employees, customers and suppliers who work for or with our products and services. Training is provided in several formats to accommodate the learner's style and pace, location, and technological knowledge and access.

Additionally, the company's volunteer programs offer employees the opportunity to enhance their leadership development skills by volunteering their time and expertise for local nonprofit organizations, taking on board roles for associations and nonprofits, and managing projects with a team of volunteers. These types of skills are beneficial for the workplace and contribute to lifelong learning outside of the office environment.

Programs for upgrading employee skills and transition assistance programs

[404-2](#)

At Johnson Controls, we support the continued development of our people. We continue to provide opportunities for our internal employees to grow their careers at Johnson Controls.

Our goal is to meet learners where they are and embed learning in the flow of work. We focus on the employee skills needed to succeed in their current and next role.

In fiscal year 2021, we offered nearly 5,700 learning courses to all audiences, and more than 82 percent of our employees took one or more courses, completing 1.11 million learning activities.

To ensure our employees have the skills and capabilities to drive success now and into the future, we introduced an enterprise leadership competency model in 2020. Our leadership competencies are the key capabilities

that define how employees can contribute to their own development and career success, regardless of their function or level in the organization.

In addition, all managers are accountable to introduce and teach a new competency each month to their teams. Through our Competencies in Action Initiative, they provide a leader-led discussion around the importance and relevance of the monthly leadership competency with their team and highlight ways to strengthen and develop supporting skills and behaviors. The teams practice implementing the new concept or tool throughout the month, iteratively improving processes and ways of working.

More than 50 percent of our management positions are filled internally. Our rotation programs in finance, and sales and marketing, coupled with our other early career sales engineering programs, continued to grow in fiscal year 2021.

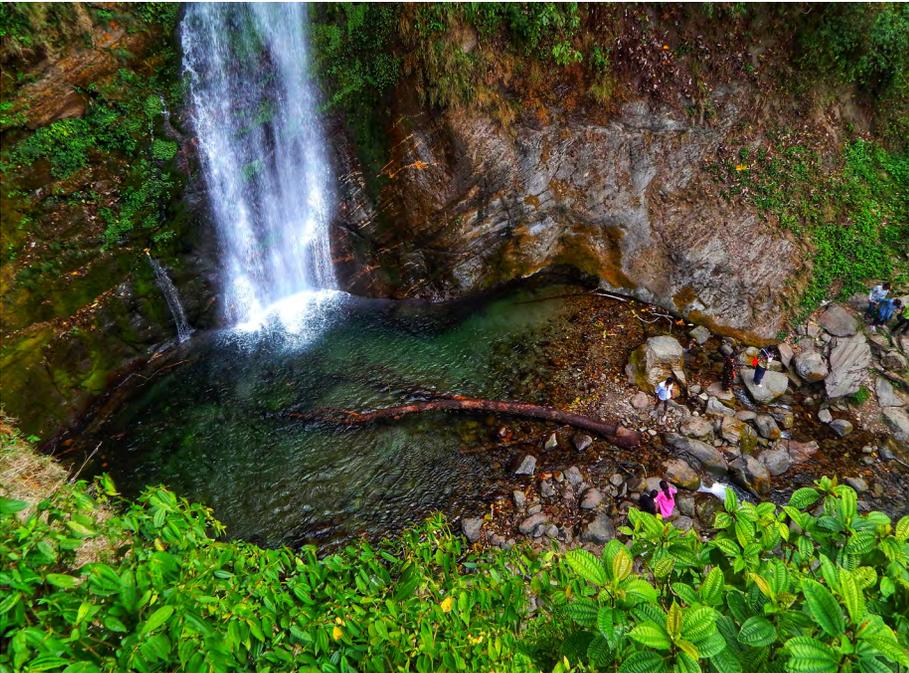
Our Learning and Development teams have won awards for their high-quality learning programs in each of the last four years. In 2021, the teams won three Brandon Hall Learning Excellence Awards, and a Gold Award from Learning Elite for their global learning strategy.



Leadership development

Johnson Controls believes in developing our employees at all levels to ensure we have the right talent, in the right place, at the right time, and that we develop our employees to get them ready to move into leadership roles. We have a portfolio of development programs for our employees and programs for those that are transitioning to new roles or that need to drive and manage new changes.

- **Extreme Learning Program (XLP)** – A development program for senior leaders who have demonstrated the potential to be a next-generation global leader at Johnson Controls. Every other year, a group of around 25 high-potential leaders is challenged to solve real-world business problems while building new relationships and exploring global business issues. The program started in 2004 and has graduated 13 classes.
- **Leadership Edge Program (JCLE)** – An intensive development and acceleration program for senior managers and directors who have demonstrated the potential to be the next generation of leaders at Johnson Controls. The program helps leaders shift their mindset and behaviors to think and act with broader scope and responsibility by strengthening their knowledge and skill in business strategy, financial acumen, customer centricity, digital, and people leadership. This program annually engages 150 managers from around the world. The program began in 2007.
- **Emerging Leaders** – This program is designed to accelerate the role of an individual contributor to a frontline manager by arming them with the knowledge, skills and tools needed to effectively handle the challenges they face early in their career as a leader.
- **Leadership Fundamentals** – This program is for frontline managers to create clarity about what their role as a leader is at Johnson Controls. Leaders learn how to reinforce the Johnson Controls high-performance culture and deliver an impactful leadership development experience that builds global management capability. Frontline leaders will develop skills needed to effectively manage, engage, and lead their team in order to drive organizational growth.
- **Change Leadership Curriculum** – This award-winning curriculum helps employees at all levels develop change competence. The training reaches thousands of employees per year and includes these elements: Change Practitioner Bootcamp, Change Agents: Delivering Project Results, Reinforcing Change, Leading Yourself Through Change, Leading and Accelerating Change, Communicating Change, and Sponsoring Change for Senior Leaders.



Commercial training

Johnson Controls invests in building the talent and capabilities of our commercial and commercial support organization across all roles and tenures. Our new-hire commercial programs across multiple levels and domains are best in class, with the right mix of knowledge, skill building and on-the-job application. We continue to actively gain insights and inputs from our tenured employees on their development and upskilling needs, including building their 'toolset' to own and drive their career.

- BEST Internship** – A development program designed to recruit and hire college engineering students in their junior year to offer them summer internships. Interns are evaluated on their existing sales competencies and behaviors and, depending on performance, offered a position in the next BEST class.
- BEST Fire and BEST HVAC** – A development program for new graduates that focuses on organizational knowledge, product knowledge, and sales skills. Each year, two groups of roughly 30 new graduates go through the HVAC program and 30 go through the Fire program. This six-month program includes in-person classroom learning, simulations, and an assignment-based experiential learning experience in the local branch.
- SalesBuilder HVAC, SalesBuilder Security, SalesBuilder Fire** – A development program for new and experienced salespeople. This 13-week program is based on real-life learning and application and is blended in its approach.
- Building Sales Leaders** – A development program for sales managers that focuses on a broad spectrum of topics. Divided into three distinct sessions, the program combines a blended approach of face-to-face, eLearning, and virtual sessions. Topics include, but are not limited to, sales process, one-on-ones, pricing, TAS reviews, and cross-selling.
- Sales Management Code** – A development program for sales managers that investigates the sales management process. It is focused on high-impact salesperson activities and has an emphasis on sales manager coaching.

In addition to these standard annual programs, commercial employees are provided with a large portfolio of upskilling opportunities. These opportunities include, but are not limited to, negotiation skills, pricing, account management, and digital knowledge.

Some projects for the commercial organization are anticipatory of shifts in our organization, our customers' needs, and the commercial workforce of the future. With that focus, these employees have been afforded significant opportunities to upskill, create career plans and develop for their future and the future of Johnson Controls, such as:
- Digital Literacy** – A year-long program focused on building commercial foundations of digital transformation, creating the knowledge base with which employees can build comfort and confidence with our developing digital solutions and from which their journey to become trusted advisors delivering strategic customer outcomes could begin. This program reached more than 8,000 employees and included adaptive pre-assessment and personally targeted training paths using best-in-class subscription training, with continued growth beyond the initial rollout.
- Own Your Career** – Supporting the individual effort of transformation, this is a blended learning program, supported by HR partners and people managers, to create a career ownership mindset among employees. This includes the compelling reasons one must own their career journey and development, how to map out a career focus, how to create a development plan, and gaining support from one's manager.
- Solution Architect Certification** – Enabling a recognized currency and establishing significant personal and corporate value in building expertise in solution design and development. Creating a first certification path for engineers and solution architects that incorporates industry-standard certifications and bespoke programs and testing to achieve the OpenBlue Practitioners certification. This delivers the foundation for the first external OpenBlue certification for delivery partners in the future.
- Winning Mindset** – A workshop-centered program for sales support engineers to own their outcomes with sellers, to build trust between themselves and their internal customers, and to use their knowledge, skill and influence to increase win rates. Other aims include developing an understanding of agency among the engineers to make a difference through training and discussions on partnership, accountability, outcome focus and confidence.



Field operations training

Field operations training provides mechanics and technicians with the skills, knowledge and confidence to support customers. As our technology and equipment evolve, our technicians need ever-growing skills in order to provide exceptional customer service, and remain best in class at maintaining building safety and efficiency.

There are a variety of courses given in the HVAC, fire and security spaces. These courses focus on the installation and service of our products and primarily occur in person at one of our many training institutes across the world. They are blended in their approach, providing both online and in-person sessions.

- **Service Technical Academy (STA)** – The Service Technical Academy (STA) is a career development program designed for North American HVAC service technicians, mechanics and all security and fire technicians.
- **Building Operations Leaders (BOL)** – BOL is the sister program to Building Sales Leaders but for our field operations managers. Topics include, but are not limited to, operations cadences, customer interactions, and key performance indicators (KPIs).
- **Building Operations Leaders 2.0 (BOL 2.0)** – BOL 2.0 builds off the operational cadence of BOL 1.0, diving deeper into the leadership behaviors that govern successful branch operation. The focus of this program includes upskilling frontline managers on the practices and leadership behaviors that make impactful differences to the financials, personnel, and backlogs of a branch.
- **BEST Installation Program** – BEST Install is a centralized training program that supports new installation technicians for the first 12 weeks of their employment. Topics include Johnson Controls tools, platforms, and services, best practices in installation, and professional skills training for customer service excellence.
- **BEST Service Program** – BEST service is a multi-pronged approach to onboarding mechanics, technicians, and chiller technicians. This 12-week course teaches the basics of reactive maintenance and repair, Johnson Controls systems, tools and platforms, and mechanical repair of equipment.
- **Connected Chiller Onboarding** – This onboarding program presents all connected chiller learning in an innovative, self-paced learning platform where technicians can access the materials required to successfully connect chillers.

Manufacturing training

Manufacturing employees receive targeted training through the Johnson Controls Manufacturing System (JCMS) Certification Programs to deliver world-class performance.

- Johnson Controls Manufacturing System (JCMS) role-based Certification Programs** – JCMS revolves around the focus that we have one way of manufacturing to attain world-class performance. The program is constructed in two phases to build JCMS knowledge, skills, and coaching through a series of focused eLearning modules. Once all the learning is completed, phase two focuses on the active demonstration of role-modeling capabilities and varies based on role starting from Operations Leadership to plant managers, business partners, and their onsite plant champion and subject matter experts.
- Coaching for JCMS Performance** – An advanced certification level for JCMS business partners and subject matter experts. The purpose of the Coaching for JCMS Performance program is to prepare these individuals to coach plant personnel by learning and acquiring new skills. They focus on leading plants through the initial JCMS implementation and facilitating the creation of plant-specific action plans. Making a personal commitment to becoming a JCMS Coach offers the opportunity to establish this purpose. The necessity for JCMS Coaches is critical in achieving the One Johnson Controls Way of Manufacturing efficiently and effectively across the enterprise.

Performance management

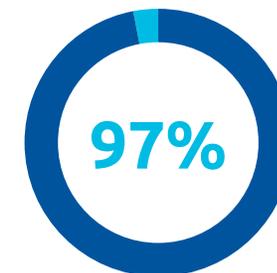
One the strategic drivers of Johnson Controls is to build a high-performance culture. Through a robust, standardized performance management program, non-production employees across the globe set goals aligned to both business and functional objectives and the company's strategic plan, inclusive of the desired capabilities defined in our Enterprise Leadership Competencies and Company Values.

Employees are expected to “strive for five” by having a minimum of five goals, with at least one being development focused, and are highly encouraged to include D&I and sustainability aspects into their goals.

Employees participate in quarterly goal progress review meetings with their managers and have dedicated time for development conversations and activities to ensure the continued focus on career growth. Employees have several resources to utilize when researching and planning career development, including access to an Individual Development Plan and online learning platform.

Our online employees also complete an online annual review process that includes active participation through both a self-review and a manager review to ensure the evaluation is comprehensive and includes the full year's accomplishments. This review balances both achievement of performance metrics and behavioral expectations. Employees and managers are encouraged to seek feedback from others to include in their review and utilize recognition received through Bravo, our recognition platform. Each year management participates in calibration sessions to ensure the performance management process is applied equitably and fairly across teams and functions in the organization. Of the eligible non-production employee population, 97 percent of employees received a fiscal year 2021 annual review.

This standardization of performance management enables strong feedback to employees on their performance, robust career development planning, informed pay and rewards investment, detailed reporting and analysis. Johnson Controls also maintains intranet sites dedicated to Human Resource professionals, employees and managers for desktop access to key Human Resources-related information that has been translated for global use. It also provides ongoing training throughout the year to ensure that employees understand the purpose and benefits of the process.



**received a
fiscal year
2021 annual
review.**



Employability

Johnson Controls has an internal posting system in place throughout the United States, Canada and Europe. This system gives our employees the opportunity to search, review and apply for jobs through a centrally managed website. More than half of our management positions are filled internally.

Diverse recruiting is a key to ensuring we employ a workforce that represents all our customers and stakeholders at every level of the organization. We place great emphasis on identifying, attracting and recruiting minority and female talent. As such, our recruiters and sourcing partners are committed to providing the business with a qualified, balanced and diverse talent slate during the recruitment process. In 2021, 85 percent of the management requisitions open to competitive recruitment had a diverse slate of candidates. In addition to our internal posting process, our external career opportunities are shared to several targeted diversity job boards and organizations to reach diverse applicants.

We also directly partner with several organizations to ensure diversity in our candidate pool. Examples of these partnerships are the Society of Women Engineers, the Society of Hispanic Engineers, and the National Society of Black Engineers in the US, plus Half the Sky in China.

Our Talent Acquisition team has created a library where we can leverage job descriptions that are reviewed and written for applicability to all genders, races and generations. We also leverage employee referrals to hire the best talent and ensure a diverse and inclusive workforce.

In 2021, we launched competency-based interviewing for all our management positions. The interview guides are closely linked to our health behaviors and strategic drivers and support our D&I mission by reducing the potential for unconscious bias and broadening the talent pool. These guides will be launched to all levels of the organization in 2022 and beyond.





Investments and economic impacts

203-1 | 203-2

Johnson Controls makes investments that strengthen our ability to serve our customers and support long-term growth. These investments are determined each year as deemed necessary and appropriate for the business and go through a rigorous business case review.



For example, in September 2020 we announced the official opening of our \$50 million OpenBlue Innovation Center to create a future-ready built environment for Singapore and the surrounding region. The facility is a living laboratory for next-generation applications built on our unifying digital technology suite, OpenBlue, that meets new demands for health, safety and sustainability in connected buildings.

Indirect economic investments are made each fiscal year to support many different stakeholders. In the last ten years, the Johnson Controls Foundation has funded more than \$86.4 million to support US charitable organizations in the areas of the arts, education, health and social services, and the environment.

In 2021, the Johnson Controls Foundation gave \$7.8 million to nonprofit organizations that measurably improve our communities. This support included direct grants to nonprofit organizations, matching gifts for individual employee and retiree gifts to eligible nonprofit organizations and scholarship support for employees' children. All investments are tracked with impact metrics and are reviewed to ensure goals are attained. Please see the [Community engagement](#) section for more information.

Our products and services also have an indirect economic impact by helping our customers cut energy and water use, reduce waste and save money. Additionally, our financial support of research and

development in clean energy technologies helps to strengthen economic opportunity for a wide range of stakeholders.

Green revenue

[SASB: RT-EE-410a.3](#)

At Johnson Controls, sustainability is our business. Nearly half of our total revenue is green revenue. We are honored to have earned a place on the Carbon [Clean 200](#) list for the fifth year in a row. Johnson Controls is ranked number 27 on the Clean200 list from a pool of 8,080 global firms. The Clean200 is an annual recognition of the world's most significant publicly traded firms that are leading the way with solutions for the transition to a clean energy future.

We follow the [Corporate Knights Clean Revenue](#) taxonomy standard for calculating green revenue. Different green revenue percentages were applied to different product categories as appropriate based on environmental impacts. Percentages of revenue from the following were included: residential and commercial HVAC equipment, variable refrigerant flow heat pump offerings, building automation and controls, and industrial refrigeration. The following were included in total revenue and not in green revenue: fire detection and suppression, security, retail, and other products and services.





Community investment

[202-2](#) | [413-1](#) | [413-2](#)

In every aspect of our business, Johnson Controls seeks to promote the well-being of our communities and our planet. Our philanthropic and community engagement strategy seeks to improve the lives of those we serve through employee volunteerism and financial support to build communities that are safe, smart and sustainable.

Safe

For Johnson Controls, a focus on safety includes supporting organizations that provide safety from natural disasters such as floods, fires and hurricanes, and organizations with a mission for safety from violence in the home and neighborhood.

Smart

Johnson Controls supports organizations that make our community smarter, and we provide direct support to universities and indirect support to K-12 schools through partnerships with nonprofit organizations whose programs drive student success. We also incorporate arts organizations in the “smart” category, with an understanding that robust arts exposure drives cognitive development and emotional intelligence.

Sustainable

Johnson Controls supports organizations that keep our communities sustainable by meeting basic human needs such as food and shelter, and supports organizations with a mission to protect our environment

Through our strategic programs, outlined on our website at [Corporate Responsibility Program Overviews](#), we seek to make a positive impact on our communities. One hundred percent of our operations have implemented local community involvement, impact assessments, and development programs.

Leveraging this value of community involvement, we ensure we are world class in our social measures. This, in turn, drives our high-performance culture and leads to exceptional customer outcomes as we build stronger communities.

To ensure a global culture of generosity, we provide strategic programs that integrate community involvement with business goals and drive employee engagement, intentionally drawing a connection between corporate funding and employee volunteerism. We provide resources and strategic support that expand our philanthropic reach and global volunteer efforts, allowing us to live our values. Our strategy has resulted in measurable benefits to the community. Total giving for Johnson Controls in 2021 was nearly \$14.6 million. Our strategic, yet flexible, approach makes us nimble enough to respond quickly to the sudden needs that emerge in our communities.

The value of the business is dependent on retaining people. In a service company or a technology company, the people are indeed the greatest asset. Our financial business case for an acquisition rests on our ability to help the newly acquired company grow in the region.

A formal and comprehensive process is implemented for every new facility, closure, consolidation acquisition and divestiture we make in our portfolio. Our facilities are sited and operate in such a way that we are able to support community needs beyond the employment opportunities we bring.

In addition, when we acquire a company and bring it into the Johnson Controls family, we bring many benefits to our new employees, and thus to their communities. This includes our skills and job training, Equal Employment Opportunity and diversity programs as well as a wide selection of benefits. If there is a layoff or plant closure, Johnson Controls offers a variety of programs and services to ensure employees are enabled for success outside of the company.



All eyes on Ukraine

As the devastating situation in Ukraine unfolded, our watched from various locations around the globe. As countries and world leaders came together, showing solidarity and support for Ukraine, leadership at Johnson Controls took a stand as well.

Early in the crisis, George Oliver wrote to our employees: “We remain committed to leading with integrity, which means doing the right thing with respect, unwavering morals, and humanity. We believe in non-violent ways to address differences and in working together to maintain stability, safety, and security for all of our employees, customers, partners, and communities around the world. Our desire is for peace and stability for Ukraine and its people.”

In an additional email, George Oliver addressed employees: “Johnson Controls is suspending our business in Russia,” he wrote. “As such, Johnson Controls will fulfill existing contractual obligations to the extent possible, and in full compliance with sanctions, while not accepting new business or orders. While this decision demonstrates our strong opposition to these current events, we remain committed to taking care of all of our employees, including those who may be affected as innocent bystanders in this horrific situation.”

We then launched a campaign matching employee donations to three relief organizations serving refugees from Ukraine. Employees responded swiftly, making a record number of donations through the company’s internal giving platform—all of which the company matched, leading to hundreds of thousands of dollars in funding to humanitarian non-profit organizations. Employees living just outside Ukraine’s borders volunteered to host refugees and the company recognized their efforts by making additional donations to relief agencies in honor of their service.

Case Study: HVAC skills training reduces recidivism and saves energy

As a business, we believe in offering a “second chance” by investing in inmates who will become “returning citizens” and helping them to have solid employment prospects and a family-sustaining career. We know we can help address the problem of recidivism, the labor shortage in the HVAC industry, and increase energy efficiency by creating inmate training programs in energy sector skills. So Johnson Controls took action and invested in skills development and stood up training programs in correctional institutions.

One example is the Green HVAC Vocational Program developed by Johnson Controls, a vocational program that provides inmates the education and hands-on experience necessary to obtain jobs as building maintenance specialists, HVAC mechanics, facility controls technicians, and facility maintenance electricians. Like other programs at the local level, a good vocational program begins with an evaluation of an inmate’s current reentry program performances. The evaluation includes a job skills assessment to identify the inmate’s particular skills/interests and those best suited for program success. The results enable customized curriculums, equipment, tools, program materials, and certifications.

Led by experienced instructors from our business in a special training facility built in partnership with inmates and equipped with state-of-the-art HVAC equipment, the three-part program gives students the opportunity to learn HVAC basics, including maintenance and installation, before launching into progressively more technical aspects of the trade. The program culminates in a final portion focused on computerized environmental control.

Both short- and long-term inmates are eligible to take part in the program. Short-term inmates can use the skills learned upon their release to obtain a job, while long-term inmates can help maintain HVAC systems within the correctional facilities. The long-term inmates can also take over maintenance positions, filling roles that are otherwise under-staffed.

The Green HVAC Vocational Program has seen significant success. National statistics show that 48 percent of the inmates who are released each year will return to a correctional facility within the first three years of their release. In just two locations where we have implemented this program, 96 percent of the program graduates have been released and have not returned to prison after five years.

In addition to providing inmates with marketable skills, the program is also helping optimize building performance and reduce energy costs and is a part of wider efforts to support [energy, water and operational efficiency](#). For example, the Virginia government connected its energy efficiency and inmate reentry goals by using savings generated from an energy performance contract to fund the cost of the Green HVAC Vocational Program.



Community engagement

[203-1](#) | [203-2](#)

Through philanthropy and employee volunteer programs, we improve and strengthen the hundreds of communities we call home. Johnson Controls contributes millions of dollars annually and our employees give their time, skills and energy freely.

To fulfill our company's vision and value statements, we strive to be a good neighbor and a positive community partner. We seek to make the community a better place. We define success more broadly than just financial achievement. The communities where we do business are important stakeholders for Johnson Controls. We believe that community involvement and engagement programs enhance our relationships with our communities, customers, and employees, which in turn strengthens our company and benefits our shareholders.

We encourage all employees to find a cause they are passionate about and volunteer regularly in the community and we encourage our leaders to fully engage in their communities through nonprofit board service.

Community College Partnership Program

Johnson Controls is making the largest philanthropic investment in its history with a gift of \$15 million from

business revenue over the next five years to expand community college associate degree and certificate programs in HVAC, fire and security, and digital building automation systems across the United States. The goal of this funding is to equip members of underserved communities with in-demand, employable skills and a pathway to lifelong careers upon graduation. Johnson Controls employees throughout the US are volunteering as part of the program.

The first cohort of the program, in August of 2021, saw a philanthropic investment of \$1 million in 10 community colleges across the US. The colleges provided metrics outlining their success at attracting and retaining students from underserved populations. Johnson Controls is poised to renew funding for cohort one and begin funding of cohort two in summer 2022.



Johnson Controls Foundation

Since 1952, the company has regularly contributed to the Johnson Controls Foundation to ensure robust philanthropic support for the community.

In 2021, the Johnson Controls Foundation gave \$7.8 million in support to nonprofit organizations that measurably improve our communities. This support included direct grants to nonprofit organizations, large gifts to United Way and the Milwaukee United Performing Arts Fund, scholarships for employees' children, and dollar matches for individual employee and retiree gifts to eligible nonprofit organizations.

Our Foundation stands in support of the cornerstone organizations that define Milwaukee on a national level. These are organizations such as the Children's Hospital of Wisconsin, the Milwaukee Zoological Society, and Marquette University. In keeping with the mission to provide support to keep communities safe, smart and sustainable, the Foundation also contributed to organizations that provide assistance to the most vulnerable populations in the communities where our employees live and work.

2021
\$7.8 million
 in support to nonprofit organizations

Red Cross

By partnering with the Red Cross as well as smaller local agencies, Johnson Controls plays a role in supporting large-scale disaster relief efforts through our company donations. We are a member of the American Red Cross Annual Disaster Giving Program, a select group of leading corporations providing the highest level of funding to global disaster relief efforts. The Johnson Controls Foundation's contribution is an annual donation of \$500,000. Our membership supports an emergency infrastructure that enables the Red Cross to respond immediately to the needs of individuals and families impacted by disasters. Membership in the American Red Cross Annual Disaster Giving Program ensures Johnson Controls renders assistance in a timely, consistent way, and is available when disasters occur, wherever and whenever they happen around the world. Johnson Controls provides additional support to relief efforts when extreme disasters occur and to local agencies for disasters if the American Red Cross is not asked to provide relief. As COVID-19 restrictions are lifted, Johnson Controls locations plan to resume their practice of hosting employee blood drives in support of local Red Cross chapters.

Racial justice

Continuing its longstanding focus on racial justice, the Johnson Controls Foundation launched a strategic

partnership with the National Urban League and the Milwaukee Urban League to help the organizations expand their initiatives supporting employment, education, and advocacy as well as equitable justice and democracy.

Johnson Controls is investing \$2 million in various Urban League programs in support of the group's expertise and experience fighting for civil rights at the state and federal level. As part of the Johnson Controls Foundation's strategic plan to support social equity, the partnership with the century-old organization reinforces the company's commitment to economic empowerment, equality and social justice. Both the greater community and Johnson Controls employees benefit from the action and programs of local Urban League chapters across the US.

"Achieving a just and equitable economy that provides opportunity for all requires the commitment of forward-thinking and conscientious corporations like Johnson Controls," said National Urban League President and CEO Marc H. Morial. "I look forward to a successful and productive collaboration."

For the Milwaukee Urban League, this partnership provides an opportunity to transform and reinvigorate local community programs, in addition to advancing advocacy efforts on the critical issues facing the Black community and other underrepresented populations.

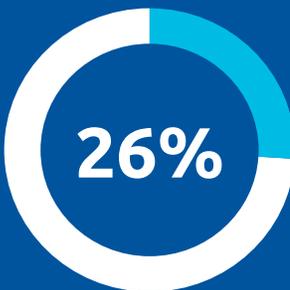
"Achieving a just and equitable economy that provides opportunity for all requires the commitment of forward-thinking and conscientious corporations like Johnson Controls," said National Urban League President and CEO Marc H. Morial. "I look forward to a successful and productive collaboration."



of all volunteering was tied to one of the 17 United Nations Sustainable Development Goals (SDG)



to Sustainable Cities and Communities



to Quality Education

Volunteering

When employees give their time to an eligible cause, a \$10 per hour corporate donation follows.

In 2021, 81 percent of all volunteering was tied to one of the 17 United Nations Sustainable Development Goals (SDG), 32 percent to Sustainable Cities and Communities and 26 percent to Quality Education. Despite the pandemic, more than 30,000 hours of service were recorded in 2021.

Through the program, Johnson Controls seeks to better connect our philanthropy and volunteerism, leveraging the impact of both.

30,000
hours of service
recorded in 2021



Community Leadership Program

The Johnson Controls Community Leadership Program strategically matches our leaders with community and charitable organizations who need board members. We do this by coupling the leader's personal passion and professional expertise with area organizations that need this type of guidance.

In 2021, leaders represented our company in local communities serving globally on 246 nonprofit boards. Organizations included hospitals, universities, social service agencies, environmental organizations and civic organizations.

Our involvement provides strategic feedback on economic, social, educational and environmental issues and illustrates our commitment to the communities where Johnson Controls has a presence. Studies show that nonprofit board service benefits corporate employees and helps advance workplace diversity and inclusion by connecting executives with members of the community they would otherwise be unlikely to meet with regularly.

The expertise the executive offers fosters a stronger approach for the nonprofit, which in turn can solve community problems and drive economic growth where our employees and customers live and work.

Supplier sustainability

[2-6](#) | [2-29](#) | [204](#) | [308](#) | [414](#)

We require all our suppliers to adhere to our Code of Ethics, which covers issues such as labor, human rights, and the environment.

We have policies and procedures in our business for removing unethical suppliers from our approved vendor lists if they don't (or won't) comply with our Code of Ethics. We do not disclose specific numbers or incidents regarding non-compliance.

We are committed to providing safe, quality products and services. It is our goal to work collaboratively with our suppliers to exceed our customers' increasing expectations, achieving outstanding performance through best-in-class products, services and processes. For more detailed information, see our [Supplier Portal](#).

Assessing supplier data reliability

Generally, Johnson Controls expects suppliers to behave ethically as well as to maintain open and honest communications. We believe this to be true with every supplier that we have under contract. We have a common set of criteria (supplier scorecard and supplier assessment survey) for assessing the environmental and social performance of key suppliers, especially those posing the greatest risks to Johnson Controls and our customers (e.g., raw material extraction, chemical processing, manufacturing associated with high labor demands).

We also rely on local, state and federal agencies to monitor a supplier's compliance with environmental and labor laws. We often use the internet or have direct discussions with the regulatory agency to review a supplier's compliance record. In addition, we often perform site audits of selected suppliers to ensure that the proper environmental and social processes are documented, implemented and remain effective. Additional supplier oversight may also be prompted by negative reports regarding the environmental and social conditions of a supplier's facility or process.

Supplier diversity

In 2021, we achieved our supplier diversity goal to purchase from certified diverse suppliers at a higher percentage rate than revenue growth. We spent 28 percent more with diverse suppliers in 2021 because of our focus on doing business with minority and women-owned businesses in urban markets and in specific procurement categories.

We define diverse suppliers as: "Companies certified as owned, operated, and/or controlled by minorities or women, and those designated by government agencies as small or disadvantaged businesses." Our diversity business initiative is integrated into our corporate strategy and directed by senior management.

Goal attainment and progress is reviewed and communicated on a monthly basis. We economically equip entire communities and gain competitive advantage by incorporating diversity into our customer solutions. We expect our key suppliers to pursue similar initiatives.

We have spent more than \$22 billion with certified diverse suppliers since 1993. Globally, we have incorporated diverse and historically underutilized companies in more than 30 product and service categories to support our customer solutions.

We encourage our leaders to offer their expertise and support non-government organizations that advocate for supplier diversity. For example, one of our strategic accounts sales managers, our supplier diversity manager, serve on the Eastern Minority Supplier Development Council's board of directors and the North Central Minority Supplier Development Council's board of directors, respectively.

Reginald Layton, Vice President of supplier diversity and supply chain sustainability, serves as board chair of the Southwest Minority Supplier Development Council and chair of the Field Operations Committee for the National Minority Supplier Development Council's board of directors. In fact, Reginald received the National Minority Development Council's 2021 Robert M. Stuart Leadership Award for his investment of time, energy and passion into advancing opportunities for Minority Business Enterprises in Corporate America. These organizations certify minority ownership, develop supplier capabilities, connect diverse suppliers to procurement opportunities, and advocate for the practice of supplier diversity.



Our employees

Health and safety

[3-3](#) | [403-1](#) | [403-2](#) | [403-3](#) | [403-4](#) | [403-5](#) | [403-6](#) | [403-7](#) | [403-8](#) | [403-9](#) | [403-10](#)



Health and safety is critical to our success. We are committed to our Zero Harm vision to create a safe and healthy work environment for our employees, our vendors and contractors, our visitors, and our communities. Our Zero Harm Vision builds on three pillars: Safety, Health and Wellness, and Environment with multiple stakeholders from across the organization collaborating in improvement initiatives within the different pillars.

Johnson Controls health and safety programs are designed to provide a safe working environment. Our initiatives focus on how employees work at our manufacturing locations and our customer locations in the installation and services businesses, striving for a safe environment by eliminating unsafe conditions and acts.

Our health and safety programs rely on a systems management approach to ensure compliance and continuous improvement. We have a number of mechanisms and processes in place to prevent non-compliance. For example, our Johnson Controls Manufacturing System defines standards for a range of topics, including environment, health, safety and other matters, to ensure compliance. We identify and share best practices across the enterprise to continuously improve our compliance practices. In the unlikely event of an emergency or crisis, we have a regularly updated Crisis Management Plan to effectively address incidents and minimize impacts on our employees, communities, the environment, and other stakeholders.

While compliance with health and safety regulations is important and required, our programs reach beyond compliance to influence our company's culture through employee engagement and leadership behavior.

Given the diverse and decentralized nature of our company, our health and safety programs are designed around global standards with appropriate variations addressing multiple jurisdictions and regulations, specific hazards, and unique working environments of each business unit. The way we operate and measure the performance and outcomes of our health and safety programs is consistent with

widely accepted standards and practices meeting or exceeding International Labor Organization's Guidelines for Occupational Health Management Systems (ILO-OSH 2001) and ISO 45001 certification.

Johnson Controls employs dedicated health and safety professionals around the world. Each Business Unit maintains an environmental health and safety organization and management structure designed to support its health and safety efforts.

The corporate environmental health and safety team drives the company's strategic health and safety initiatives in close collaboration with the business unit health and safety leads. Our enterprise-wide standards and programs are established in collaboration with the business unit health and safety leaders.

Our goal is to achieve and maintain world-class safety performance in all our businesses and operations. Our health and safety management system, programs and policies apply to all staff present at our workplaces, whether they are Johnson Controls employees or external contractors.

Our sites hold onboarding and training programs for our employees. For contractors, we will first assess the contracting company's environmental health and safety programs and policies before awarding work to them, and then ensure individual staff carrying out tasks at Johnson Controls workplaces receive details of site-specific Johnson Controls environmental health and safety programs and policies.

Keeping our employees and customer sites safe during COVID-19

In response to the COVID-19 pandemic we created several new programs to help protect our workforce and our facilities and ensure the ongoing support of customer sites e.g., in the healthcare sector, to remain operational during this pandemic. Our approach was based on creating multiple layers of protection using technology, work processes, individual protection, counselling, and training that reinforce each other. We encourage all our employees to get vaccinated and get booster shots when eligible. We actively promote vaccination and allow employees to take paid time off to get vaccinated in their local community. At multiple locations across the globe, we organized on-site vaccination clinics for our employees and their families, in support of the local authorities' vaccination program.

Some of the key standards and practices of our programs

- Use of standard US-OSHA recordkeeping rules to measure injury and illness rates globally. We believe that injury and illness rates based on consistent definitions provide an objective measure of performance and we are committed to improving our performance.
- Use of widely accepted standards for the most critical safety processes, such as work at height, control of hazardous energy, driving safety, and contractor management. Such standards apply to all our locations worldwide.
- Measure health and safety performance as a mix of leading and lagging indicators, with increasing focus on leading indicators.
- Use of established management system techniques to ensure injury rate reductions are sustainable.
- Verification of the accuracy of self-reported safety and health data, for example, during third-party auditor assessments.
- Exploring innovative ways to further strengthen our safety culture. Johnson Controls placing an increasing focus on Leading Indicators as a measure of safety performance and outcomes is one example of this innovative stance.

- We deploy the Johnson Controls Manufacturing System (JCMS) Maturity Model and Standards to implement the Johnson Controls Way of Manufacturing to attain world-class performance in our manufacturing operations across the globe.

Through our distracted driving policy we promote safe driving behaviors at all our operations globally. As part of the distracted driving policy we've banned use of mobile phones while driving a vehicle, as well as programs to recognize and eliminate other distractors while driving, such as operating the navigation system, fatigue, and interacting with others in the vehicle.

During 2021 we introduced a new leading indicator, "Zero Harm Coaching Moments". Across all operations, irrespective of type of business or geography, we expect supervisors to engage with each of their front-line employees (e.g. plant operators and field technicians) at least twice a year in a one-on-one discussion on workplace safety, employee well-being and the sustainability impacts of their role.

Using leading and lagging performance metrics, improvement opportunities are identified. Following a series of fall incidents involving portable ladders, our North America service organization engaged with a ladder manufacturer to help design a new-style platform ladder that is built to provide a safe working platform in a variety of situations that are often encountered at customer locations. Next, the business leadership committed to roll out a ladder replacement program to ensure that employees have access to the new-type ladders, workplace safety is improved, and ladder-related fall accidents are reduced.

Safety culture and behavior-based safety initiatives are being deployed within various parts of our business. As there are diverse ways to ensure employees are engaged with safety, as a company we monitor and support such initiatives. One safety policy that applies to all employees, regardless of rank, region, workplace, or other external factors, is the right of every employee to "STOP WORK" whenever they have questions or doubts about their ability to safely execute a task assigned to them. We are also beginning to implement health and wellness programs at major locations in addition to the traditional workplace health and safety programs.

These programs seek to improve employee well-being both inside and outside the workplace. Health and wellness programs include the establishment of fitness centers, running and walking tracks, weight loss programs, vaccinations, smoking cessation



programs and many other health improvement and disease prevention programs. At Johnson Controls, these health and wellness programs continue to be an integral part of our Zero Harm vision.

The well-being programs are facilitated by a Global Well-Being Council that is responsible for developing and monitoring the global strategy, guidelines, and objectives as well as communicating the global well-being framework. They collaborate with and are supported by regional councils in Asia, North America, Latin America and EMEA as they implement and sustain the program at a regional and local level.

Policies, standards, and certifications

Johnson Controls has a company-wide environmental, health and safety policy that is supported by our local, regional, and site-specific employee health and safety policies and programs. Our health and safety policies embody the key elements enabling Zero Harm to employees and the environment and include local and regional regulatory requirements and industry standards (e.g. European Union, US-OSHA, National Fire Protection Association, country-specific) where necessary. The policy is reviewed annually.

For a safety management system, Johnson Controls follows the standards of ISO 45001. Many of our locations are certified under this standard; however, Johnson Controls does not require external certification for all its operations. In addition, various locations maintain other key certifications including ISO 9001, ISO 14001 and ISO 50001.

Training

403-5

Training is a key component of Johnson Controls health and safety programs. Our standards require new employees to receive the appropriate level of health and safety training for their work environment. Health and safety training is provided during an employee's initial orientation or onboarding process. This also includes continual health and safety training through regular toolbox talks ranging from specific certifications to general awareness and behavior training. This training is conducted using a combination of classroom and computer learning.



Occupational health services

403-3

Our staff have access to occupational health services, appropriate for the risks they may be exposed to at work. These occupational health services may be either internal or external, or a mixture of both, based on a local assessment of in-house capabilities, occupational exposure types, and required skills/competencies, to ensure all staff has access to expert occupational health support. Whether internally or externally, the results of occupational health exposure monitoring are available only to the respective worker and the required staff at the occupational health service. In case of exposures above acceptable levels, managers/supervisors may need to be involved to help resolve an exposure problem, but do not get access to an individual's occupational health records. The use of information from occupational health records for any favorable or unfavorable treatment of workers would constitute a violation of our ethics policy.

Audits and inspections

As part of the ISO 45001 standard and other applicable health and safety standards, Johnson Controls requires locations to perform regular safety audits to ensure proper safety policies, program procedures, analysis and training are in place. Audit data is used to create improvement and corrective action plans.

In addition, Johnson Controls engages an independent third-party conformity assessment and certification vendor to audit selected operations for adherence to our global health and safety standards. In addition to Management Systems Certifications for ISO 9001, ISO 14001, and ISO 45001, the third-party auditor also performs specialized audits for location-specific health and safety issues (e.g., ergonomics, industrial hygiene, machine guarding, OSHA record keeping, NFPA 70e live electrical, confined space.). The on-time completion of any findings identified during these audits is also an enterprise leading indicator.

Reporting

Each business is responsible for reporting their health and safety activities and outcomes. These reports are generated monthly and are circulated to the senior leadership team. Health and safety is a standard topic at monthly operational reviews.

Our corporate environmental health and safety department provides a monthly global Zero Harm Report that contains information related to Key Performance Indicators, including Total Recordable Incident Rate (TRIR), Significant Incident Frequency (SIF),

Motor Vehicle Accident Rate (MVAR), Near Miss, Unsafe Act, and Unsafe Condition Closure Rate, Zero Harm Coaching Moments, and On-time Audit Finding Closure. The monthly Zero Harm Report is distributed to the Executive Leadership Team. This team includes the CEO and his direct reports, and the Global Health and Safety Leadership Team.

Health and safety committees

As part of our global health and safety standards, Johnson Controls maintains health and safety committees at the local, regional, business unit and corporate levels.

At the local level, health and safety committees take many forms, depending upon the business, but serve the same principal function: to facilitate and maintain regular communication regarding health and safety issues and information across all levels of the organization. This information includes, but is not limited to, health and safety standards, processes and procedures, roles and responsibilities, prevention measures, near misses and incident reviews, KPI trends, reporting and investigation obligations, inspections by relevant authorities, and both internal and external audit results. Health and safety meetings are held regularly, and topics are tailored to specific location needs depending upon the type and scope of work.

In the manufacturing organization, health and safety committees generally operate at the location level because of the size and concentration of employees. In the installation and service business, health and safety committees generally operate at the branch or regional levels because of a dispersed workforce.

Key Performance Indicators

We use a mixture of leading and lagging indicators to assess the health and safety performance of its operations. Lagging indicators include the OSHA Total Recordable Incident Rate (TRIR) and the Lost Time (or Lost Workday) Incident Rate (LTIR) based upon the number of incidents per 100 employees (or per 200,000 work hours), and significant Incident Frequency (SIF) based upon the number of incidents per 1,000,000 work hours.

Our business places more emphasis on the TRIR because of its uniform application around the world. While the LTIR is also tracked, we believe it is less useful in measuring health and safety outcomes because of the inherent differences in national occupational compensation and health schemes and variations in workplace regulations.

While Johnson Controls continues to measure and report on lagging indicators, it promotes the use of leading indicators as more relevant predictors of health and safety performance and outcomes. Leading indicators include, but are not limited to, near misses and unsafe acts/conditions closed, corrective actions completed, safety discussions held, motor vehicle calls reported, safety observations noted, safety-focused improvement events completed, job safety analysis completed, leadership safety walks, and self-audits completed. Leading indicators are defined, tracked and measured by each Business Unit, appropriate for the risk and type of operations in the Business Unit. The Global Health and Safety Leadership Team evaluates the potential to define leading indicators to be measured and tracked at an enterprise level.

Technology and software

Johnson Controls uses an enterprise environmental health and safety software system, called the Environmental Health & Safety Information System (EHSIS), to support our health and safety programs worldwide. This system allows users to input, track and manage work-related injuries and illnesses as well as near misses and unsafe acts or conditions, create and perform safety audits, perform workplace inspections, perform leadership safety walks, measure compliance with government regulations and internal procedures, create standard reports, manage risk assessments, track waste and energy metrics and medical monitoring results (e.g., blood lead levels). The EHSIS platform is used by our health and safety professionals and other stakeholders to address their health and safety responsibilities.

Trade union health and safety

403-4

Certain Johnson Controls operations are subject to collective bargaining agreements, including the health and safety topics covered by these agreements. We believe strongly in providing all our employees with a safe place to work no matter their location or union association. Johnson Controls communicates this belief through the Code of Ethics, which applies to all employees and our suppliers.

In the European Union, Johnson Controls health and safety programs are subject to Works Council review and approval and to collective bargaining agreements in certain countries. Johnson Controls collaborates with trade unions and other employee representative organizations, as defined by local regulations, to improve workplace health and safety.

Continued external employability

402-1

The competitive nature of the business requires us to occasionally restructure in order to compete and survive in a rapidly changing, cost-driven customer environment. In alignment with company values, when workforce reductions occur, they are carried out with utmost respect for the people concerned.

In accordance with local, state, federal and/or country requirements, Johnson Controls also ensures the collective bargaining unit (if applicable), the state dislocated worker unit, and appropriate local government unit are also advised.



Human rights

Our Human Rights and Sustainability Policy and our Code of Ethics define our overall management approach relating to human rights, anti-corruption, environmental, governance, social, and related matters. We respect the environment, the communities in which we operate, and our employees' human rights. We expect our employees to act in a socially and environmentally responsible manner and require them to comply with applicable laws and regulations. We require our suppliers to operate in a similar manner, and incorporate such language into our supplier contracts.

Our business requires the line management of each facility to ensure implementation of the equal opportunity and no harassment policies in accordance with national, state or provincial law. Additionally, our Executive Vice President and Chief Human Resources Officer monitors implementation of and compliance with these policies.

Employees, temporary workers, visitors and other non-employees are encouraged to immediately report situations of harassment committed by anyone, including visitors, and other non-employees. They are asked to report the matter to their department manager, plant/facility manager, or local human resources manager. Johnson Controls wants to know of any allegation of harassment or unfair practice so that appropriate action can be taken after a prompt investigation.

To ensure our processes are working properly, and that employees, customers and shareholders understand our policies and guiding principles around treatment, respectability and integrity, we systematically gather feedback and take action to improve our work environment. We track, analyze and communicate performance outcomes quarterly.

Johnson Controls Mexico achieved gold level, the highest level, in the Mexican Standard on Job Equality and NonDiscrimination. Johnson Controls is one of only two multinational corporations to be awarded the gold level in multiple sites. This certification was issued by Factual Services with the endorsement of the Mexican Federal Secretary of Labor.

United Nations Global Compact

2-23

Our Human Rights Policy specifically states that we fully support the United Nations Global Compact's Ten Principles. These principles are based on the Universal Declaration of Human Rights; the International Labor Organization's Declaration on Fundamental Principles and Rights at Work; the Rio Declaration on Environment and Development; and the United Nations Convention against Corruption.

Our progress in meeting each of the UN Compact Principles is reported publicly on the United Nations Global Compact website. Also, please refer to our sustainability commitments.

Child labor

408-1

Our company takes active measures to prevent child labor through our policies. The Code of Ethics and Human Rights and Sustainability Policy address child labor and are consistent with the UN Global Compact and ILO Convention 138.

We also take appropriate steps to ensure there is no child labor in any of its facilities. Potential employees are required to show valid identification and proof of age before they are hired. We have not found any plants or operations that would be at significant risk for incidents of child labor.

Forced or compulsory labor

409-1

There are no operations within Johnson Controls that have been identified as having significant risk for incidents of forced or compulsory labor. We take proactive measures to prevent forced or compulsory labor through these policies.

Security practices

410-1

Our security mission is to protect our people, property and intellectual assets through the implementation of appropriate risk-based and business-minded security and loss prevention tactics. In order to achieve this security mission, we have processes, activities and metrics in place to support enterprise security operations that include loss prevention, asset protection, executive protection, enterprise security risk management, security investigations, travel security, crisis management, and business continuity.

Johnson Controls employs security personnel either directly or through vendors, and their responsibility is primarily physical security. All such personnel are sufficiently qualified and are trained in our Code of Ethics.

Slavery and Human Trafficking Policy

308-2 | 409-1

Our Slavery and Human Trafficking policy complies with the Modern Slavery Act of 2015 and is updated annually. We are committed to taking steps to ensure that slavery and human trafficking are not taking place in any part of our supply chain or in any part of our business. We require our employees and suppliers to abide by our Code of Ethics. We also gather information to quantitatively measure our suppliers' sustainability programs and to ensure compliance with local, state, federal and country laws, including laws on forced labor.

We expect that suppliers should take steps to ensure that slavery and human trafficking are not taking place in any part

of their supply chain or in any part of their business. We may reconsider our supply arrangements and implement remedies available to us if a supplier refuses to cooperate with our compliance efforts.

Conflict minerals

RT-EE-440a.1

We are committed to the responsible sourcing of conflict minerals throughout our supply chain. Johnson Controls is a member of the Responsible Minerals Initiative, and we compare the aggregation of smelter lists provided by our suppliers with the CFSI list of compliant smelters to determine which smelters are conflict free. The information provided by our suppliers is used to conduct our due diligence, including assessing reports for completeness and consistency. Our due diligence processes also conform to the primary principles of the internationally recognized due diligence framework from the Organisation for Economic Co-Operation and Development. Our Conflict Mineral Policy and Report are publicly available on our website.

Product safety

403-7

We are proud to be named one of the Top 100 Global Innovators 2021 for the sixth year in a row by Clarivate. Our company values include being Customer Driven and Future Focused. These define our commitment to help our customers win and to continuously improve our business. The responsibility for monitoring customer satisfaction resides within the board of directors and within business unit management.

Our business is committed to providing quality products and services that meet or exceed the expectations of our customers. Deficiencies that threaten the physical well-being of any person or put the financial security of our company at risk are required to be reported immediately to management. Deficiencies may involve product quality, safety, design, installation or maintenance.





Our internal Johnson Controls Operating System (JCOS) defines and standardizes best practices across our corporate activities. These include our Commercial Excellence initiative as well as our Engineering Excellence initiative. Together, these ensure continuous improvement of solutions we deliver to our customers that advance health and safety. JCOS also ensures uniformity in dealing with customers and brings prompt, measurable quality improvements.

Assessment of the health and safety impacts of product and service categories

[416-1](#) | [416-2](#) | [403-7](#)

Our products meet or exceed applicable government and industry safety standard requirements. This is accomplished through the implementation of a standardized procedure assessing safety and health impacts for our product development.

We follow a product development and launch procedure that identifies and incorporates applicable product safety standards, codes and regulations in the product design. The procedure uses a process known as Failure Mode and Effect Analysis (FMEA) to address single-point failure modes in the product design and manufacturing processes. For new products and products in the field, we may also use Risk Assessments or Fault Tree Analysis (FTA) in the design to capture compounding effects leading to failures, and mitigation or prevention opportunities after which the countermeasures can be put back into the FMEAs as single-point failures.

Product safety requirements are defined under FMEAs with the highest severity ratings. Any identified noncompliance with applicable safety standards, codes and regulations are addressed through preventative means or through our validation testing or in-process/end-of-line testing in our manufacturing facilities. In addition, a significant number of our new and current products are also evaluated and listed by either

nationally recognized testing laboratories, or by qualified testing laboratories to applicable safety standards.

One hundred percent of our significant product or service categories are covered by and assessed for compliance with company procedures for assessing product/service health and safety impacts. Our products, as designed, manufactured, and sold by Johnson Controls, have not suffered monetary losses as a result of legal proceedings associated with product safety. While our company faces certain product liability cases that are brought against our products from time to time, none of those cases are considered material or substantial involving noncompliance to product safety, nor have they involved actions for non-compliance with an applicable regulatory or voluntary code. None of the cases involve fines, settlements, or court-imposed awards for such non-compliance.

Product safety controversies

We did not have any incidents of material or substantial non-compliance with regulations or voluntary codes concerning the health and safety impacts of our products and services.

While we do face certain product liability cases that are brought against our products from time to time, none of those cases are considered material or substantial involving noncompliance to product safety, nor have they involved actions for non-compliance with an applicable regulatory or voluntary code. None of the cases involve fines, settlements, or court-imposed awards for such non-compliance.

Our business takes potential product safety issues very seriously and routinely monitors consumer reports and other relevant information including through www.saferproducts.gov. We have a process for determining whether products in the field have nonconformities that might be the source of potential product safety concerns. We regularly monitor field performance and performance in the factory to determine whether any nonconformities in our products could be the source of

those types of concerns. If we determine that such circumstances exist (i.e. nonconformities that could cause safety concerns in the field), we either work with our customer to determine the correct field response in cases where we supply the component and not the entire product or determine the correct field actions if our product is the product sold to the end-user. In doing so, we determine any requirements for reporting such actions promulgated by applicable regulatory agencies and report our actions consistent with those reporting requirements.

Product recalls

[RT-EE-250a.1](#)

Our products, as designed, manufactured, and sold by Johnson Controls, have not had involuntary recalls as required by regulatory agencies specific to noncompliance with regulatory safety standards. Johnson Controls also has not initiated voluntary recalls resulting in the removal of products from the market to address safety-related concerns.

Product labeling

[417-1](#)

Product labels are routinely reviewed to ensure compliance with applicable regulatory requirements across the enterprise.

Our products are compliant with applicable regulations, codes and standards that require specific information be placed on defined labels and warnings regarding safety. Many of our products are also listed by Nationally Recognized Test Labs (NRTL) where these requirements on labels and information are verified for presence. These label requirements include maximum voltages, phases, amperages, and design working pressures as well as refrigerant types, circuit protection, etc. as noted in the requirements of the

standards and verified by the NRTLs as part of our product listing.

By regulation, we also include additional labels as needed, such as DOE-required efficiency, Energy Star or performance ratings, as required for the markets in which we sell. Our installation, operation and maintenance manuals are provided to relay specific information regarding safe use of the product and applicable safety warnings with regards to safe handling of chemical substances used by the product, such as oils and refrigerants. Additionally, our manuals cover safe disassembly and end-of-life disposal of the product when required by the regional regulations. Our product labels also comply with recommended safety icons and language requirements as appropriate, consistent with national guidelines for safety labels.

Customer privacy

[418-1](#)

Johnson Controls cares about privacy and we are committed to protecting data and personal information in accordance with fair information practices and applicable data privacy laws. We operate a rigorous Global Privacy Program, underpinned by our best-in-class Privacy Program Framework and our Binding Corporate Rules, which are designed to provide adequate global protection for data protection and personal information.

We have substantive experience with global privacy issues and has received several awards, achieved global privacy certifications, and formed strategic alliances and partnerships that demonstrate our commitment to transparency and excellence.

The seals and certificates Johnson Controls has received, detailed below, demonstrate how our privacy and data governance practices for personal information comply with international standards and beyond. Our hope is these certifications demonstrate we are a trusted resource.

APEC Cross Border Privacy Rules (CBPR)

With the APEC CBPR certification, the privacy practices of our organization will be in line with other CBPR-certified organizations, thereby facilitating transfer of data between participating countries, including the United States, Canada, Mexico, Australia, Japan, and many others.

APEC Privacy Recognition for Processors (PRP)

The PRP framework helps personal information processors demonstrate their ability to assist controllers in implementing the customer's relevant privacy obligations. It further demonstrates our capacity for processing of personal information securely.

TRUSTe Enterprise Privacy Certification

The TRUSTe Enterprise Privacy Certification demonstrates that our privacy and data governance practices comply with global standards. By achieving and displaying the TRUSTe Privacy seal on our website, we demonstrate to our existing and potential customers and all business partners that they can trust us with the processing of their personal information.

See more at www.johnsoncontrols.com/privacy

Information security/cybersecurity

The use of data – whether to run internal operations, generate meaningful financial reporting, or create best-in-class solutions for the marketplace – is key to an organization achieving its sustainability goals by deriving insight and identifying opportunity. Where there is data and technology, there is risk. In recognition of this, Johnson Controls operates an ongoing Information and Cybersecurity Program that protects the confidentiality, integrity and availability of our enterprise information and systems and the security of customer products and services. This is achieved through a strong management approach, governance through robust policy, standards and procedures, and execution of a comprehensive strategy that adapts to changing risks.

Our Vice President and Chief Information Security Officer (CISO) is responsible for the development and execution of the information security and cybersecurity strategy across the global Johnson Controls footprint and a Vice President and Chief Product Security Officer (CPSO) responsible for the end-to-end life cycle security of our products and services. The CISO and CPSO organizations partner closely with each other and other internal groups including Corporate Governance and Compliance, Enterprise Risk Management, Global Privacy Office, Legal, Internal Audit and the lines of business to ensure we deliver on our commitment to security, privacy and ethics.

Johnson Controls policies, standards, and procedures apply to all employees to ensure the workforce is aware of threats and the importance of information security/cybersecurity and were developed from industry standards including National Institute of

Standards and Technology (NIST) 800–53, International Organization for Standardization (ISO) 27001 and Payment Card Industry Data Security Standard (PCI-DSS) We conduct regular, company-wide cybersecurity training for employees and contractors. This training includes mandatory annual cyber awareness and acceptable use policy training across the user base, as well as targeted training for select groups of executives, employees handling sensitive data, field technicians and developers. Our training is developed in partnership with an industry leader in cybersecurity awareness training and is translated into local languages to aid understanding. There are cybersecurity campaigns, events and communications throughout the year to raise awareness of cybersecurity and our monthly phishing simulations include follow-up training for those who didn't successfully pass the simulated event. These elements are designed to mature a risk-aware culture.

We deliver security by ensuring awareness of security through ongoing training and publishing of policies and standards. These capabilities also include operational security functions, including monitoring, incident response, vulnerability management, and secure architecture and engineering. Risk management capabilities include risk controls, third-party risk assessment, and regulatory compliance. Information protection capabilities include data loss prevention and insider threat management. These capabilities are designed to manage information and cybersecurity risk throughout the life cycle of our enterprise operations.

Our global secure product development process is ISASecure® certified in accordance with IEC 62443. The company is also pursuing SOC 2 attestations and ISO 27001 for several digital products. Johnson Controls products and services are developed

following a defined Secure Development Lifecycle to help proactively identify and remediate vulnerabilities in product software prior to release. Product security baseline requirements are derived from established industry standards, including Open Web Application Security Project (OWASP), NIST SP 800–53r5, International Society of Automation/International Electrotechnical Commission (ISA/IEC) 62443, and Unified Facilities Criteria (UFC) 4–010–06. We have a Product Security Incident Response (PSIR) program to manage in-life product vulnerabilities, are a member of the Forum for Incident Response and Security Teams (FIRST), and are designated by MITRE as a CNA (Common Vulnerabilities and Exposures Numbering Authority) to publish industry standard CVE (Common Vulnerabilities and Exposure) for qualifying product vulnerabilities. Product security advisories are published to Johnson Controls product security web pages and patches and updates for supported products are made available to address critical and high vulnerabilities.





Governance

Company leaders

[2-9](#)

The Johnson Controls board of directors is guided by our Corporate Governance Guidelines, Committee Charters, Code of Ethics, and Articles of Association, all of which are publicly available in the [Corporate Governance](#) section of our corporate website.

Detailed information about our governance structure, board of directors and their committees is also publicly available in our [2022 Proxy Statement](#). Information about our executive leadership and our board of directors is also available on the [proxy statement](#), our [Annual Report on Form 10-K](#), and the [Leadership page of our website](#).

We believe good governance requires not only an effective set of specific practices but also a culture of responsibility and accountability throughout the company. Governance at Johnson Controls is intended to foster and promote both.

We are committed to recruiting and retaining directors and officers of proven leadership ability and personal integrity. Our board adopted and adheres to our Corporate Governance Guidelines, which provide a resilient framework for the effective governance of Johnson Controls. A third of our board of directors are women or members of historically underrepresented groups.

Executive compensation tied to sustainability and diversity



[2-20](#)

Sustainability and diversity performance goals are required for the top leaders of our company, including our CEO and executive team. These goals are included as part of the individual contribution modifier applied to their annual incentive award calculation. The individual contribution modifier acts as an assessment of an individual's contributions and actions toward the performance of our business, operational improvements and our progress in sustainability and diversity.

Our CEO reports on progress quarterly to our board of directors. A quarterly ESG scorecard is prepared with performance against annual targets and reviewed with the Board of Directors Governance Committee. The Committee also reviews key strategies and progress towards decarbonization, water conservation, waste reduction, and value chain management. Integrating sustainability into the goals of our executive team and linking them to compensation ensures sustainability is embedded into our products, services and culture.

In 2022, more than 13,000 employees tied their annual goals to sustainability and diversity.

Responsibility for economic, environmental and social topics

[2-12](#) | [2-13](#) | [2-14](#) | [2-17](#) | [3-1](#)

The mission of our board of directors is to promote the long-term value and health of Johnson Controls in the interests of shareholders, and to set an ethical “tone at the top”. All corporate authority is exercised by our board of directors except for those matters reserved for our shareholders.

In general, the management of Johnson Controls is responsible for developing our overall mission and strategic plan on an enterprise and business level. Our board of directors retains oversight authority – defining and overseeing the implementation of and compliance with standards of accountability and monitoring the effectiveness of management policies and decisions to ensure the company is managed in such a way to achieve its objectives.

Our board of directors approves and oversees the implementation of the company’s mission, strategic plan and business strategies, and provides advisory support. The vision and values of our board of directors include our company vision of a safe, comfortable and sustainable world and our company values: Integrity First; Purpose Led; Customer Driven; Future Focused; and One Team.

The full board of directors oversees strategy and strategic risk through robust and constructive engagement with management, taking into consideration our key priorities, global trends impacting our business, regulatory developments, and disruptors in our businesses. The Governance and Sustainability Committee of our board of directors has primary oversight over environmental and health and safety matters impacting our company and is briefed each quarter on our sustainability progress.

Our Compensation and Talent Development Committee has primary oversight of our talent development and human capital management efforts. This includes diversity and inclusion and our overall organizational health. The committee is regularly briefed on our initiatives to foster, develop and maintain a high-performance culture. Our entire board of directors is briefed periodically on material sustainability and human capital matters.

Authority for day-to-day management of economic, environmental, and social topics is delegated to the Executive Committee (EC), which comprises the senior executives responsible for all our major corporate functions. The most senior positions with operational responsibility for environment and society aspects include the Executive Vice President, General Counsel; Executive Vice President and Chief Human Resources Officer; Vice President, Chief Sustainability and External Relations Officer; and Vice President and Chief Procurement Officer.

In addition, local business leaders are responsible for the impact our business has on the environment and local society. The EC further delegates relevant authority for economic, environmental, and social topics – particularly including all the material aspects discussed in the Johnson Controls Sustainability Report – to the internal Sustainability Leadership Committee and other appropriate organizations within our company.

We are committed to maintaining ongoing dialogue with our shareholders to enable us to solicit and respond to shareholder feedback in a timely manner. The feedback we receive through bi-annual engagement efforts is an important input into discussions and decisions regarding our governance and business practices. Our outreach efforts are generally led by members or management representing a wide variety of functions, including corporate governance, sustainability, human resources and investor relations. The outcomes of these discussions are reported to our board of directors by management. In addition, the Governance and Sustainability Committee regularly reviews relevant shareholder and stakeholder correspondence to the board or directors.

These methods of engagement provide our board with valuable insights into the views of our shareholders and other stakeholders.



Sustainability governance

[2-12](#) | [2-13](#) | [2-14](#) | [2-24](#)

Our commitment to sustainability starts at the top and is distributed, integrated and embedded throughout our business.

Board of directors and board committees

The board of directors approves and oversees the implementation of our mission, vision and values. The Governance and Sustainability Committee provides oversight of our ESG programs and goals, sustainability management, sustainability risks, sustainability trends and environmental health and safety, receiving quarterly briefings on our sustainability and environmental health and safety progress. In addition, the Compensation and Talent Development Committee provides oversight of certain social matters impacting our workforce, including human capital management, diversity and inclusion and organizational health.

Chairman and CEO, Chief Sustainability Officer, Chief Human Resources Officer and Executive Committee

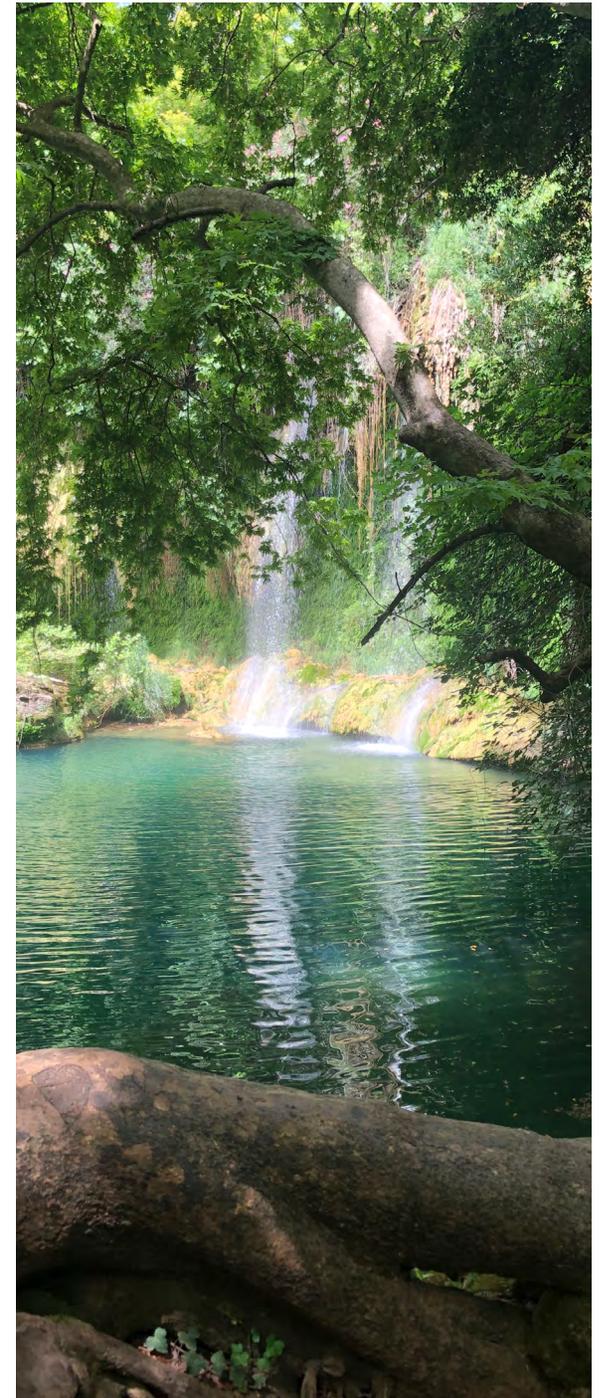
The authority for management of economic, environmental and social topics is delegated to the Executive Committee, which comprises the senior executives responsible for all our major corporate functions, including our Vice President, Chief Sustainability and External Relations Officer and our Chief Human Resources Officer. The Executive Committee reviews, approves and monitors our sustainability goals and commitments. Our CEO and Executive Committee members – as well as thousands of our colleagues – have sustainability and diversity goals embedded into their performance goals.

Sustainability Leadership Committee

The Sustainability Leadership Committee (SLC) is chaired by our Vice President and Chief Sustainability and External Relations Officer and reports to the Executive Committee and our board of directors. Its members consist of senior leaders across our businesses, functions and regions. The SLC is charged with ensuring we are leaders across all measures of sustainability, embedding sustainability into our culture and operations across the enterprise, building sustainability metrics into employee performance goals and launching working groups under the Global Sustainability Council.

Global Sustainability Council and Working Groups

The Global Sustainability Council (GSC) and Global Sustainability Team play the role of connector and coordinator, ensuring streamlined engagement across diverse business functions to deliver on the enterprise sustainability strategy. The GSC was established in 2009 to provide a structure for enterprise-wide sustainability management. The Working Groups are composed of small teams and are designed to address specific sustainability-related topics.



Risk management

[201-2](#) | [205-1](#) | [2- 12](#) | [2-23](#) | [2-24](#) | [3-1](#)

In fiscal year 2021, for the first time, we explicitly incorporated sustainability into our enterprise risk management process. As a global industrial company, we face a range of risks, including general economic, credit, and capital market conditions risks, geopolitical risks, regulatory risks, global climate change risks, and several other risks that are fully listed and explained on pages 10-25 of our [fiscal 2021 Form 10-K](#).

Johnson Controls has a comprehensive risk management program. Our directors are involved in the program with primary responsibility for overall risk oversight, including the company's risk profile and management controls. More detailed information on the risk oversight role of the board of directors is disclosed on page 29 of our [2022 Proxy Statement](#).

We govern our enterprise risks and opportunities through a robust risk management and mitigation program.

- Our board of directors has a risk oversight role that is consistent with our leadership structure.
- Management has day-to-day responsibility for assessing and managing our risk exposure.
- The board and its committees provide oversight in connection with those efforts, with a particular focus on the most significant risks we face.

The board performs its risk oversight role both directly and through its standing committees. Throughout the year, the board and each committee spend a portion of their time reviewing and discussing specific risk topics. Board meetings regularly include strategic overviews by our CEO and other members of senior management that describe the most significant issues, including risks, affecting us. On an annual basis, the Chief Compliance Officer and other members of senior management report on our top enterprise risks, and the steps management has taken - or will take - to mitigate these risks. In addition, the board regularly receives updates from business unit leaders, the General Counsel, Chief Information Officer, Chief Sustainability and External Relations Officer, and other functional leaders.

The board reviews the risks associated with our financial forecasts, business plan, and operations. These risks are identified and managed with our enterprise risk management (ERM) process.

Our ERM process provides a common framework and terminology to ensure consistency in identifying, reporting, analyzing, and managing key risks. It is also linked to the strategic planning process, compliance and internal audit, and includes a formal process to identify and document the key risks to Johnson Controls as perceived by a variety of stakeholders in the enterprise. In addition, a Risk Committee participates in the ERM process in three ways:

- (1) Identifying and developing mitigation plans for operational risks at the functional/regional level of the organization.
- (2) Providing feedback on the ERM process, procedures, and results.
- (3) Escalating any new risks as appropriate to the Executive Committee

The results of ERM activity are presented to the board at least annually.

In addition, we have key teams in place to oversee and advise on our sustainability risks and opportunities. They include our Executive Committee, Executive Leadership Team, the Sustainability Leadership Committee, the Global Sustainability Council, the Purchasing Leadership Team, and specialized committees and management groups.



Ravi Ranjan

Ethics and integrity

[2-16](#) | [2-24](#) | [2-25](#) | [2-26](#) | [2-27](#) | [3-3](#)

We are proud to have been named one of World's Most Ethical Companies for the fourteenth time in 2021, joining just twelve companies worldwide who have received this honor 14 times. Throughout our history, we have conducted business with integrity. Our dedication to "do the right thing" improves our long-term business performance, reputation, productivity, and employee retention.

Values First: the Johnson Controls Code of Ethics, applies to everyone at Johnson Controls, including the board of directors, company officers, employees, agents, and contract workers. In addition to our Code of Ethics, we are committed to the principles in our Human Rights and Sustainability Policy.

Integrity is at the center of everything we do. Our company's ongoing success stems from our deeply engrained culture of ethics and integrity. Acting with integrity allows us to meet the high expectations of our customers, partners, and communities and gives us a competitive advantage.

For us, doing business with integrity is the only way to do business.

The Johnson Controls Code of Ethics is available in 33 languages and provides specific guidance on the behaviors that drive a culture of ethics and integrity globally.

Compliance with our Code of Ethics and our Anti-Corruption Policy is a condition of employment. Johnson Controls trains our employees on a variety of anti-corruption, competition, and privacy-related matters, and on our Code of Ethics more broadly.

Every two years, all online employees must complete an ethics certification that requires completion of the ethics training module and a review of the Code of Ethics. We consistently achieve more than 90 percent compliance with these training and certification requirements.

The completion status of the biennial employee training certification is reported to the Audit Committee of the board of directors. The Audit Committee also has oversight responsibility for the contents of the Code of Ethics. The Code of Ethics is periodically updated to reflect changes in laws, regulations and company policies.

The Code of Ethics is publicly available to anyone, including employees, customers, suppliers, and other third parties, at valuesfirst.johnsoncontrols.com. Employees also have access to the Code of Ethics on the company's intranet.

Our Code of Ethics is also communicated to our employees in the following ways:

- All new employees are required to attest that they have read, understand, and will comply with our Code of Ethics as a condition of employment.
- The Code of Ethics is addressed by our managers regularly in employee meetings.
- The Code of Ethics is frequently addressed through "tone at the top" when our leadership team provides communications throughout the year to employees (employee portal, in-person meetings, web casts, emails to employees).

We seek to create an environment that removes barriers and promotes inclusion. We value and strive for an environment that fosters effective recruitment, development, motivation, and retention so that each person can maximize his or her contribution to meeting business objectives. We systematically gather feedback and take action to improve our work environment. This ensures that our processes are working properly, and that employees, customers and stakeholders understand our policies and guiding principles around treatment, respectability, and integrity. We track, analyze and communicate performance outcomes quarterly.

Integrity helpline

[2-25](#) | [2-26](#)

A 24-hour Integrity Helpline is managed by the Ethics and Compliance department and is available to anyone who wishes to raise an ethics or compliance concern with the company. The Integrity Helpline is available in 47 languages, is operated by an independent third-party vendor, and allows callers to log concerns anonymously. Employees, suppliers, customers and third parties can raise concerns either by phone or using the web-based Integrity Helpline portal.

Concerns that are raised via the Integrity Helpline are triaged and then routed to the appropriate function for review and investigation. Statistics are produced quarterly and are reviewed with a committee of senior executive leaders and presented to the Audit Committee of the board of directors.

The Integrity Helpline is only one of several communication vehicles that employees can use to raise ethics-related concerns. Often, employees discuss such issues directly with their manager. In addition, employees are encouraged to reach out to their human resources representative, legal department, or compliance team with any questions or concerns.

Employees can also contact the compliance team directly by using the Ask Compliance mailbox at askcompliance@johnsoncontrols.com. Queries sent to this mailbox are reviewed and sent to the appropriate compliance contact, who will follow up.

Public policy engagement

[415](#)

Johnson Controls engages with our stakeholders on public policy issues that are important to our business, including public policy issues and programs related to energy efficient buildings and their operations; interconnected building systems; fire and life safety technologies; and material recycling. We have staff at the corporate level and in each of our major geographies that engage with our stakeholders on local, state, and national public policy issues.

Johnson Controls federal lobbying expenses for 2021 were publicly disclosed on quarterly reports filed with the Clerk of the US House of Representatives and Secretary of the US Senate pursuant to the Lobbying Disclosure Act of 1995, as amended, and can be found [here](#):



Our public policy engagement is often conducted in conjunction with the efforts of allied non-profit advocacy groups, business, trade and issue organizations of which the company is a [member](#). Johnson Controls membership or support of these organizations does not mean we support every position they may take and we reserve the right to speak out, both publicly and within the organization, when we disagree.



North America:

- Air-Conditioning, Heating, & Refrigeration Institute (AHRI)
- Alliance for Responsible Atmospheric Policy
- Alliance to Save Energy
- American Council on Renewable Energy (ACORE)
- American Council for an Energy-Efficient Economy
- American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)
- Building Decarbonization Coalition
- Business Council for Sustainable Energy
- Business Roundtable (*George Oliver serves as the Chair of the Energy & Environment Committee*)
- Digital Climate Alliance
- Institute for Market Transformation
- Keystone Energy Center
- Renewable Energy Buyers Alliance
- National Association of Energy Service Companies (NAESCO)
- National Association of Manufacturers
- National Electrical Manufacturers Association
- National Fire Sprinkler Association
- National Foreign Trade Council
- Global Business Alliance
- Northeast Energy Efficiency Partnerships
- US Green Building Council
- Urban Green Council
- World Green Building Council
- Security Industry Association
- Wisconsin Manufacturers & Commerce

Asia-Pacific:

- American Chamber of Commerce in Australia
- American Chamber of Commerce in China
- American Chamber of Commerce in India
- American Chamber of Commerce in Singapore
- Asia Pacific Urban Energy Association (APUEA)
- Australia Alliance for Energy Productivity
- China Association of Building Energy Efficiency (CABEE)
- China Fire Protection Association
- China Refrigeration and Air-Conditioning Industry Association
- Confederation of Indian Industry
- Fire and Security Association of India
- India Green Building Council
- Indian Society of Heating, Refrigeration and Air-Conditioning Engineers
- International Facility Management Association, Singapore Chapter (SIFMA)
- National Association of Health Industry Enterprise Management
- Refrigeration and Air Conditioners Manufacturing Association (RAMA), India
- Singapore Green Building Council (SGBC)
- US India Strategic Partnership Forum

Europe:

- American Chamber of Commerce to the European Union
- European Alliance of Companies for Energy Efficiency in Buildings
- European Building Automation Controls Association
- European Heat Pump Association
- European Partnership for Energy and the Environment

Latin America

- American Chamber of Commerce in Brazil
- American Chamber of Commerce in México
- American Chamber of Commerce in Colombia
- Asociación Colombiana de Acondicionamiento del Aire y de la Refrigeración
- Asociación de Empresarios Ramos Arizpe
- Asociación de Tiendas Departamentales y Autoservicios
- Asociación Mexicana de Empresas de Seguridad Privada A.C.
- Asociación Mexicana de Rociadores Automáticos Contra Incendios, AC
- Asociación Nacional de Fabricantes de Aparatos Domésticos A.C
- Asociación Nacional de la Industria Maquiladora de Exportación
- Associação Brasileira de Refrigeração, Ar Condicionado, Ventilação e Aquecimento.
- Camara Chilena de Refrigeracion AG
- Cámara Nacional de Comercio Ciudad de México
- Chile Green Building Council
- Consejo Ejecutivo De Empresas Globales
- Consejo Estatal De Seguridad Privada En Edomex
- Green Building Council Peru
- Secretaria De Seguridad Publica Cd De México
- Sustentabilidad Para México
- World Green Building Council - Americas

Political contributions

[415-1](#)

Johnson Controls encourages our employees to be engaged in their community in a variety of ways. In addition to volunteer and charitable activities, we promote participation in the public policy and electoral process in the United States including encouraging our employees to vote. Eligible employees may also make a voluntary contribution to the Johnson Controls Political Action Committee (PAC).

Our corporate government affairs activities, including membership in various trade associations and organizations, are designed to educate policymakers on key issues impacting the company and to help advance our business objectives.

In 2021, Johnson Controls made corporate political contributions to the following committees: the Democratic Mayors Association (\$50,000), the Democratic Governors Association (\$50,000), the Republican Governors Association (\$50,000). Johnson Controls did not make any independent political expenditures in support of or in opposition to any candidates or to influence the outcome of any ballot measures in 2021, nor were corporate contributions made to any state or local candidates for office. The complete list of our corporate political contributions and federal lobbying expenses can be found [here](#).

Johnson Controls does not provide financial or in-kind support related to political activities in other countries.

In 2021, the Johnson Controls Political Action Committee contributed a total of \$179,550. The complete list of recipients can be found [here](#). More

information on the Johnson Controls Political Action Committee's expenditures is available at www.fec.gov.

Bribery and corruption issues

Throughout our history, Johnson Controls has conducted business with integrity. We are guided by our Company Values, our Code of Ethics, our Commitment to the United Nations Global Compact, and our Human Rights and Sustainability Policy.

Code of ethics and anti-corruption policy

[2-23](#) | [205-1](#)

Our dedication to doing business with integrity improves our long-term business performance, reputation, productivity, and employee retention. Values First: The Johnson Controls Code of Ethics applies to everyone at Johnson Controls, including the board of directors, company officers, employees, agents and contract workers.

The Code of Ethics is translated into 33 languages and provides specific guidance on the behaviors that allow us to implement our culture globally. Compliance with our Code of Ethics and our Anti-Corruption Policy is a condition of employment.

The Code of Ethics is publicly available to anyone, including employees, customers, suppliers and other third parties, at valuesfirst.johnsoncontrols.com. Employees also have access to the Code of Ethics and the Johnson Controls Anti-Corruption Policy on our intranet.

Operations assessed for risks related to corruption

Johnson Controls has a rigorous and deeply embedded risk assessment framework to address risks, including anti-corruption risks. Within our global risk assessment framework are Anti-Corruption Audits, the Third-Party Program, and Enterprise Risk Management (ERM). Each of these programs plays a role in addressing corruption risks for our company.

For example, in fiscal year 2021, our Internal Audit team conducted six anti-corruption audits across three segments based on a thorough risk assessment process. Additionally, our Third-Party Program has a dedicated due diligence team responsible for conducting anti-corruption due diligence in connection with each of our 2,000-plus business partners across every business unit, operating in more than 40 countries.

Finally, our annual ERM process, progress on which is reported to the board of directors annually, specifically covers bribery and corruption risks. The ERM process requires executive management to develop an action plan to address each of our top 10 risks. Anti-corruption has not been identified as a top 10 risk for us in at least the past several years. Based on the foregoing, every entity touching every Johnson Controls operation is assessed for risks related to corruption.

See our Code of Ethics and Human Rights and Sustainability Policy - both address corruption.

About our reporting

[2-2](#) | [2-4](#) | [3-3](#)

We recognize the importance of transparency and so report in accordance with Global Reporting Index (GRI), Task Force on Climate-related Financial Disclosures (TCFD), Sustainable Accounting Standards Board (SASB) Standards, the UN Global Compact, European Union Non-Financial Disclosure, CDP, among others. This sustainability report is produced to provide greater detail on our sustainability activities and additional information material to our stakeholders.

Since 2003, we have reported sustainability data in accordance with the GRI guidelines. This report has been prepared in accordance with the GRI Standards for fiscal year 2021. Johnson Controls follows the Task Force on Climate-Related Financial Disclosure's recommendations for disclosing clear, comparable and consistent information about the risks and opportunities presented by climate change. More detail and information on our climate risks, opportunities and planning can be found in our annual [CDP Climate Change Response](#).

We are also a SASB reporter, utilizing the SASB Standard for the Resource Transformation Sector – Electrical and Electronic Equipment in this report. Our separate annual United Nations Communication on Progress qualifies for the Global Compact Advanced level.

ESG Disclosure Committee

We have formed multi-disciplinary steering committee focused on the the our environmental, social and governance (ESG) reporting. The purpose of the steering committee is to oversee efforts designed to enhance our ESG reporting in anticipation of legally mandated ESG reporting requirements. The steering

committee brings together leaders across a variety of functions to share knowledge on ESG reporting regulations, trends, controls and procedures, identify key ESG reporting issues and facilitate collaboration among functional groups in generating ESG disclosure.

Scope

This report focuses on operations within our control for the fiscal year 2021. Unless otherwise noted in the report section for a specific performance metric, this report includes data from business operations that were at least 51 percent under Johnson Controls operating control and financially consolidated during the reporting year.

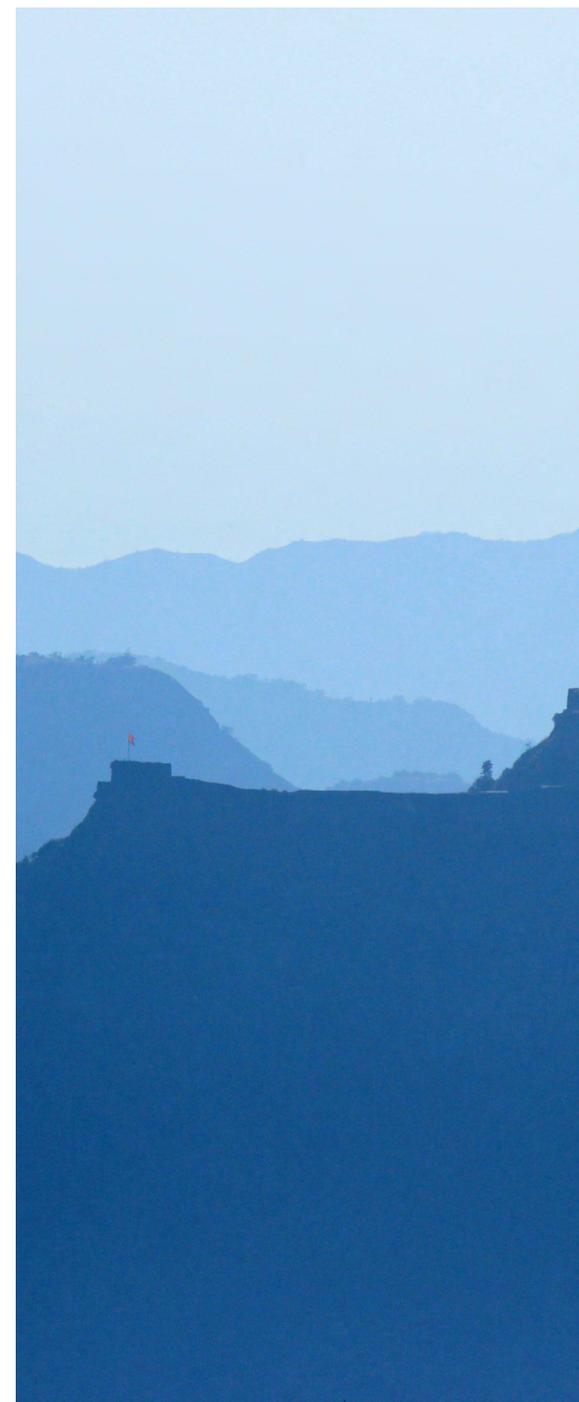
Accuracy and third-party assurance

[2-5](#)

All information in this report is based on the best available data at the time of publication. Johnson Controls uses several different third-party groups for data assurance. The groups selected are independent of Johnson Controls and are specialized in the subject area they review.

Financial external assurance

The consolidated financial statements reported in our 2021 Form 10-K and other related reports are reviewed by PricewaterhouseCoopers LLP, an independent registered public accounting firm.



Sustainability external assurance

Since 2011, Apex, formerly Bureau Veritas, an independent third-party assurance provider recognized by CDP, has verified our greenhouse gas emissions data per "ISO 14064-3: Second edition 2019-04: Greenhouse gases -- Part 3: Specification with Guidance for the Verification and Validation of Greenhouse Gas Statements." Apex also audited our water data per the International Standard on Assurance Engagements (ISAE) 3000. Starting in 2014, Apex audited our waste data per the ISAE 3000. The objective of the audits is to provide further confidence that our reported energy, GHG emissions, water and waste data have a low margin of error and are consistent with external or internally defined sustainability accounting principles. The certificates for these most recent assurance engagements are linked as verification statements in the GRI Content Index.

This includes using, for some sites, certified registrars to validate and certify our operations to various quality, environmental, six sigma and safety standards such as ISO 9000, ISO 14001, OHSAS 18001. Additionally, filings with environmental, health and safety, and other regulatory agencies are routinely checked internally and by the applicable regulatory agency.

Environmental health and safety external assurance

Johnson Controls uses a third-party software tool for our Environmental, Health and Safety Information System (EHSIS) to track environment, health and safety data from facilities worldwide. Data is reviewed routinely by qualified personnel, including the regular use of an internal audit process to check not only data in the system but also site-level checks of original records and other aspects. The Johnson Controls internal environmental health and safety compliance audit program utilizing third-party auditors verifies compliance with applicable federal, state, provincial, and/or local regulatory requirements, Johnson Controls standards, and supports our business goals of Zero Harm to people and the environment while furthering our vision of a safe, comfortable, sustainable world; being safer, healthier, and having less impact on the environment; identifying opportunities for continuous improvement; and providing education, awareness, and understanding of applicable environmental, health, and safety requirements.

Rationale for choosing a base year

The 2016 merger of Johnson Controls with Tyco International was a change in our company profile material enough that our Global Sustainability Leadership Committee determined new goals were needed. Accordingly, in 2018, Johnson Controls announced new 2025 goals related to greenhouse gas emissions, energy, water, waste, safety and diversity from a 2017 baseline. Many of our ESG commitments announced in 2021 are also aligned to a 2017 baseline.



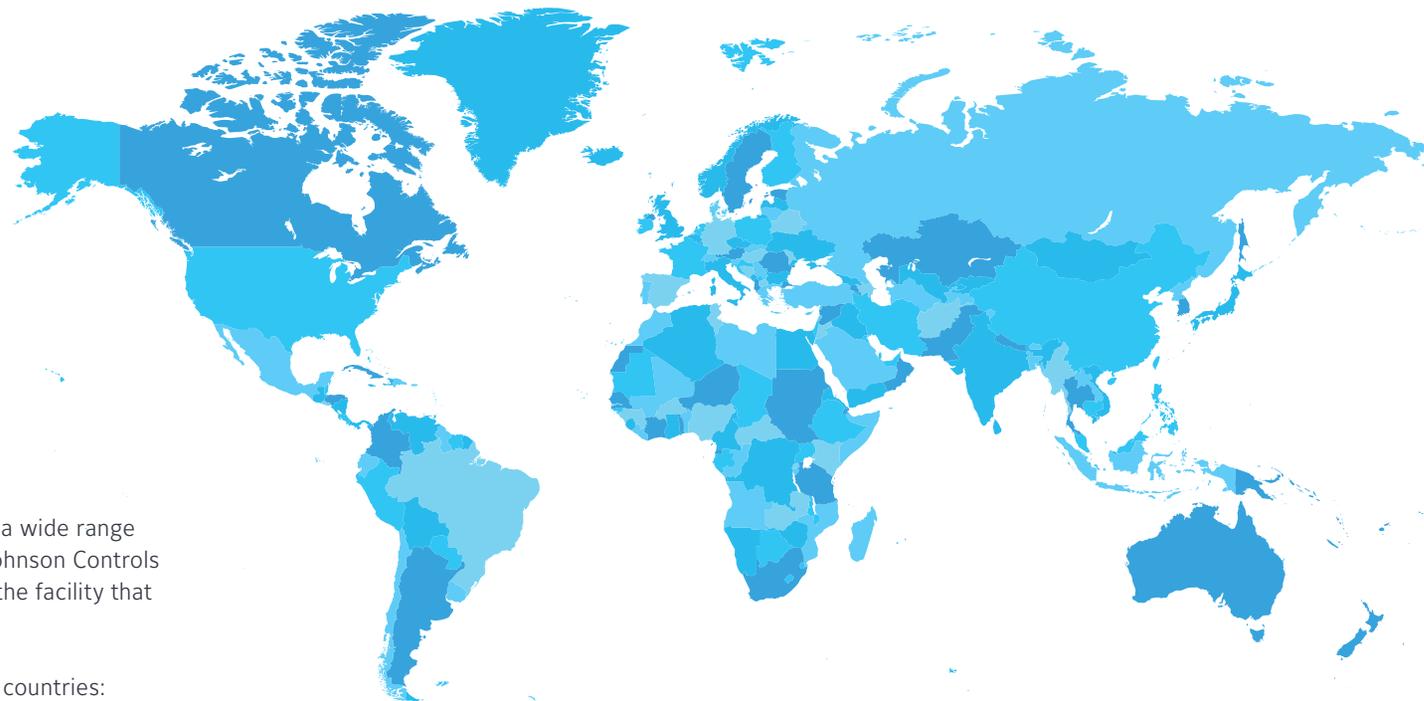
Data appendix

Sustainability process data

Standards, methodologies, assumptions, and/or calculation tools used for direct (Scope 1) and indirect (Scope 2 and 3) GHG emissions

Activity data is mostly tracked using our Environmental, Health and Safety Information System (EHSIS) tool. A small portion of the data is tracked using templates consistent with the listed standards.

- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- The Greenhouse Gas Protocol: Scope 2 Guidance, An amendment to the GHG Protocol Corporate Standard
- The Greenhouse Gas Protocol: Technical Guidance for Calculating Scope 3 Emissions
- The Greenhouse Gas Protocol: Scope 3 Evaluator tool
- The Climate Registry: General Reporting Protocol
- The Climate Registry: Electric Power Sector (EPS) Protocol
- U.S. EPA Climate Leaders: Indirect Emissions from Purchases/Sales of Electricity and Steam
- U.S. EPA Climate Leaders: Direct Emissions from Stationary Combustion
- U.S. EPA Climate Leaders: Direct Emissions from Mobile Combustion Sources and DEFRA.
- GHG emissions consolidation approach for Scopes 1 and 2: Operational control
- Emission factor sources:
 - U.S. EPA
 - National Inventory Report 1990–2018 (Canada)
 - International Energy Agency (IEA)
 - The Climate Registry
 - DEFRA
- GWP values taken from:
 - IPCC Fourth Assessment Report (AR4 - 100 year)



Countries of operation

[2-1](#) | [3-3](#)

Our 100,000 worldwide employees serve a wide range of customers from 1,300 locations. The Johnson Controls [Location Finder](#) helps our customers find the facility that can best serve their needs.

We have facilities located in the following countries:

Location of operations				
Argentina	Costa Rica	Japan	Poland	Turkmenistan
Australia	Czech Republic	Kazakhstan	Portugal	Ukraine
Austria	Denmark	Kuwait	Qatar	United Arab Emirates
Bahrain	Finland	Luxembourg	Romania	United Kingdom
Belgium	France	Malaysia	Russia*	United States of America
Brazil	Germany	Mexico	Singapore	Uruguay
Canada	Hungary	Netherlands	Slovakia	Uzbekistan
Chile	India	New Zealand	Spain	Vietnam
China	Indonesia	Norway	Sweden	
China - Hong Kong (SAR)	Ireland	Oman	Switzerland	
China - Macau (SAR)	Isle of Man	Panama	South Africa	
Chinese Taiwan	Israel	Peru	Thailand	
Colombia	Italy	Philippines	Turkey	

*As of March 7, 2022, we suspended our business operations in Russia.

Stakeholder engagement

[2-29](#) | [3-1](#)

Below is our approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.

Stakeholder Type/Group	Frequency of engagement	Approach	Portion of engagement as part of the report preparation process
Employees including Executive Leadership and Business Resource Group leaders	At least quarterly	<ul style="list-style-type: none"> ▪ Quarterly "Town Hall" meetings ▪ Employee Surveys ▪ Business Resource Group initiatives ▪ Sustainability report ▪ Internal website ▪ Materiality Assessment 	Participation in Sustainability Materiality Assessment
Suppliers	At least quarterly	<ul style="list-style-type: none"> ▪ Calls ▪ One-on-one engagement ▪ Surveys ▪ Conferences ▪ Supplier Sustainability Survey ▪ Supplier Diversity initiatives ▪ Materiality Assessment 	Participation in Sustainability Materiality Assessment
Customers	At least quarterly	<ul style="list-style-type: none"> ▪ Calls ▪ Meetings ▪ One-on-one engagement ▪ Surveys ▪ Materiality Assessment ▪ Market Research 	Participation in Sustainability Materiality Assessment
Investors	At least quarterly	<ul style="list-style-type: none"> ▪ Calls ▪ Annual Investor Day ▪ Materiality Assessment 	Participation in Sustainability Materiality Assessment

Stakeholder Type/Group	Frequency of engagement	Approach	Portion of engagement as part of the report preparation process
Non-governmental organizations	At least quarterly	<ul style="list-style-type: none"> ▪ Calls ▪ Meetings ▪ Conferences ▪ Materiality Assessment ▪ Memberships ▪ Funding through Foundation and Sponsorships ▪ Employee volunteering 	Participation in Sustainability Materiality Assessment
Industry Groups	At least quarterly	<ul style="list-style-type: none"> ▪ Calls ▪ Meetings ▪ Conferences ▪ Materiality Assessment 	Participation in Sustainability Materiality Assessment
Labor Groups	At least quarterly	<ul style="list-style-type: none"> ▪ Calls ▪ Meetings 	Participation in Sustainability Materiality Assessment
Media	At least quarterly	<ul style="list-style-type: none"> ▪ Calls ▪ Meetings ▪ Conferences ▪ Materiality Assessment 	Participation in Sustainability Materiality Assessment
Academia	At least quarterly	<ul style="list-style-type: none"> ▪ Calls ▪ Meetings ▪ Research partnerships ▪ Employee matching programs for higher educational institutions ▪ Materiality Assessment 	Participation in Sustainability Materiality Assessment

Environmental Data

Results: Energy

ISO 14001, 50001, and OHSAS certified and compliant status from manufacturing facilities

Company-wide 2021	ISO 14001	ISO 50001	OHSAS 18001 / ISO 45001
Certified	60%	2%	58%
Compliant	15%	0%	8%

Energy consumption within the organization

302-1

Consumption by fuel type	Unit of measure	2021	2020	2019	2017
Biomass	GJ	49,172	24,551	47,515	59,131
Ethanol	GJ	764	12,074	21,592	2,288
Subtotal	GJ	49,936	36,625	69,107	61,419
Natural Gas	GJ	1,670,171	1,604,309	1,722,066	1,606,183
Fuel distilled from crude oil and other fossil fuels*	GJ	2,989,660	3,409,636	3,900,288	3,801,458
Subtotal	GJ	4,659,831	5,013,945	5,622,354	5,407,641
Electricity	GJ	2,338,020	2,415,243	2,600,434	2,628,014
Steam	GJ	46,899	18,510	15,318	10,641
Subtotal	GJ	2,384,919	2,433,753	2,615,752	2,638,655
GRAND TOTAL	GJ	7,094,686	7,484,324	8,307,213	8,107,715

*This category includes gasoline, diesel, propane/LPG, butane, jet fuel, heavy fuel oil.

Methodology notes:

- The data is tracked using the Environmental, Health and Safety Information System (EHSIS) tool. Energy consumption is tracked at the facility, group and corporate levels. Since 2003, we have reported sustainability data in accordance with the Global Reporting Initiative (GRI) guidelines. This information is third party verified by Apex with a limited assurance.
- Percentage of total operational spending on energy (most recent reporting year): More than zero percent but less than five percent.
- Please refer to our latest CDP report for a breakout of the sources of the renewable energy used.
- Please see section GRI 2-4 for more detail on restatements of information.
- The categories of "heating" and "cooling" are not applicable to our data tracking.
- The "Energy Sold" category is not applicable to our company. Johnson Controls does not sell energy.
- All estimates are based on the best available data at publication and may change over time.

Energy consumption outside the organization

302-2

Energy Category/Activities	Unit of measure	2021	2020	2019	2017
Fuel and energy related activities ¹	GJ	224,128	258,648	289,125	249,266
Transportation and distribution ²	GJ	6,069,639	7,242,712	7,876,620	6,900,367
Use of sold products ³	GJ	75,100,000	65,400,000	72,200,000	71,900,000
GRAND TOTAL		81,393,767	72,901,360	80,365,744	79,049,633

- (1) This energy is associated with the losses during transmission and distribution of energy (electricity and natural gas). This energy loss is estimated using publicly available transmission and distribution factors based on the volume of energy consumed.
- (2) This energy is associated with the transportation of our products and raw materials that is controlled and paid for by Johnson Controls. Transportation includes air, ocean, and truckloads. Energy values are estimated based on spend data.
- (3) This energy is associated with the annual energy consumed by our products manufactured during the reporting year. This value was estimated by modeling the energy usage for a representative sample of product categories and extrapolating for the rest.

Methodology notes:

- Tracking of renewable energy in our value chain is currently outside of our energy accounting scope.

Energy intensity

302-3

Energy Intensity					
	Unit of measure	2021	2020	2019	2017
Numerator ¹	GJ	7,094,686	7,484,324	8,307,213	8,107,715
Denominator ²	Million USD in revenue	23,415	22,135	23,772	22,661
Energy Intensity (ratio)	GJ per Million USD in revenue	303 ³	338	349	358

- (1) Scope includes what is under company's operational control.
- (2) Revenue values used in this analysis have been adjusted for acquisitions and divestitures, consistent with the energy values used in the numerator.
- (3) Because of the calculation process improvements, we are restating our energy intensity from our fiscal year 2021 Nonfinancial Report.

Reduction of energy consumption

[302-4](#)

	Unit of measure	2021	2020	2019
Total Energy Saved	Gigajoules	389,638	822,889	-4,868

Methodology notes:

- Metrics for 302-4 reflect total energy saved by the company within the fiscal year.
- Base year/baseline: Savings represent reductions for each year. The previous year, therefore, represents the base year.

Reductions in energy requirements of products and services

[302-5](#)

Product/Service(s) Unit of measure: Gigajoules (GJ)	2021	2020	2019	2017
Energy Savings Performance Contracting ¹	13,654,042	14,188,406	20,059,947	21,768,740
TOTAL	13,654,042	14,188,406	20,059,947	21,768,740

- (1) These values are guaranteed energy savings from our energy savings performance contracting project portfolio in the US and Canada active during each reporting year.

Methodology notes:

- Our energy solutions team generates reports for our guaranteed energy savings active during each reporting year, which facilitates generating an annual total.
- Base year/baseline: Energy Savings represent reductions for each year brought by a portion of our products and services. The previous year, therefore, represents the base year.

Results: Emissions

Direct (Scope 1), Indirect (Scope 2) and Other Indirect (Scope 3) GHG emissions

[305-1](#) | [305-2](#) | [305-3](#) | [305-4](#)

1. We compute both location- and market-based indirect emissions. We use market-based emissions to track our progress towards our reduction targets. Gases used to calculate Scope 2 include CO₂, CH₄, and N₂O.
2. Category considers emissions for transportation and distribution losses only.
3. Category considers emissions from business air travel and rental vehicles.
4. Category considers emissions from HVAC products (e.g., chillers, AHUs, unitary, industrial refrigeration) only.
5. Emissions reported for informational purposes only, not included in Scope 1 subtotals or section grand totals.
6. Excludes biogenic emissions and considers the market-based emissions for Scope 2.
7. Considers only Scope 1 and Scope 2 emissions. All Scope 2 emissions are calculated using the market-based approach from the World Resources Institute (WRI) Greenhouse Gas (GHG) Protocol's Scope 2 Guidance. Revenue values used in this analysis have been adjusted for acquisitions and divestitures, consistent with the energy values used in the numerator.

Results: Emissions

Direct (Scope 1), Indirect (Scope 2) and Other Indirect (Scope 3) GHG emissions

[305-1](#) | [305-2](#) | [305-3](#) | [305-4](#)

	2021	2020	2019	2017
Direct (Scope 1) - Metric Tons CO₂e				
CO ₂	219,329	306,741	345,302	327,023
CH ₄	54	51	59	59
N ₂ O	111	92	119	131
HFC	231,817	242,474	296,898	355,549
Subtotal	451,311	549,358	642,379	682,761
Indirect (Scope 2) Metric Tons CO₂e				
Market-based	212,918	229,809	264,108	396,612
Location	300,725	331,236	386,221	400,442
Subtotal	212,918	229,809	264,108	396,612
Other Indirect (Scope 3) Metric Tons CO₂e				
Purchased goods and services	4,800,000	4,600,000	4,704,000	3,826,000
Capital goods	3,000,000	2,800,000	2,899,000	1,891,000
Fuel and energy related activities ²	57,000	29,000	33,000	30,000
Upstream transportation and distribution	440,000	528,000	566,000	501,000
Waste	4,000	4,000	5,000	5,000
Business travel ³	8,000	19,000	43,000	32,000
Employee commuting	230,000	226,000	248,000	217,000
Investments	0	0	0	0
Use of products ⁴	116,100,000	112,400,000	127,600,000	128,700,000
End of life	1,300,000	1,300,000	1,400,000	1,400,000
Subtotal	125,933,000	121,906,000	137,498,000	136,602,000
Biogenic ⁵ Metric Tons CO ₂ e	4,488	2,861	5,513	6,680
Grand Total (Scope 1+2+3)⁶ Metric Tons CO₂e	126,597,229	122,685,167	138,404,487	137,681,374
GHG Intensity ⁷ Metric Tons CO ₂ e per Million USD in revenue	28.4	35.2	38.1	47.6
Annual percentage change in GHG Intensity, FY2017 baseline	-40.3%	-26.1%	-19.9%	Baseline year
2025 Sustainability Strategy Goal	-13.4%	-10.2%	-6.9%	0 percent (baseline year)

Reduction of GHG emissions from internal projects

305-5

	Unit of measure	2021	2020	2019	2017
Total GHG Emissions	Metric tons CO ₂ e	664,250	779,167	906,487	Baseline
Total GHG reductions	Metric tons CO ₂ e	114,917	127,320	30,843	Baseline

Methodology notes:

- List of GHG included: Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and hydrofluorocarbons (HFC). Greenhouse gas (GHG) reductions are measured as an aggregate value for each year rather than in relation to a base year.
- As part of the sustainability program, projects designed to reduce GHG emissions are implemented at plant level and our CI TRAC tool is used to collect details of these projects. This project information includes energy usage and cost savings as well as details behind the type of energy being saved and project description. Reports from this tool facilitate the process of aggregating annual cost and GHG reductions each year.
- The total costs savings arising from sustainability projects implemented at plant level during fiscal year 2021 were \$2.2 million.

GHG emissions savings for our customers

Reduction of GHG emissions					
	Unit of Measure	2021	2020	2019	2017
Actual	Metric tons CO ₂ e	418,989	338,730	237,908	Baseline
Goal	120,000 metric tons of carbon dioxide equivalent (CO ₂ e) savings for our customers from Performance Infrastructure projects added annually through fiscal year 2025 from a fiscal year 2017 baseline	480,000	360,000	240,000	Baseline

Emissions of ozone-depleting substances (ODS)

305-6

	Unit of measure	2021	2020	2019	2017
Purchase of ODS	Metric tons of CFC-11 equivalent	0.7	3.5	4.5	6.8

Methodology notes:

- This data was collected through our procurement teams accounting for the purchase and usage of R22. All estimates are based on the best available data at publication and may change over time.
- Within our YORK line of products, we track the use of hydrochlorofluorocarbons (HCFC) in the manufacturing of our building equipment systems, which is the main source of our ozone-depleting substances (ODS). Their related emissions are primarily used in developing countries, consistent with the phase-out schedule specified by the Montreal Protocol, which calls for a phase-out of HFC refrigerants. Our heating, ventilation and air conditioning (HVAC) service technicians offer preventive maintenance and predictive diagnostics to prevent the release of ozone-depleting substances ODS while working on equipment containing refrigerants at customer facilities. Although we may use HCFCs when servicing some of our customers, we do not report that usage since we consider it part of our customers' activities. We have been engaged in the rapid phasing down of R22 and other HCFCs in accordance with the Montreal Protocol, including seeking alternatives where possible.

Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions

305-7

Emissions Types	Unit of measure	2021	2020	2019	2017
SOx emissions ¹	Kg	3,796	6,192	8,145	9,097
SOx intensity	kg per Million USD in revenue	0.16	0.28	0.34	0.40
NOx emissions ²	Kg	127,039	159,366	192,998	202,906
NOx intensity	kg per Million USD in revenue	5.43	7.2	8.1	9.0
Particulate matter emissions ³	Kg	15,835	14,813	20,297	22,516
Hazardous air pollutants (HAP) ⁴	Kg	NA	58,937	78,262	70,861
Volatile organic compound (VOC) emissions ⁵	Kg	4,860	65,176	86,105	78,462
VOC intensity ⁵	kg per Million USD in revenue	0.21	2.94	3.6	3.5
Global normalized stack and fugitive emissions ⁶	kg per Million USD in sales	6.5	13.8	16.2	16.9

Data has been restated to reflect our current company footprint.

- (1) Global SOx emissions from the combustion of natural gas, propane/LPG, diesel, butane, gasoline, and biomass from stationary sources.
- (2) Global NOx emissions from the combustion of natural gas, propane/LPG, diesel, butane, gasoline, and biomass from stationary sources.
- (3) Global PM emissions from the combustion of natural gas, propane/LPG, diesel, butane, gasoline, and biomass from stationary sources.
- (4) Hazardous air pollutants (HAPs) data is US data only. Hazardous air pollutants (HAP) and volatile organic compounds (VOC) data for 2021 from EPA not available at this time of the year because it is based on toxic release inventory (TRI) data which is not reported until July 2022.
- (5) 2021 reported value for VOC currently excludes toxic release inventory (TRI) data since it is still unavailable at this time and only includes VOC emissions from fossil fuel combustion. The 2020 figure now includes TRI reported data.
- (6) Stack and fugitive emissions numerator value considers the sum of SOx, NOx, VOC, PM, and HAPs data. 2021 reported value currently excludes toxic release inventory (TRI) data since it is still unavailable at this time. 2020 figure was restated and now it includes TRI reported data.

Methodology notes:

- Reported data considers emissions from the combustion of natural gas, propane/LPG, diesel, butane, gasoline, and biomass from stationary sources. This section also includes data reported through the Environmental Protection Agency (EPA) Toxic Release Inventory (TRI) reports.
- Data reported for all emissions and years covers all operationally controlled facilities unless specifically noted.
- Energy consumption data used for these calculations is compiled using our EHSIS reporting tool. This tool allows us to collect site-level utility information. The rest of the information is retrieved from the EPA's Envirofacts database as reported through Toxic Release Inventory (TRI) Reports.
- Emission factors from EPA AP 42, Fifth Edition, Volume I and the California Air Resources Board were used to estimate emissions from stationary combustion.
- Select items have been verified. Apex reviewed the energy consumption data that is used as primary data to estimate SOx, NOx, VOC, and PM emissions from combustion.
- Emissions are tracked mostly at the facility level and then aggregated across the enterprise. In some cases, data is only available for certain regions. For example, our HAP and VOC data are from the Toxic Release Inventory (TRI) database maintained by the US Environmental Protection Agency and therefore include only releases in the United States.
- Other annual emissions may include one or more of the following: antimony/antimony compounds; arsenic; chlorofluoromethane; chromium; cobalt; copper; 1,1-dichloro-1-fluoroethane; 2,2-dichloro-1,1,1-trifluoroethane; diethanolamine; diisocyanates; ethylene glycol; lead/lead compounds; manganese; nickel; N-methyl-2-pyrrolidone; propylene; sulfuric acid (acid aerosols); toluene diisocyanate; xylene; and zinc compounds.
- SOx, NOx, PM and a portion of the VOCs data is calculated as a product of combustion from the use of natural gas, propane/LPG, diesel, butane, gasoline, and wood pellets.
- Dust and persistent organic pollutant (POP) emissions are considered not significant based on our set of operations.

Results: water and effluent

[303-1](#) | [303-2](#)

Outside of municipal water, we currently do not have data on other water sources used, including recycling. We are in the process of exploring the best approach to obtain more granular water data and we hope to be able to report more information on the results of this analysis in the future. Water conservation and recycling efforts are primarily managed at the facility level, but more focus on water use is increasing as data becomes more available.

Water withdrawal and discharge by source

[303-3](#) | [303-4](#)

Source	Unit of measure	2021	2020	2019	2017
Municipal water supplies or other water utilities	Megalitres	4,222	3,482	3,776	3,868
Total water withdrawal	Megalitres	4,222	3,482	3,776	3,868
Municipal water discharge	Megalitres	1,221	1,241	1,211	938
Total water discharge	Megalitres	1,221	1,241	1,211	938

Methodology notes:

- Data is sourced from direct measurements (invoices, metered data).
- Water discharge includes data for manufacturing sites where data is available.
- Starting with our 2011 data, Bureau Veritas, an independent auditor recognized by CDP, audited our water withdrawal. The certificate for this most recent audit is attached to the GRI Index. Apex audited our data for fiscal year 2021.

Water consumption

Specific data unavailable.

Results: Waste

As a result of our efforts, in fiscal year 2021, three more of our facilities were recognized for achieving a zero waste to landfill status. There are now 24 Johnson Controls Global Products plants internally certified as zero landfill. These plants are located in all regions of the world, making environmental sustainability a truly global effort. Overall, Johnson Controls has an 83 percent company-wide diversion rate including hazardous and non-hazardous waste.

Waste by type and disposal method

[306-3](#) | [306-4](#) | [306-5](#)

Category	2021	2020	2019	2017
Non-hazardous				
Reuse	339	293	367	310
Recycling	57,050	57,402	89,628	80,973
Composting	143	43	45	149
Recovery (including energy recovery)	1,005	1,095	974	847
Incineration	1,272	2,011	1,620	1,603
Landfill	8,897	8,839	8,629	9,202
TOTAL	68,706	69,683	101,264	93,084
Hazardous				
Reuse	99	225	140	27
Recycling	760	716	2,961	3,233
Composting	0	0	0	0
Recovery (including energy recovery)	215	345	429	1,001
Incineration	617	678	820	421
Landfill	989	782	762	1,416
TOTAL	2,680	2,746	5,112	6,097
GRAND TOTAL (Non-hazardous+Hazardous)	71,386	72,429	106,375	99,181

Methodology notes:

- Our contracts with waste disposal contractors require them to provide the data and documentation of each pickup from our sites matched to the GRI categories. This data is entered by site personnel at each location each month into our global environmental health and safety tracking system.
- Waste values represent waste from manufacturing sites, which is the majority of all waste generated by the company.
- All waste can be considered handled offsite.

Results: Materials

Materials used by weight or volume

[301-1](#)

	Unit (weight or volume)	% internally sourced	% externally sourced
Raw materials used	Percent by weight	10%	90%
Total non-renewable materials used	Percent by weight	10%	90%
Total renewable materials used	Percent by weight	1%	99%

Recycled input materials used

[301-2](#)

	2021	2020	2019
% Recycled input materials used	61%	61%	61%

Methodology notes for materials used and recycled input materials used:

The values are estimated using company-wide purchasing and spend information. The largest amount of materials used, by weight, are metals. A very small amount of our raw materials come from a renewable source, mainly bio-materials. Whenever primary data is not available on the percentage of recycled content in our materials, we use the recycled content industry average.

Percent of reclaimed products and their packaging materials

[301-3](#)

Product sold	2021	2020	2019	How Data was Collected
Pallets for a variety of products	90%	90%	90%	The majority of pallets used to ship materials are reused through a pickup program we have established with our suppliers and customers.

Social data

Direct economic value generated and distributed

[201-1](#)

Currency: Million USD	Value generated		Value distributed				Value retained	
Fiscal year 2021	Revenues	Operating costs	Wages and benefits	Payments to providers of capital	Payments to government	Community investments	(generated less distributed)	
Company Level	23,668	(15,380)	(5,952)	(968)	(504)	14.6	875	

Through philanthropy and employee volunteer programs, we improve and strengthen the hundreds of communities we call home. Johnson Controls contributes millions of dollars annually and our employees give freely of their time, skills and contributions. The community investment number above includes corporate and Foundation philanthropic contributions of more than \$12 million and employee giving in excess of \$2.6 million.

Diversity of governance bodies and employees

[405-1](#)

Governance body (e.g. board) members (as of Annual Meeting of March, 2022)	Male		Female		Minority or Vulnerable Group		Age Groups		
	Number	Percent	Number	Percent	Number	Percent	Percent <30 years old	Percent 30 - 60 years old	Percent >60 years old
	8	73%	3	27%	4	36%	0%	9%	91%

Board diversity includes women, ethnic and racial diversity and LGBTQ+ representation. Note that these are updated metrics from the 2022 Non-Financial Report and represent our board of directors following the March 2022 Annual General Meeting of Shareholders.

Employees	2021				2020			
	Male		Female		Male		Female	
	Global number	Global %						
Total	74,700	77%	22,300	23%	72,500	76%	22,500	24%
Managers	8,900	81%	2,100	19%	8,590	81%	1,960	19%

2021	Minority or Vulnerable Group		Age Groups		
	Global number	Global %	% <30 years old	% 30 - 50 years old	% >50 years old
Employees					
Total	9,300	26%	17%	58%	25%
Managers	700	18%	2%	65%	33%

Male, female, and age groups data represents all employees globally. Minority data represents US employees only.

Incidents of discrimination and corrective actions taken

[406-1](#)

	2021	2020	2019
Total number of incidents	81	91	155

Status for all incidents for all years:

- Reviewed
- Remediation plan being implemented
- Remediation plan implemented
- Results reviewed through routine internal management review process
- Incident no longer subject to attention

Corrective actions taken: The numbers above are a tally of all allegations of discrimination filed through a legal action, formal complaint, or the Johnson Controls Ethics Hotline. All incidents were investigated and corrective actions implemented to prevent a recurrence.

Ratio of standard entry level wage by gender compared to local minimum wage

[202-1](#)

Ratio of Employee Entry Level Wages to the Minimum Wage at Significant Locations of Operations	Gender	2021 ratio	2020 ratio
US	Men	2.00	1.91
US	Women	1.94	1.91
Mexico	Men	1.51	2.28
Mexico	Women	1.26	2.27
United Kingdom	Men	0.98	1.00
United Kingdom	Women	0.94	1.02

The above numbers represent 55 percent of our global employees.

Ratio of annual total compensation

[2-21](#)

Location	2021 Ratio	2020 Ratio
Canada	4.27	4.26
China	39.25	26.93
India	25.00	24.97
Mexico	38.73	Not listed
United Kingdom	8.95	7.89
United States	6.88	9.24

The ratio of the annual total compensation for the organization's highest-paid individual in each country to the median annual total compensation for salaried employees within the same country is calculated using the annual base salary compensation for full time employees.

Ratio of percentage increase in annual total compensation

[2-2](#)

Location	2021 Ratio	2020 Ratio
Canada	0.80	0.65
China	0.50	0.54
India	0.97	0.61
Mexico	0.43	Not listed
United Kingdom	1.13	0.71
United States	3.19	0.70

The ratio of the annual total compensation percentage increase of the highest-paid individual in each country to the median annual total compensation percentage increase for salaried employees in the same country is calculated using the annual base salary performance increase for full time employees.

Benefits which are standard for full-time employees

[201-3](#) | [401-2](#) | [403-6](#)

We publicly disclose many of the benefits we offer employees. Some location-specific benefits vary. For example, some locations offer childcare, and we provide English classes to families in Mexico. Also, not all locations have gym facilities or gym fee reimbursement programs.

Insurance:

- Healthcare employee
- Healthcare family
- Dental
- Vision
- AD&D
- Short Term Disability
- Long Term Disability
- Disability/invalidity insurance
- Life Insurance (Basic and Supplemental)
- Commuter Benefit
- Health Savings Account
- Flexible Healthcare Account
- Dependent Care Account

Voluntary benefits:

- Accident Insurance
- Auto/Home Insurance
- Legal Insurance
- Pet Insurance
- ID Theft Insurance
- Critical Illness Insurance

Vacation and leave:

- Medical and Family Leave
- Vacation
- Paid sick days
- Bereavement Leave
- Parental/maternity leave
- Short- and long-term disability

Flexibility:

- Job security initiatives for redeployment, including retraining, relocation, work-sharing and outplacement services
- Flexible work schemes and work-sharing
- Recall rights for laid-off employees
- Flex scheduling
- Telecommuting options/hybrid work options
- Paid time off for employee volunteers

Financial:

- Stock Ownership
- Stock Options
- Relocation Assistance
- Matching gift program
- Expat assignments
- Employee recognition/rewards

Education:

- Tuition reimbursement (other than career training)
- Higher education scholarship programs, for either employees or their relatives
- Workforce training, skills and leadership development programs
- Mentoring program

Wellness:

- Employee Assistance Program
- Work/Life Support Program
- Wellness/Fitness Program
- On-site Fitness Facilities
- On-site Recreation Facilities
- Gym facilities or gym fee reimbursement programs
- Preventative healthcare programs
- Carpooling support programs
- Employee recognition programs

Retirement:

- Pension plans/retirement provision
- Retirement: Defined Benefit Plan (including pension plan)

Parental leave

[401-3](#)

	2021	2020
Number of male employees who took parental leave	224	166
Number of female employees who took maternity leave	272	285
Rate of female employees who returned to work after leave	96% ¹	100%
Rate of male employees who returned to work after leave	98% ¹	100%

The numbers provided include all US employees except those who may have separate benefits due to union contracts.

1: The return to work rate value only includes employees who worked more than two weeks after their return.

New employee hires and employee turnover

401-1

Total Workforce		2021		2020		2019	
New Employee Hires		Total	Rate	Total	Rate	Total	Rate
Global (excludes hires from acquisition/HAF)	All age groups	22,420		15,730		24,395	
	Under 30 years old	8,500	38%	6,720	43%	10,752	44%
	Between 30 and 50 years old	11,120	50%	7,360	47%	11,173	46%
	Over 50 years old	2,800	12%	1,650	10%	2,470	46%
	North America	11,020	49%	5,270	34%		
	Asia	3,770	17%	1,990	13%		
	Europe	1,790	8%	1,650	10%		
	Latin America	5,550	25%	6,600	42%		
	Middle East and Africa	290	1%	220	1%		
	Female	5,340	24%	4,800	31%		
	Male	17,080	76%	10,930	69%		
Employee Turnover		Total	Rate	Total	Rate	Total	Rate
Global (excludes terms from divestiture or facility sold)	All age groups	18,670	20%	21,440	23%	22,879	24%
	Under 30 years old	5,730	36%	6,310	37%	7,809	44%
	Between 30 and 50 years old	9,130	17%	10,340	20%	10,845	21%
	Over 50 years old	3,810	14%	4,790	19%	4,222	16%
	North America	8,010	20%	9,050	22%		
	Asia	2,930	13%	2,420	15%		
	Europe	2,310	14%	2,190	13%		
	Latin America	5,100	34%	7,290	44%		
	Middle East and Africa	320	20%	490	18%		
	Female	4,920	22%	6,150	28%		
	Male	13,750	19%	15,280	21%		

Employees

[2-7](#) | [2-8](#)

Full-time and part-time employees by gender ¹	2021	2020	2019
Full-time – male	74,240	72,170	80,158
Full-time – female	21,910	21,910	23,571
Total full-time¹	96,150	94,080	103,729
Part-time – male	460	330	299
Part-time – female	390	590	597
Total part-time	850	920	896

1: Values exclude employees that did not have their gender declared (10 employees)

Employees by region	2021		2020	
	Male	Female	Male	Female
North America	32,460	8,540	30,890	8,230
APAC	16,820	4,780	16,100	4,420
Europe	12,710	3,440	12,710	3,590
Latin America	10,440	5,260	10,450	5,980
Middle East and Africa	2,270	280	2,360	270

Permanent Employees and Temporary Workers by Gender	2021	2020	2019
Indefinite or permanent contract – male	74,260	72,170	80,583
Indefinite or permanent contract – female	22,070	21,910	24,177
Total indefinite or permanent	96,330	94,080	104,760
Fixed term or temporary contract – male	440	330	944
Fixed term or temporary contract – female	230	590	371
Total fixed term or temporary	670	920	1,315

1: Values exclude employees that did not have their gender declared (10 employees)

Average hours of training per year per employee

[404-1](#)

Average Hours of Training per Year per Employee						
Employee category	2021		2020		2019	
	Male	Female	Male	Female	Male	Female
CEO	4.41	0	3.25	0	4.75	0
President/ Executive Vice-President	6.03	5.47	12.63	2.85	8.51	5.17
Vice-President/ General Manager	8.73	9.73	19.27	17.06	9.12	10.12
Director	13.68	11.77	21.53	31.70	9.50	10.75
Manager	18.19	22.11	14.84	14.98	12.48	11.10
Supervisor	13.53	20.09	11.02	12.59	10.76	15.56
Individual Contributor – Professional	14.27	13.27	13.37	14.25	14.14	14.54
Individual Contributor- Support	12.14	9.19	15.64	21.90	12.50	13.13
Overall Average	12.52		15.78		12.42	

Percentage of employees receiving regular performance and career development reviews

404-3

Percentage of employees receiving regular performance and career development reviews			
	2021	2020	2019
Male	97	95	93
Female	97	96	97
Total	97	95	93

Data represents percent of salaried employees receiving performance reviews. All managers are expected to conduct employee reviews.

Workers participation, consultation and communication on occupational health and safety

403-4

Workers participation, consultation and communication on occupational health and safety	
Percentage of the total workforce represented in formal joint management-worker health and safety committees:	Over 75 percent
Explanation of the level(s) at which each formal joint management-worker health and safety committee typically operates within the organization:	Johnson Controls maintains and requires health and safety committees at the facility, region, business unit and enterprise levels. For a more complete description of the company's health and safety committees, please refer to the Health and Safety - Overview document.

Types of injury and rates of injury, occupational disease, lost days and absenteeism and number of work-related fatalities

[403-9](#) | [403-10](#)

Global, total workforce	Incident Category	2021	2020	2019	2017
High-Consequence Injuries	Work-Related Fatalities	0	0	1	0
	Work-Related Fatality Rate	0.00	0.00	0.0008	0.00
Total recordable incidents	Total Recordable Incidents (TRI)	434	455	518	717
	Total Recordable Incident Rate (TRIR)	0.37	0.40	0.41	0.56
Actual	Percent change in Total Recordable Incident Rate, FY2017 baseline	-33.3%	-29.3%	-26.4%	Baseline year
2025 Sustainability Strategy Goal	2025 Sustainability Strategy Goal, Annual Percent Change in Total Recordable Incident Rate, FY2017 baseline	-13.4%	-10.2%	-6.9%	0% (baseline year)
Lost time incidents	Total Lost Time Incidents (LTI)	146	142	189	308
	Total Lost Time Incident Rate (LTIR)	0.13	0.12	0.15	0.24
First-Aid Injuries	Total First-Aid Injuries	1,622	1,653	2,132	1,344
	Total First-Aid Injury Rate	1.42	1.46	1.73	1.07
Near Miss, Unsafe Acts, Unsafe Conditions	Total NM/UA/UC Reports	39,815	23,213	20,951	12,593
	Total NM/UA/UC Rate	33.58	19.78	16.13	9.99

- To calculate these figures, we follow US OSHA injury classifications globally.
- Metrics include employees and agency/temp workers (supervised contractors) but excludes third-party subcontractors (unsupervised contractors).
- Data is per 200,000 hours and, starting with fiscal year 2017 data, reflects our company footprint as of the end of fiscal year 2021.
- Historic data is re-stated to reflect performance of current Johnson Controls operations.

Work-related hazards that pose a risk of ill health

[403-10](#)

- Our Safe Workplace Principle within the Johnson Controls Manufacturing System is aligned with the requirements of ISO 45001.
- Johnson Controls provides a variety of relevant medical services to assist employees in countries where access to health care may be limited.
- Special attention is given to employee well-being, with focussed campaigns addressing aspects of mental, physical, social and financial well-being.

Ratio of basic salary and remuneration of women to men, by significant locations* of operations

405-2

Location	2021 Ratio	2020 Ratio	2019 Ratio
Canada	0.95	0.96	0.86
China	0.98	0.98	0.96
Mexico	0.97	0.99	0.96
US	0.96	0.97	0.93
Total Worldwide	0.96	0.98	0.92

*Significant location: location that has a large concentration of employees in both plant and corporate offices. Analysis of each function (i.e., job family as in Legal, HR, IT, Finance, Sales, etc.) with jobs containing both males and females, in the same pay grade, same salary plan, same country.

Supplier sustainability - tracking and accountability

308-1 | 308-2 | 414-1 | 414-2

Supplier Sustainability - Tracking and Accountability	2021	2020	2019
Percentage (%) of new suppliers that were screened using social criteria	100%	100%	100%
Percentage (%) of new suppliers that were screened using environmental criteria	100%	100%	100%

Each business unit tracks the following metrics on our suppliers:

- Percentage of total suppliers that refuse to abide by the Johnson Controls Code of Ethics or equivalent.
- Percentage of direct material suppliers identified for auditing.
- Percentage of direct material suppliers audited by Johnson Controls or third party.
- Number and type of suppliers terminated due to social and environmental performance issues.

Proportion of spending on local suppliers

204-1

Proportion of Spending on Local Suppliers	2021	2020	2019
Percentage, estimated, of the procurement budget used for significant locations of operation spent on suppliers local to that operation (such as percentage of products and services purchased locally)	60%	60%	60%

*Geographic definition of "local": May include immediate area for routine support and may extend to entire host country or adjacent areas or countries.

Freedom of association and collective bargaining

407-1 | 2-30

There are no operations within Johnson Controls that have been identified as being at significant risk for prohibiting employees from exercising the right to freedom of association or collective bargaining.

Freedom of Association and Collective Bargaining	2021	2020	2019
Collective bargaining agreements	22	22	26

*Percentage of employees covered by collective bargaining agreements global.

Security human rights training

[410-1](#)

	2021	2020	2019
Percentage of security personnel who have received formal training in the organization’s human rights policies or specific procedures and their application to security	100	100	100
Training requirements regarding human rights issues also apply to third-party organizations providing security personnel	No	No	No

Incidents of violations involving rights of indigenous peoples

[411-1](#)

	2021	2020	2019
Total number of identified incidents involving indigenous rights Incidents (reporting year only)	0	0	0

Incidents (reporting year only)	Status of Incidents and Actions Taken
N/A	Reviewed Remediation plan being implemented Remediation plan implemented, results reviewed through routine internal management review process Incident no longer subject to attention

Operations that have been subject to human rights reviews or impact assessments

[412-1](#)

Country	# of Operations	% of Operations
All	All	100%

Product labeling

[417-1](#)

Requirements for Product and Service Information and Labeling	Required for Product Service Labeling
The sourcing of components of the product or service	Yes
Content, particularly with regard to substances that might produce an environmental or social impact	Yes
Safe use of the product or service	Yes
Disposal of the product and environmental/social impacts	Yes

	2021	2020	2019
Percentage of significant product or service categories that are covered by and assessed for compliance with company procedures for product and service information and labeling	100%	100%	100%

[417-2](#)

Johnson Controls did not have any material or substantial incidents of non-compliance with product and service information and labeling regulations or voluntary codes. Our products are compliant with applicable regulations, codes and standards that require specific information be placed in our product service and maintenance information and manuals regarding safety. Many of our products are also listed by Nationally Recognized Test Labs (NRTL) where these requirements on information in the manuals are verified for presence.

[417-3](#)

Johnson Controls did not have any incidents of non-compliance with marketing communications regulations or voluntary codes

Governance data

Committees governing environmental, social and governance topics

2-9

Committee Function	Name of Committee	Number of Non-Executive Directors
Audit/Accounting	Audit Committee	4
Remuneration/Compensation	Compensation and Talent Development Committee	3
Nomination	Governance and Sustainability Committee	3
Major corporate actions	Full board of directors	10
Corp. Social Responsibility, Corp. Citizenship, Sustainable Development	Governance and Sustainability Committee	3
Health and Safety	Governance and Sustainability Committee	3
Environmental Issues	Governance and Sustainability Committee	3
Risk Management	Full board of directors/Corporate Governance and Sustainability Committee/Audit Committee	10
Ethics Issues	Audit Committee	4
Community and Public Affairs	Corporate Governance and Sustainability Committee	3

	Male	Female	Total
Total board members with executive functions	1	0	1
Total non-executive directors (excluding independent directors)	0	0	0
Total independent non-executive directors on the board	7	3	10
Total board	8	3	11
Stakeholder Representation	0		

*Information in this section is as of the Annual Meeting of March 2022.

Executive leadership team responsibility for corporate social responsibility and sustainability

[2-9](#) | [2-12](#) | [2-13](#) | [2-17](#) | [3-1](#)

As of the annual meeting of March 9, 2022	Name	Position or Title	Organizational Level (from Board and CEO) and Reporting Line
Overall Responsibility for Corporate Social Responsibility and Sustainability	George Oliver	Chairman and Chief Executive Officer	0 - Serves on Board of Directors
Diversity and Employment Equity	Marlon Sullivan	Executive Vice President & Chief Human Resources Officer	1 - reports to Chairman and CEO
Community and Public Relations	Katie McGinty	Vice President and Chief Sustainability and External Relations Officer	1 - reports to Chairman and CEO
Environmental Issues	Katie McGinty	Vice President and Chief Sustainability and External Relations Officer	1 - reports to Chairman and CEO
Health and Safety	John Donofrio	Executive Vice President, General Counsel	1 - reports to Chairman and CEO
Risk Management	John Donofrio	Executive Vice President, General Counsel	1 - reports to Chairman and CEO
Supply Chain Social Responsibility	Terry Nadeau	Vice President, Chief Procurement Officer	2 - reports to VP, Supply Chain Officer who reports to the Chairman and CEO
Compliance/Ethics Issues	Neumann Leverett	Vice President, Chief Ethics and Compliance Officer	2 - reports to EVP and General Counsel who reports to Chairman and CEO and reports to Audit Committee
Human Rights Issues & Labor Issues	Anthony V. Alfano	Vice President, Chief Labor and Employee Counsel	2 - reports to EVP and General Counsel who reports to Chairman and CEO and reports to Audit Committee

Confirmed incidents of corruption and actions taken

[2-27](#) | [205-3](#)

	2021	2020	2019
Total number of confirmed incidents of corruption	0	0	0
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	0	0	0
Total number of confirmed incidents when contracts with business partners were not renewed due to violations related to corruption	0	0	0

All reported issues of alleged corruption are documented, investigated and remediated until resolution.

Communication and training about anti-corruption policies and procedures

205-2 | 412-2

Communication and Training about Anti-Corruption Policies and Procedures						
Communication and training on anti-corruption, anti-corruption policies and procedures ²	2021		2020		2019	
	Total	Percent	Total	Percent	Total ^{1,2}	Percent
Governance body members	149	96%	130	100%	95	97%
Employees	50,882	96%	53,645	96%	59,503	91%
Business partners ¹	1,202		985		1,277	

(1) Suppliers who are in scope for our third-party supplier program.

(2) Because of differing Human Resource management/employee data systems, training and communication data by region is not available.

Compliance with laws and regulations

2-27

Currency: USD	2021	2020	2019
Total monetary value of significant fines	\$14,043	\$15,835	\$16,169
Number of fines paid by the company	2	1	3
Total number of non-monetary sanctions	1	0	1
Cases brought through dispute resolution mechanisms	See 2021 attachments, 2021 NOVs, Permit Exceedances and Releases for details	See 2020 attachments, 2020 NOVs, Permit Exceedances and Releases for details	See 2019 attachments, 2019 NOVs, Permit Exceedances and Releases for details

- To ensure transparency, we are reporting all fines that were paid in the year. In some cases, we pay fines in a year subsequent to the year that the incident was reported.
- Our Johnson Controls Manufacturing System defines standards for environmental management to ensure compliance. In the unlikely event of an emergency or crisis, we have a regularly updated Crisis Management Plan to effectively address incidents and minimize impacts to our employees, communities, the environment, and other stakeholders.
- In addition, all employees undergo ethics training, and we have personnel who are trained in relevant environmental compliance activities across our global operations.
- Spills, notices of violation, and permit exceedances are recorded in our global Environment, Health & Safety information system. These data are routinely reviewed by all levels of management to promote continuous improvement.
- See [2021 Form 10-K](#), Environmental Matters, page 107

To ensure transparency, we are reporting all "reportable incidents," which we define as non-compliance that requires reporting to a regulatory agency.

We have a number of mechanisms and processes in place to prevent non-compliance. For example, our Johnson Controls Manufacturing System defines standards for a range of topics, including environment, health, safety and other matters, to ensure compliance. We identify and share best practices across the enterprise through the Global Manufacturing and Operations Council and other mechanisms to continuously improve our compliance practices. In the unlikely event of an emergency or crisis, we have a regularly updated Crisis Management Plan to effectively address incidents and minimize impacts to our employees, communities, the environment, and other stakeholders.

Political contributions

[415-1](#)

Political Contributions			
Currency: USD	2021	2020	2019
Recipient: PAC Activity	\$179,550	\$218,100	\$271,900
Country: USA			

Also see Public Policy Engagement section of this report and associated links to public disclosures of our political contributions.

SASB resource transformation sector electrical and electronic equipment sustainability accounting standard

Topic	SASB Accounting Metric	SASB Code	Where to find this information
Energy Management	(1) Total energy consumed, gigajoules (2) percentage grid electricity,(3) percentage renewable	RT-EE-130a.1	JCI Sustainability Report, 302-1 Energy
Hazardous Waste Management	Amount of hazardous waste generated, metric tons, percentage recycled	RT-EE-150a.1	JCI Sustainability Report, 306-4, Waste by type and disposal method
	Number and aggregate quantity of reportable spills, quantity recovered, kilograms	RT-EE-150a.2	JCI Sustainability Report, 2-27 Compliance with laws and regulations
Product Safety	Number of recalls issued, total units recalled	RT-EE-250a.1	JCI Sustainability Report, 416-1 Customer Health and Safety
	Total amount of monetary losses as a result of legal proceedings associated with product safety	RT-EE-250a.2	JCI Sustainability Report, 416-2 Customer Health and Safety
Product Lifecycle Management	Revenue from renewable energy-related and energy efficiency-related products	RT-EE-410a.3	JCI Sustainability Report, Green Revenue
Materials Sourcing	Description of the management of risks associated with the use of critical materials	RT-EE-440a.1	JCI Sustainability Report, Conflict Minerals
Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	RT-EE-510a.1	JCI Sustainability Report, 205-1, Operations assessed for risks related to corruption; 414-2, Supplier Sustainability Assessment
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	RT-EE-510a.2	JCI Sustainability Report, 205-3, Confirmed incidents of corruption and actions taken
	Total amount of monetary losses as a result of legal proceedings associated with anti- competitive behavior regulations	RT-EE-510a.3	2021 Form 10-K , Legal Proceedings
Activity metric	Number of employees	RT-EE-000.B	JCI Sustainability Report, 2-7, Our Employees

GRI Content Index

Statement of use	Johnson Controls has reported in accordance with the GRI Standards for the period October 1, 2020 – September 31, 2021, its 2021 fiscal year. Our full GRI report may be viewed or printed in PDF from the Johnson Controls website, with links provided to supporting documents, at www.johnsoncontrols.com/corporate-sustainability/reporting-and-policies
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	NA

GRI 2: General Disclosures 2021

GRI 2	Disclosure	Location	SDG
-------	------------	----------	-----

The organization and its reporting practices

2-1	Organizational details	<ul style="list-style-type: none"> a. Johnson Controls International PLC b. Johnson Controls International PLC is an Irish public limited company governed by a board of directors. Articles of Association Corporate Governance c. One Albert Quay Cork, Ireland www.johnsoncontrols.com Location of Headquarters d. 2021 Form 10-K, Properties, Page 25 Global Location Finder Johnson Controls Sustainability Report: Countries of Operation 	
2-2	Entities included in the organization's sustainability reporting	<p>2021 Form 10-K, Business, General and Business Segments, pages 3 – 4 Johnson Controls Sustainability Report: About Our Reporting Johnson Controls Sustainability Report: Our Company</p>	
2-3	Reporting period, frequency and contact point	<p>2021 Form 10-K, Business, General and Business Segments, pages 3 – 4 Johnson Controls Sustainability Report: About Our Reporting Johnson Controls Sustainability Report: Our Company</p> <ul style="list-style-type: none"> a. This annual GRI report is for Johnson Controls Fiscal Year 2021: October 1, 2020 – September 30, 2021 b. 2021 Form 10-K, Header, Page 1 c. Reporting cycle is on an annual basis for the previous fiscal year. Data will be compiled for the fiscal year most recently finished and posted publicly in early April. Our most recent Sustainability Report was published in April 2021. Johnson Controls 2021 Sustainability Report Johnson Controls 2022 Non-Financial Report Johnson Controls Sustainability Reports and Policies d. Jenna Kunde, Global Sustainability Director Johnson Controls, 5757 N. Green Bay Avenue, Glendale, WI 53209 Corp-Sustainability@Johnson Controls.com 	

2-4	Restatements of information	There are no significant modifications regarding the scope, boundary or measurement methods beyond any updates that are specifically discussed in the relevant sections contained within this report. Johnson Controls Sustainability Report: 2-4 About Our Reporting
2-5	External assurance	Johnson Controls Sustainability Report: 2-5 External Assurance of Data 2021 Verification Statement for Johnson Controls-GHG Emissions 2021 Verification Statement for Johnson Controls-Waste 2021 Verification Statement for Johnson Controls-Water 2022 Proxy Statement , Audit Committee Report pages 17 - 18 2021 Form 10-K , Report of Independent Registered Public Accounting Firm pages 49 - 51
2-6	Activities, value chain and other business relationships	SIC: 3585 - AIR COND & WARM AIR HEATING EQUIP & COMM & INDL REFRIG EQUIP About Us - Our Company https://www.johnsoncontrols.com See Products and Solutions, Services and Support, Industries Johnson Controls Sustainability Report: 2- 6 Supplier Sustainability 2021 Form 10-K , Business, Pages 3-7; Human Capital Management, Page 8-10; Selected Financial Data, Pages 27-29; Acquisitions and Divestitures and Discontinued Operations, pages 64 - 66
2-7	Employees	Johnson Controls Sustainability Report: 2-7 Employees Johnson Controls Sustainability Report: Our Employees Johnson Controls Sustainability Report: Diversity and Inclusion
2-8	Workers who are not employees	Johnson Controls Sustainability Report: 2-8 Employees
Governance		
2-9	Governance structure and composition	Johnson Controls Sustainability Report: Governance - Company Leaders 2022 Proxy Statement , Pages 6-7 (board and committee composition, independence, diversity and skills), Pages 10-15 (director biographies, tenure, other directorships), page 26 (board composition, tenure, skills, diversity) Pages 38, 43-44 (board and committee composition and responsibilities) Our Leaders Corporate Sustainability Governance Johnson Controls Sustainability Report: Board of Directors Committees Johnson Controls Board of Directors
2-10	Nomination and selection of the highest governance body	Corporate Governance Charters, Guidelines and Policies 2022 Proxy Statement , Pages 6-7, 10-15, 35-56:



2-11 Chair of the highest governance body [Corporate Governance Guidelines](#)
[2022 Proxy Statement](#), Pages 13, 26-27, 36-37

2-12 Role of the highest governance body in overseeing the management of impacts
Johnson Controls Sustainability Report: [Governance Structure](#)
Johnson Controls Sustainability Report: [Governance](#)
Johnson Controls Sustainability Report: [Risk Management](#)
[2022 Proxy Statement](#), Executive Officers and Board of Directors, Pages 29, 38
[Our Leaders](#)
[Corporate Sustainability Governance](#)
[Corporate Governance website](#)
[Non-Financial Disclosure Report 2022](#), Page 6

2-13 Delegation of responsibility for managing impacts
Johnson Controls Sustainability Report: [Governance](#)
[Corporate Sustainability Governance](#)
[2022 Proxy Statement](#), Pages 27-30, 31, 38, 43-44

2-14 Role of the highest governance body in sustainability reporting
Johnson Controls Sustainability Report: [Sustainability Governance](#)
[2022 Proxy Statement](#), Executive Officers and Board of Directors, Pages 29, 38
[Our Leaders](#)
[Corporate Sustainability Governance](#)
[Non-Financial Disclosure Report 2022](#) is signed by the company's Lead Director and chair-
man of the board.

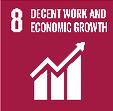
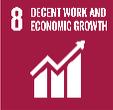
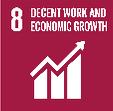
2-15 Conflicts of interest
[Corporate Governance Charters, Guidelines and Policies](#)
[Corporate Governance Guidelines](#), Pages 4, 8-10
[2022 Proxy Statement](#), Page 36-37, 45



2-16 Communication of critical concerns
Johnson Controls Sustainability Report: [Ethics and Integrity](#)
[Code of Ethics](#)
[Integrity Helpline](#)
[Corporate Governance website](#)

2-17 Collective knowledge of the highest governance body
Johnson Controls Sustainability Report: [Governance Structure](#)
[Governance and Sustainability Committee Charter](#), Page 1, page 2 section 7
[2022 Proxy Statement](#), Pages – 24, 28-30, 38

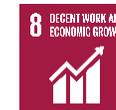
2-18 Evaluation of the performance of the highest governance body
[Corporate Governance website](#)
[2022 Proxy Statement](#), Page 33-34

2-19	Remuneration policies	2022 Proxy Statement , Executive Compensation Framework 51 Executive Compensation Management 53 Fiscal 2021 Compensation Decisions and Outcomes 58 Additional Information 64	
2-20	Process to determine remuneration	Johnson Controls Sustainability Report: Executive compensation tied to sustainability and diversity 2022 Proxy Statement , Executive Compensation Framework 51 Executive Compensation Management 53 Fiscal 2021 Compensation Decisions and Outcomes 58 Additional Information 64 Stakeholders' involvement in remuneration 31 Johnson Controls Sustainability Report: 2-20	
2-21	Annual total compensation ratio	Johnson Controls Sustainability Report: 2-21 Our Employees	
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	Johnson Controls Sustainability Report: Letter from George Oliver and Katie McGinty	
2-23	Policy commitments	Our Sustainability Reporting and Policies Risk Management Process Johnson Controls Sustainability Report: Human Rights Johnson Controls Sustainability Report: Voluntary Corporate Commitments Johnson Controls Sustainability Report: Sustainability Strategy and Commitments Johnson Controls Sustainability Report: Risk Management Global Environmental Health & Safety Policy Supplier Portal Human Rights & Sustainability Policy Conflict Minerals Policy Code of Ethics	

2-24	Embedding policy commitments	<p>Johnson Controls Sustainability Report: Ethics and Integrity Johnson Controls Sustainability Report: Risk Management Johnson Controls Sustainability Report: Global Sustainability Council Our Values Human Rights & Sustainability Policy Energy & Climate Position Code of Ethics 2022 Proxy Statement Page 25 (Areas of Focus for the Board); Page 26 (Board Leadership); page 27 (Board Oversight of Strategy); Page 29 (Board Oversight of Risk); Page 29 (Board Governance and Sustainability Committee) Risk Management Process Non-Financial Disclosure Report 2022 page 9</p>
2-25	Process to remediate negative impacts	<p>Johnson Controls Sustainability Report: Ethics and Integrity Code of Ethics Integrity Helpline</p>
2-26	Mechanisms for seeking advice and raising concerns	<p>Johnson Controls Sustainability Report: Ethics and Integrity Code of Ethics Integrity Helpline</p>
2-27	Compliance with laws and regulations	<p>Johnson Controls Sustainability Report: 2-27 Compliance Johnson Controls Sustainability Report: Ethics and Integrity Code of Ethics Integrity Helpline 2021 NOVs, Permit Exceedances and Releases 2020 NOVs, Permit Exceedances and Releases 2019 NOVs, Permit Exceedances and Releases</p>
2-28	Membership associations	<p>Johnson Controls Sustainability Report: Sustainability Policies and Commitments 2021 Sustainability Memberships Voluntary Corporate Commitments</p>

Stakeholder engagement

2-29	Approach to stakeholder engagement	Johnson Controls Sustainability Report: 2- 29 Stakeholder Engagement Johnson Controls Sustainability Report: Stakeholder Engagement , pg 35 - 38 Johnson Controls Sustainability Report: Materiality 2022 Proxy Statement , Pages 29, 31, 41, 51 Sustainability Materiality Assessment Corporate Sustainability Governance
2-30	Collective bargaining agreements	Johnson Controls Sustainability Report: 2-30 Human Rights EEO Employer Code of Ethics



GRI 3: Material Topics 2021

GRI 3	Disclosure	Location	SDG
3-1	Process to determine material topics	Johnson Controls Sustainability Report: Sustainability Materiality Assessment	
3-2	List of material topics	Johnson Controls Sustainability Report: Location of Operations	
3-3	Management of material topics	Johnson Controls Sustainability Report: Ethics and Integrity	
		Johnson Controls Sustainability Report: Stakeholder Engagement, pg 35 - 38	
		Johnson Controls Sustainability Report: Governance Structure	
		Johnson Controls Sustainability Report: Risk Management	
		Risk Management Process	
		Sustainability Materiality Assessment	
		2022 Proxy Statement	
		Non-Financial Disclosure Report 2022	
		UN Global Compact fiscal year 2021 Communication on Progress	
		Our Sustainability Reporting and Policies	
		Code of Ethics	
		Human Rights & Sustainability Policy	
		Sustainability homepage for Johnson Controls	
		Corporate Governance Guidelines – opening paragraph: “Johnson Controls International PLC’s vision is a safe, comfortable and sustainable world. In addition to achieving financial performance objectives, the company’s board of directors and management believe that the company must assume a leadership position in the area of corporate governance to fulfill its vision.”	
		Sustainability Governance	

Economic			
Disclosure Number	Disclosure	Location	SDG
GRI 201: Economic performance 2016			
201-1	Direct economic value generated and distributed	Johnson Controls Sustainability Report: 201-1 Direct economic value generated and distributed 2021 Form 10-K , Pages 57 and 105	  
201-2	Financial implications and other risks and opportunities due to climate change	Johnson Controls Sustainability Report: 201-2 Risks and Opportunities Johnson Controls Sustainability Report: Sustainable Finance Johnson Controls Sustainability Report: Risk Management due to Climate Change 2021 Awards 2021 Form 10-K Climate Change Risk Factors, Page 14-15 CDP Climate Change Leadership List	
201-3	Defined benefit plan obligations and other retirement plans	Johnson Controls Sustainability Report: 201-3 Our Employees - Benefits Johnson Controls Careers	
201-4	Financial assistance received from government	We receive grants, tax incentives and low- or no-interest loans from many countries and subdivisions of countries including China, Canada, France, the United Kingdom, and the United States. Financially material assistance from governments is typically reported in our annual 10-K filing. No government is a material shareholder in the company.	We do not currently track centrally all the types of potential government assistance listed in this indicator.

Market Presence

3-3	Management of material topic	2021 Form 10-K, Products/Systems and Services, Pages 3-7 Corporate Governance website Code of Ethics Sustainability Governance Sustainability Materiality Assessment Johnson Controls Sustainability Report: Location of Operations Johnson Controls Sustainability Report: Sustainability Materiality Assessment Johnson Controls Careers
-----	------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 202: Market presence 2016

202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Johnson Controls Sustainability Report: 202-1 Our Employees - Compensation	
202-2	Proportion of senior management hired from the local community	Johnson Controls Sustainability Report: Community Engagement Geographic definition of "local": May include immediate area for routine support and may extend to entire host country or adjacent areas or countries.	

Indirect Economic Impacts

3-3	Management of material topic	Johnson Controls Sustainability Report: Indirect Economic Impacts Johnson Controls Sustainability Report: Delivering Sustainability for our Customers Corporate Governance website Sustainability Governance Sustainability Materiality Assessment Johnson Controls named IoT CEO of the Year, 2022 OpenBlue Innovation Center in Singapore NAESCO-Awarded Project, Reducing Recidivism through Vocational Training Corporate Social Responsibility Program Overviews Non-Financial Disclosure Report 2022 Code of Ethics Supplier Diversity Supplier Sustainability Rating Survey
-----	------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 203: Indirect economic impacts 2016

203-1 Infrastructure investments and services supported

Johnson Controls Sustainability Report: [Sustainable Finance](#)
 Johnson Controls Sustainability Report: [Indirect Economic Impacts](#)
 Johnson Controls Sustainability Report: [Community Engagement](#)
[Corporate Social Responsibility Program Overviews](#)
[Applied Research and Development](#)
[Non-Financial Disclosure Report 2022](#)
[Johnson Controls, National Defence Collaborate to Drive CA\\$3M in Targeted Annual Savings and 23% in Targeted GHG Emissions Cuts](#)
[Johnson Controls Helps Transform the City of Toledo with Modernized, Smart Water Infrastructure](#)
[Johnson Controls and City of Evansville Earn Outstanding Project of the Year Award](#)
[Building resilient communities through infrastructure, innovation and inclusion](#)
[Johnson Controls partners with Urban League to enhance mission of racial equity](#)



203-2 Significant indirect economic impacts

Johnson Controls Sustainability Report: [Delivering Sustainability for our Customers](#)
 Johnson Controls Sustainability Report: [Indirect Economic Impacts](#)
 Johnson Controls Sustainability Report: [Community Engagement](#)
[Corporate Social Responsibility Program Overviews](#)
[Non-Financial Disclosure Report 2022](#)

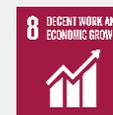


Procurement Practices

3-3	Management of material topic	<p>Johnson Controls Sustainability Report: Supplier Sustainability Supplier Sustainability Rating Survey Letter Supplier Sustainability Rating survey Supply Chain: Supplier Sustainability Expectations Supplier Portal Sustainability Materiality Assessment Conflict Minerals Policy Code of Ethics Supplier Diversity Slavery and Human Trafficking Policy</p> <p>Johnson Controls Sustainability Report: Sustainability Materiality Assessment</p>
-----	------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 204: Procurement practices 2016

204-1	Proportion of spending on local suppliers	Johnson Controls Sustainability Report: 204-1 Local Suppliers
-------	-------------------------------------------	-------------------------------------------------------------------------------



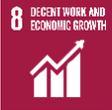
Anti-Corruption

3-3	Management of material topic	<p>Johnson Controls Sustainability Report: Sustainability Materiality Assessment Johnson Controls Sustainability Report: Risk Management Risk Management Process Johnson Controls Sustainability Report: Ethics and Integrity Johnson Controls Sustainability Report: Human Rights UN Global Compact fiscal year 2021 Communication on Progress Human Rights & Sustainability Policy Integrity Helpline Non-Financial Disclosure Report 2022 Code of Ethics Sustainability Materiality Assessment</p>
-----	------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 205: Anti-corruption 2016

205-1	Operations assessed for risks related to corruption	Johnson Controls Sustainability Report: Risk Assessment Johnson Controls Sustainability Report: Code of Ethics and Anti Corruption Risk Management Process Human Rights & Sustainability Policy Code of Ethics Non-Financial Disclosure Report 2022	
205-2	Communication and training about anti-corruption policies and procedures	Johnson Controls Sustainability Report: 205-2 Communication on anti-corruption policies and procedures	
205-3	Confirmed incidents of corruption and actions taken	Johnson Controls Sustainability Report: Ethics and Integrity Johnson Controls Sustainability Report: 205-3 Anti-Corruption Supplier Portal Code of Ethics Supplier Sustainability Rating Survey Johnson Controls named to 2021 World's Most Ethical Companies	

Anti-Competitive Behavior

3-3	Management of material topic	Johnson Controls Sustainability Report: Ethics and Integrity Johnson Controls Sustainability Report: Human Rights Johnson Controls Sustainability Report: Governance Structure Sustainability Materiality Assessment UN Global Compact fiscal year 2021 Communication on Progress Code of Ethics Human Rights & Sustainability Policy Integrity Helpline Johnson Controls Sustainability Report: Sustainability Materiality Assessment	 
-----	------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 206: Anti-competitive behavior 2016

206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2021 Form 10-K Legal Proceedings, Pages 25 - 26	
-------	---------------------------------------------------------------------------------	-----------------------------------------------------------------	--

Tax

3-3	Management of material topic	Johnson Controls Tax Strategy Sustainability Materiality Assessment Code of Ethics Johnson Controls Sustainability Report: Sustainability Materiality Assessment
-----	------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 207: Tax 2019

207-1	Approach to tax	Johnson Controls Tax Strategy Corporate Governance 2022 Proxy Statement , page 29, Audit Committee
-------	-----------------	----------------------------------------------------------------------------------------------------------------------------------------------------------

207-2	Tax governance, control and risk management	Johnson Controls Tax Strategy Corporate Governance 2022 Proxy Statement , page 29, Audit Committee
-------	---------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------

207-3	Stakeholder engagement and management of concerns related to tax	Johnson Controls Tax Strategy Sustainability Materiality Assessment 2022 Proxy Statement page 31, Audit Committee
-------	------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------

207-4	Country-by-country reporting	Johnson Controls Tax Strategy
-------	------------------------------	-----------------------------------------------

Material Topics

Environmental

GRI 2	Disclosure	Location	Omission	SDG
-------	------------	----------	----------	-----

Materials

3-3	Management of material topic	Johnson Controls Sustainability Report: Materials Sustainability Materiality Assessment Johnson Controls Sustainability Report: Sustainability Materiality Assessment Non-Financial Disclosure Report 2022
-----	------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 301: Materials 2016

301-1 Materials used by weight or volume Johnson Controls Sustainability Report: [301-1 Materials](#)



301-2 Recycled input materials used Johnson Controls Sustainability Report: [301-2 Materials Sustaining a Sustainability Company](#)
[First 100% Solar-powered university in Colorado](#)

301-3 Reclaimed products and their packaging materials Johnson Controls Sustainability Report: [301-3 Materials Code of Ethics](#)
[Human Rights & Sustainability Policy](#)

Energy

3-3 Management of material topic Johnson Controls Sustainability Report: [Energy and Emissions 2021 Awards](#)
[Sustainability Materiality Assessment](#)
Johnson Controls Sustainability Report: [Sustainability Materiality Assessment Energy and Efficiency Services](#)
[Sustainability Reporting, Policies & Commitments](#)
[Advanced Energy Storage Technology](#)
[Non-Financial Disclosure Report 2022](#)
[Johnson Controls named to Carbon Clean 200: Leading the transition to a clean energy future](#)
[Corporate Responsibility Magazine names Johnson Controls to Best Corporate Citizens List](#)
[Johnson Controls named to 2021 World's Most Ethical Companies](#)
[DOE Better Buildings Better Plants Challenge](#)
[Johnson Controls among Top 100 Global Innovators, 6 time winner](#)



GRI 302: Energy 2016

302-1 Energy consumption within the organization Johnson Controls Sustainability Report: [302-1 Energy consumption within the organization 2021 Verification Statement for Johnson Controls GHG Emissions](#)



302-2	Energy consumption outside of the organization	<p>Johnson Controls Sustainability Report: 302-2 Energy consumption outside of the organization 2021 Verification Statement for Johnson Controls-GHG Emissions</p>	
302-3	Energy intensity	<p>Johnson Controls Sustainability Report: 2021 Verification Statement for Johnson Controls-GHG Emissions Non-Financial Disclosure Report 2022</p>	
302-4	Reduction of energy consumption	<p>Johnson Controls Sustainability Report: 302-4 Reduction of energy consumption DOE Better Buildings Better Plants Challenge</p>	
302-5	Reductions in energy requirements of products and services	<p>Johnson Controls Sustainability Report: 302-5 Reductions in energy requirements of products and services BE Energy Performance Contracting Buildings - HVAC Equipment Non-Financial Disclosure Report 2022 Johnson Controls, National Defence Collaborate to Drive CA\$3M in Targeted Annual Savings and 23% in Targeted GHG Emissions Cuts Al Shera'a in Dubai will be the tallest, largest and smartest net zero-energy government building in the world</p>	

Water and Effluents

3-3	Management of material topic	<p>Sustainability Materiality Assessment Johnson Controls Sustainability Report: Sustainability Materiality Assessment Energy and Efficiency Services - Water Johnson Controls Sustainability Report: Water Non-Financial Disclosure Report 2022 BlueStream Hybrid Cooling System EPRI Technology Abstract on Thermosyphon Cooling Johnson Controls Helps Transform the City of Toledo with Modernized, Smart Water Infrastructure 2021 Form 10-K, Environmental Matters, Page 106, AFFF Matters, page 109-113</p>	
-----	------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------

Water and Effluents

303-1	Interactions with water as a shared resource	<p>2021 Verification Statement for Johnson Controls - Water Non-Financial Disclosure Report 2022 Energy and Efficiency Services - Water</p>	
303-2	Management of water discharge-related impacts	<p>2021 Verification Statement for Johnson Controls- Water Non-Financial Disclosure Report 2022 Energy and Efficiency Services - Water</p>	
303-3	Water withdrawal	<p>Johnson Controls Sustainability Report: 303-3 Water and Effluents 2021 Verification Statement for Johnson Controls- Water Non-Financial Disclosure Report 2022</p>	
303-4	Water discharge	<p>Johnson Controls Sustainability Report: 303-4 Water and Effluents Human Rights & Sustainability Policy</p>	
303-5	Water consumption	<p>Case Study - Glendale Corporate Headquarters Energy and Efficiency Services - Water Consumption is excluded due to incomplete discharge data that skews the result.</p>	Unavailable



Biodiversity

3-3	Management of material topic	<p>Human Rights & Sustainability Policy Code of Ethics Sustainability Materiality Assessment Johnson Controls Sustainability Report: Sustainability Materiality Assessment</p>
-----	------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 304: Biodiversity 2016

304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Code of Ethics UN Global Compact fiscal year 2021 Communication on Progress	Unavailable
304-2	Significant impacts of activities, products, and services on biodiversity		Unavailable
304-3	Habitats protected or restored		Unavailable
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		Unavailable

Emissions

3-3	Management of material topic	Sustainability Materiality Assessment Johnson Controls Sustainability Report: Sustainability Materiality Assessment Johnson Controls Sustainability Report: Energy and Emissions DOE Better Buildings Better Plants Challenge Non-Financial Disclosure Report 2022 2021 Awards Sustainability homepage for Johnson Controls Johnson Controls named to 2021 World's Most Ethical Companies Johnson Controls named to Carbon Clean 200 Corporate Responsibility Magazine names Johnson Controls to Best Corporate Citizens List. 2021 Awards: Johnson Controls among Top 100 Global Innovators, 6 time winner	  
-----	------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 305: Emissions 2016

305-1	Direct (Scope 1) GHG emissions	Johnson Controls Sustainability Report: 305-1 Emissions 2021 Verification Statement for Johnson Controls-GHG Emissions S&P The Sustainability Yearbook 2021 Member	  
-------	--------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

305-2	Energy indirect (Scope 2) GHG emissions	<p>Johnson Controls Sustainability Report: 305-2 Emissions 2021 Verification Statement for Johnson Controls-GHG Emissions S&P The Sustainability Yearbook 2021 Member</p>	  
305-3	Other indirect (Scope 3) GHG emissions	<p>Johnson Controls Sustainability Report: 305-3 Emissions 2021 Verification Statement for Johnson Controls-GHG Emissions BE Energy Performance Contracting Supplier Sustainability Rating Survey S&P The Sustainability Yearbook 2021 Member</p>	  
305-4	GHG emissions intensity	<p>Johnson Controls Sustainability Report: 305-4 Emissions 2021 Verification Statement for Johnson Controls-GHG Emissions S&P The Sustainability Yearbook 2021 Member Non-Financial Disclosure Report 2022</p>	
305-5	Reduction of GHG emissions	<p>Johnson Controls Sustainability Report: 305-5 Emissions DOE Better Buildings Better Plants Challenge Case Study - Glendale Corporate Headquarters Johnson Controls Advances Environmental Sustainability with low GWP refrigerants. S&P The Sustainability Yearbook 2021 Member</p>	
305-6	Emissions of ozone-depleting substances (ODS)	<p>Johnson Controls Sustainability Report: 305-6 Emissions Johnson Controls Selects Environmentally Sustainable R-454B as Future Refrigerant for New Ducted HVAC Equipment and Air-cooled Scroll Chillers Energy & Climate Position Johnson Controls Refrigerant Guiding Principles Johnson Controls joins White House discussion on reducing use of high global warming potential refrigerants Human Rights & Sustainability Policy</p>	  

305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions
 Johnson Controls Sustainability Report: [2021 Verification Statement for Johnson Controls-GHG Emissions Stack & Fugitive Emissions](#)



Waste

3-3 Management of material topic
 Johnson Controls Sustainability Report: [Waste Sustainability Materiality Assessment](#)
 Johnson Controls Sustainability Report: [Sustainability Materiality Assessment Non-Financial Disclosure Report 2022](#)

GRI 306: Waste 2020

306-1 Waste generation and significant waste-related impacts
 Johnson Controls Sustainability Report: [Waste 2020 NOVs, Permit Exceedances and Releases Code of Ethics Human Rights & Sustainability Policy](#)



306-2 Management of significant waste-related impacts
 Johnson Controls Sustainability Report: [Waste 2021 Verification Statement for Johnson Controls- Waste Code of Ethics Human Rights & Sustainability Policy Non-Financial Disclosure Report 2022](#)

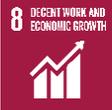


306-3 Waste generated
 Johnson Controls Sustainability Report: [306-3 Waste](#)



306-4	Waste diverted from disposal	Johnson Controls Sustainability Report: 306-4 Waste	 
306-5	Waste directed to disposal	Johnson Controls Sustainability Report: 306-5 Waste	Unavailable

Supplier Environmental Assessment

3-3	Management of material topic	Sustainability Materiality Assessment Johnson Controls Sustainability Report: Supplier Sustainability Supplier Sustainability Rating Supplier Sustainability Rating survey - Johnson Controls Supplier Sustainability Rating Survey Letter Code of Ethics Conflict Minerals Policy Slavery and Human Trafficking Policy Supplier Portal	
-----	------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------

GRI 308: Supplier environmental assessment 2016

308-1	New suppliers that were screened using environmental criteria	Johnson Controls Sustainability Report: 308-1 Supplier Environmental Assessment
308-2	Negative environmental impacts in the supply chain and actions taken	Johnson Controls Sustainability Report: 308-2 Supplier Environmental Assessment Supplier Sustainability Rating Survey Supplier Diversity Code of Ethics Supplier Portal

Material Topics

Social

Disclosure Number	Disclosure	Location	Omission	SDG
-------------------	------------	----------	----------	-----

Employment

3-3	Management of material topic	2021 Form 10-K Sustainability Materiality Assessment Johnson Controls Sustainability Report: Social Johnson Controls Sustainability Report: Employee Development, Training and Education Johnson Controls Sustainability Report: Our Employees Johnson Controls Sustainability Report: Ethics and Integrity Non-Financial Disclosure Report 2022 EEO Employer Johnson Controls Careers UN Global Compact fiscal year 2021 Communication on Progress Careers: Women and Military Human Rights & Sustainability Policy Code of Ethics 2021 Awards - DiversityInc listed Johnson Controls as Noteworthy Forbes The Best Employers For Diversity, 2021 2021 Awards - Best of the Best for US Veterans 2021 Awards - Top Employer in China 2021 Awards: 100 Best Corporate Citizens List Johnson Controls named to 2021 World's Most Ethical Companies Integrity Helpline		
-----	------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--

GRI 401: Employment 2016

401-1	New employee hires and employee turnover	Johnson Controls Sustainability Report: 401-1 New employee hires and turnover
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time workers	Johnson Controls Sustainability Report: 401-2 Benefits which are standard for full-time employees

401-3	Parental leave	Johnson Controls Sustainability Report: 401-3 Parental leave
-------	----------------	------------------------------------------------------------------------------

Labor/Management Relations

3-3	Management of material topic	EEO Employer Sustainability Materiality Assessment Johnson Controls Sustainability Report: Sustainability Materiality Assessment Johnson Controls Sustainability Report: Social Human Rights & Sustainability Policy Johnson Controls Sustainability Report: Ethics and Integrity UN Global Compact fiscal year 2021 Communication on Progress
-----	------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 402: Labor/management relations 2016

402-1	Minimum notice periods regarding operational changes	Johnson Controls Sustainability Report: 402-1 Continued Employability
-------	------------------------------------------------------	---------------------------------------------------------------------------------------

Occupational Health and Safety

3-3	Management of material topic	Sustainability Materiality Assessment Johnson Controls Sustainability Report: Sustainability Materiality Assessment Johnson Controls Sustainability Report: Our Employees- Health and Safety Global Environment, Health & Safety (EHS) Policy Johnson Controls Sustainability Report: Ethics and Integrity Integrity Helpline	 
-----	------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 403: Occupational health and safety 2018

403-1	Occupational health and safety management system	Johnson Controls Sustainability Report: 403-1 Health and Safety Global Environment, Health & Safety (EHS) Policy	 
-------	--------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

403-2	Hazard identification, risk assessment and incident investigation	Johnson Controls Sustainability Report: 403-2 Health and Safety Health and Safety - pgs 97-102 Global Environment, Health & Safety (EHS) Policy	 
-------	-------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

403-3	Occupational health services	<p>Johnson Controls Sustainability Report: 403-3 Health and Safety Johnson Controls Sustainability Report: Health and Safety Global Environment, Health & Safety (EHS) Policy</p>	 
403-4	Worker participation, consultation and communication on occupational health and safety	<p>Johnson Controls Sustainability Report: 403-4 Health and Safety Code of Ethics Global Environment, Health & Safety (EHS) Policy</p>	 
403-5	Worker training on occupational health and safety	<p>Johnson Controls Sustainability Report: Health and Safety Johnson Controls Sustainability Report: 403-5 Health and Safety – training Johnson Controls Sustainability Report: Employee Development, Training and Education Global Environment, Health & Safety (EHS) Policy</p>	 
403-6	Promotion of worker health	<p>Johnson Controls Sustainability Report: Health and Safety Johnson Controls Sustainability Report: Product Safety Global Environment, Health & Safety (EHS) Policy</p>	 
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<p>Johnson Controls Sustainability Report: Health and Safety Global Environment, Health & Safety (EHS) Policy</p>	 

403-8	Workers covered by an occupational health and safety management system	Johnson Controls Sustainability Report: Health and Safety Global Environment, Health & Safety (EHS) Policy		
403-9	Work-related injuries	Johnson Controls Sustainability Report: 403-9 Health and Safety Johnson Controls Sustainability Report: Health and Safety Global Environment, Health & Safety (EHS) Policy		
403-10	Work-related ill health	Johnson Controls Sustainability Report: 403-10 Health and Safety Johnson Controls Sustainability Report: Health and Safety Global Environment, Health & Safety (EHS) Policy		

Training and Education

3-3	Management of material topic	Sustainability Materiality Assessment Johnson Controls Sustainability Report: Sustainability Materiality Assessment Johnson Controls Sustainability Report: Our Employees – Employee Development pages 77 – 83 EEO Employer Johnson Controls Careers Non-Financial Disclosure Report 2022		
-----	------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--

GRI 404: Training and education 2016

404-1	Average hours of training per year per employee	Johnson Controls Sustainability Report: 404-1 Our Employees – Employee Development		
-------	-------------------------------------------------	----------------------------------------------------------------------------------------------------	--	--

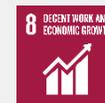
404-2 Programs for upgrading employee skills and transition assistance programs

Johnson Controls Sustainability Report: [404-2 Our Employees – Employee Development](#)
 Johnson Controls Sustainability Report: [Employee Development, Training and Education – pages 77-85](#)



404-3 Percentage of employees receiving regular performance and career development reviews

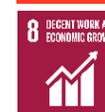
Johnson Controls Sustainability Report: [404-3 Our Employees – Employee Development Johnson Controls Careers](#)



Diversity and Equal Opportunity

3-3 Management of material topic

Management approach includes Diversity, Equal Opportunity and Non-Discrimination.
 Johnson Controls Sustainability Report: [Our Employees – Diversity and Inclusion Sustainability Materiality Assessment](#)
 Johnson Controls Sustainability Report: [Sustainability Materiality Assessment](#)
 Johnson Controls Sustainability Report: [Ethics and Integrity](#)
[About Us – Diversity & Inclusion](#)
[Code of Ethics](#)
[EEO Employer](#)
[Human Rights & Sustainability Policy](#)
[UN Global Compact fiscal year 2021 Communication on Progress](#)
[Careers: Women and Military](#)
[Non-Financial Disclosure Report 2022](#)
[Johnson Controls Partners with Urban League to enhance mission of racial equity](#)
[2021 Awards](#)
[2021 Awards – DiversityInc listed Johnson Controls as Noteworthy](#)
[Forbes The Best Employers For Diversity, 2021](#)
[2021 Awards – Best of the Best for US Veterans](#)
[2021 Awards – Top Employer in China](#)
[2020 Awards – DiversityInc listed Johnson Controls as Noteworthy](#)
[2020 Awards – Top Employer in China](#)
[Johnson Controls named to 2021 World’s Most Ethical Companies](#)
[Integrity Helpline](#)



GRI 405: Diversity and equal opportunity 2016

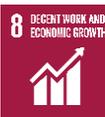
405-1	Diversity of governance bodies and employees	Johnson Controls Sustainability Report: 405-1 Diversity of governance bodies and employees 2021 Proxy Statement , Pages 41, 45 - 47	 
-------	----------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------

405-2	Ratio of basic salary and remuneration of women to men	Johnson Controls Sustainability Report: 405-2 Remuneration Ratio 2021 Awards Code of Ethics 2021 Awards - DiversityInc listed Johnson Controls as Noteworthy Forbes The Best Employers For Diversity, 2021 2021 Awards - Best of the Best for US Veterans 2021 Awards - Top Employer in China	 
-------	--------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 406: Non-discrimination 2016

406-1	Incidents of discrimination and corrective actions taken	Johnson Controls Sustainability Report: 406-1 Our Employees Johnson Controls Sustainability Report: Our Employees - Diversity and Inclusion EEO Employer Code of Ethics Integrity Helpline	
-------	----------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------

Freedom of Association and Collective Bargaining

3-3	Management of material topic	Johnson Controls Sustainability Report: Human Rights Johnson Controls Sustainability Report: Ethics and Integrity Human Rights & Sustainability Policy Code of Ethics Ethics and Human Rights section of the 2022 Non-Financial Disclosure Report UN Global Compact fiscal year 2021 Communication on Progress Integrity Helpline	
-----	------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------

GRI 407: Freedom of association and collective bargaining 2016

407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Johnson Controls Sustainability Report: 407-1 Human Rights Human Rights & Sustainability Policy Code of Ethics Integrity Helpline
-------	----------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 408: Child labor 2016

3-3	Management of material topic	Johnson Controls Sustainability Report: Human Rights Johnson Controls Sustainability Report: Sustainability Materiality Assessment Human Rights & Sustainability Policy Johnson Controls Sustainability Report: Ethics and Integrity Code of Ethics UN Global Compact fiscal year 2021 Communication on Progress Slavery and Human Trafficking Policy Slavery and Human Trafficking Statement Ethics and Human Rights section of the 2022 Non-Financial Disclosure Report Integrity Helpline Johnson Controls named to 2021 World's Most Ethical Companies
-----	------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

408-1	Operations and suppliers at significant risk for incidents of child labor	Johnson Controls Sustainability Report: 408-1 Human Rights
-------	---------------------------------------------------------------------------	----------------------------------------------------------------------------

Forced or Compulsory Labor

3-3	Management of material topic	Johnson Controls Sustainability Report: Human Rights Johnson Controls Sustainability Report: Ethics and Integrity Johnson Controls Sustainability Report: Sustainability Materiality Assessment Conflict Minerals Policy Slavery and Human Trafficking Policy Slavery and Human Trafficking Statement Human Rights & Sustainability Policy Code of Ethics Integrity Helpline Johnson Controls named to 2021 World's Most Ethical Companies Sustainability Materiality Assessment UN Global Compact fiscal year 2021 Communication on Progress Non-Financial Disclosure Report 2022
-----	------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 409: Forced or compulsory labor 2016

409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Johnson Controls Sustainability Report: 409-1 Human Rights Johnson Controls Sustainability Report: Ethics and Integrity UN Global Compact fiscal year 2021 Communication on Progress Slavery and Human Trafficking Policy Human Rights & Sustainability Policy Code of Ethics
-------	------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

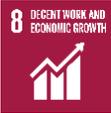
GRI 410: Security Practices 2016

3-3	Management of material topic	Johnson Controls Sustainability Report: Human Rights Johnson Controls Sustainability Report: Ethics and Integrity Integrity Helpline Sustainability Materiality Assessment UN Global Compact fiscal year 2021 Communication on Progress Code of Ethics Johnson Controls Sustainability Report: Sustainability Materiality Assessment
410-1	Security Personnel Trained in Human Rights Policies or Procedures	Johnson Controls Sustainability Report: 410-1 Human Rights Johnson Controls Sustainability Report: Security personnel human rights training Integrity Helpline Code of Ethics

GRI 411: Rights of Indigenous Peoples 2016

3-3	Management of material topic	Johnson Controls Sustainability Report: Human Rights Johnson Controls Sustainability Report: Ethics and Integrity Johnson Controls Sustainability Report: Diversity & Inclusion Perspectives Listening Sessions Sustainability Materiality Assessment EEO Employer Integrity Helpline Slavery and Human Trafficking Policy UN Global Compact fiscal year 2021 Communication on Progress Human Rights & Sustainability Policy Code of Ethics Johnson Controls Sustainability Report: Sustainability Materiality Assessment
411-1	Incidents of Violations Involving Rights of Indigenous Peoples	Johnson Controls Sustainability Report: 411-1 Human Rights Johnson Controls Sustainability Report: Ethics and Integrity

GRI 412: Human rights assessment 2016

3-3	Management of material topic	<p>Johnson Controls Sustainability Report: Human Rights Johnson Controls Sustainability Report: Ethics and Integrity Johnson Controls Sustainability Report: Our Employees – Health and Safety Sustainability Materiality Assessment UN Global Compact fiscal year 2021 Communication on Progress Slavery and Human Trafficking Policy Human Rights & Sustainability Policy Code of Ethics Integrity Helpline Supplier Sustainability Rating Survey 2021 Awards Johnson Controls named to 2021 World’s Most Ethical Companies Non-Financial Disclosure Report 2022 Ecovadis Gold Sustainability Rating, 2021 Johnson Controls Sustainability Report: Sustainability Materiality Assessment</p>	
-----	------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------

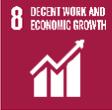
412-1	Operations that have been subject to human rights reviews or impact assessments	<p>Johnson Controls Sustainability Report: 412-1 Human Rights Johnson Controls Sustainability Report: Ethics and Integrity Johnson Controls Sustainability Report: Health and Safety</p>
412-2	Employee training on human rights policies or procedures	<p>Johnson Controls Sustainability Report: 412-2 Communication and training about anti-corruption policies and procedures Code of Ethics</p>
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	<p>Johnson Controls Sustainability Report: Sustainable finance Supplier Portal Human Rights & Sustainability Policy Code of Ethics Supplier Sustainability Rating Survey Slavery and Human Trafficking Policy</p>

GRI 413: Local communities 2016

3-3	Management of material topic	<p>Corporate Social Responsibility Program Overviews Non-Financial Disclosure Report 2022 Sustainability Awards and Recognition Blue Sky Involve 2018 Fact Sheet Corporate Social Responsibility Program Overviews Johnson Controls Sustainability Report: Sustainability Materiality Assessment Johnson Controls Sustainability Report: Community Investments</p>	
-----	------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------

413-1	Operations with local community engagement, impact assessments, and development programs	Johnson Controls Sustainability Report: 413-1 Community Engagement
413-2	Operations with significant actual and potential negative impacts on local communities	Johnson Controls Sustainability Report: 413-2 Community Engagement Corporate Social Responsibility Program Overviews

GRI 414: Supplier social assessment 2016

3-3	Management of material topic	Supplier Portal Sustainability Materiality Assessment Supplier Sustainability Conflict Minerals Policy Code of Ethics Slavery and Human Trafficking Policy Supplier Sustainability Rating Non-Financial Disclosure Report 2022 Johnson Controls Sustainability Report: Sustainability Materiality Assessment Johnson Controls Sustainability Report: Supplier Sustainability Johnson Controls Sustainability Report: Supplier Sustainability Assessment	
-----	------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------

414-1	New suppliers that were screened using social criteria	Johnson Controls Sustainability Report: 414-1 Supplier Sustainability Assessment Supplier Portal Supplier Sustainability Rating
-------	--------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

414-2	Negative social impacts in the supply chain and actions taken	Johnson Controls Sustainability Report: 414-2 Supplier Sustainability Assessment	
-------	---------------------------------------------------------------	--------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------

GRI 415: Public policy 2016

3-3	Management of material topic	Public Reporting Policies Johnson Controls Sustainability Report: Public Policy Code of Ethics Sustainability Materiality Assessment 2020 Sustainability Memberships Political Contributions Policy Johnson Controls Sustainability Report: Sustainability Materiality Assessment
-----	------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

415-1	Political contributions	2019 PAC Contributions 2020 PAC Contributions 2021 PAC Contributions Political Contributions Policy Public Reporting Policies Johnson Controls Sustainability Report: 415-1 Political Contributions
-------	-------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 416: Customer Health and Safety, GRI 417 Marketing & Labeling 2016

3-3	Management of material topic	Johnson Controls Sustainability Report: Customer Health and Safety Sustainability Materiality Assessment Johnson Controls Sustainability Report: Sustainability Materiality Assessment Management approach includes Customer Health and Safety, Marketing & Labeling Global Environment, Health & Safety (EHS) Policy
416-1	Assessment of the health and safety impacts of product and service categories	Johnson Controls Sustainability Report: 416-1 Customer Health and Safety 2021 Form 10-K Pages 7,13-20, 47, and 107-113
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Johnson Controls Sustainability Report: 416-2 Customer Health and Safety

GRI 417: Marketing and labeling 2016

417-1	Requirements for product and service information and labeling	Johnson Controls Sustainability Report: 417-1 Marketing and Labeling
417-2	Incidents of non-compliance concerning product and service information and labeling	Johnson Controls Sustainability Report: 417-2 Marketing and Labeling
417-3	Incidents of non-compliance concerning marketing communications	Johnson Controls Sustainability Report: 417-3 Marketing and Labeling

GRI 418: Customer privacy 2016

3-3	Management of material topic	Sustainability Materiality Assessment Johnson Controls Sustainability Report: Sustainability Materiality Assessment Privacy Notice and Binding Corporate Rules Johnson Controls Sustainability Report: Customer Privacy
-----	------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

GRI 418: Customer privacy 2016

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Johnson Controls Sustainability Report: 418-1 Customer Privacy Privacy Notice and Binding Corporate Rules
-------	----------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------

Disclaimer: The information in the Johnson Controls corporate social responsibility and sustainability report, in accordance with the Global Reporting Initiative (GRI) framework, is shared based on the best available data at publication and is subject to change. In some cases, data is estimated. Johnson Controls cautions that our statements with respect to current and future potential implications of corporate social responsibility and sustainability topics are subject to numerous important risks, uncertainties, assumptions and other factors, some of which are beyond the control of Johnson Controls, which could cause the actual results and business implications of Johnson Controls to differ materially from those expressed or implied by the information in the GRI report. Stakeholders should read the report with these factors in mind.

Johnson Controls International PLC Cautionary Statement Regarding Forward-Looking Statements

Johnson Controls International PLC has made statements in this report that are forward-looking and therefore are subject to risks and uncertainties. All statements in this document other than statements of historical fact are, or could be, "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In this communication, statements regarding Johnson Controls' purpose, ambitions, aims, commitments, targets, plans, and objectives, environmental, health, and safety data, social data as relates to employee metrics, social practices, employee engagement, recruiting, learning and development, and community engagement programs, future sustainability and corporate social responsibility goals, targets and performance, future financial position, sales, costs, earnings, cash flows, other measures of results of operations, synergies and integration opportunities, capital expenditures and debt levels are forward-looking statements. Words such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "should," "forecast," "project" or "plan" and terms of similar meaning are also generally intended to identify forward-looking statements. However, the absence of these words does not mean that a statement is not forward-looking. Johnson Controls cautions that these statements are subject to numerous important risks,

uncertainties, assumptions and other factors, some of which are beyond Johnson Controls' control, that could cause Johnson Controls' actual results to differ materially from those expressed or implied by such forward-looking statements. A detailed discussion of risks related to Johnson Controls' business is included in the section entitled "Risk Factors" in Johnson Controls' Annual Report on Form 10-K for the 2021 fiscal year filed with the SEC on November 15, 2021, which is available at www.sec.gov and www.johnsoncontrols.com under the "Investors" tab. The description of certain of these risks is supplemented in Item 1A of Part II of Johnson Controls subsequently filed Quarterly Reports on Form 10-Q or Current Report on Form 8-K. Shareholders, potential investors and others should consider these factors in evaluating the forward-looking statements and should not place undue reliance on such statements. The forward-looking statements included in this communication are made only as of the date of this document, unless otherwise specified, and, except as required by law, Johnson Controls assumes no obligation, and disclaims any obligation, to update such statements to reflect events or circumstances occurring after the date of this communication.

In addition, Johnson Controls has made several public commitments regarding environmental, social and corporate responsibility matters, including, among others, commitments to achieve net zero Scope 1 and

2 carbon emissions by 2040 and the establishment of science-based targets to reduce carbon emissions from Johnson Controls operations and the operations of its customers. Although Johnson Controls intends to meet these commitments, it may be required to expend significant resources to do so, which could increase operational costs. Further, there can be no assurance of the extent to which any of these commitments will be achieved, or that any future investments Johnson Controls makes in furtherance of achieving such commitments will meet external expectations or any binding or non-binding legal standards regarding environmental social or corporate responsibility performance. Moreover, Johnson Controls may determine that it is in the best interest of Johnson Controls and its stockholders to prioritize other business, social, governance or sustainable investments over the achievement of these commitments based on economic, regulatory and social factors, business strategy or pressure from investors, activist groups or other stakeholders. Johnson Controls ability to achieve its public environmental, social and corporate responsibility commitments may also be negatively impacted by one or more of the risks included in the section entitled "Risk Factors" in Johnson Controls' Annual Report on Form 10-K for the 2021 fiscal year filed with the SEC, as updated by any subsequently filed Quarterly Report on Form 10-Q or Current Report on Form 8-K.



About Johnson Controls

At Johnson Controls (NYSE:JCI), we transform the environments where people live, work, learn and play. As the global leader in smart, healthy and sustainable buildings, our mission is to reimagine the performance of buildings to serve people, places and the planet.

With a history of more than 135 years of innovation, Johnson Controls delivers the blueprint of the future for industries such as healthcare, schools, data centers, airports, stadiums, manufacturing and beyond through its comprehensive digital offering OpenBlue.

With a global team of 100,000 experts in more than 150 countries, Johnson Controls offers the world's largest portfolio of building technology and services in the industry.

Visit www.johnsoncontrols.com for more information and follow us [@johnsoncontrols](https://twitter.com/johnsoncontrols) on Twitter.

© 2022 Johnson Controls. All rights reserved.