At Johnson Controls, we transform the environments where people live, work, learn and play.

As the global leader in technology that powers smart, healthy and connected buildings, our mission is to reimagine the performance of buildings to serve people, places and the planet.

And we've been doing it since 1885.
Sustainability has been at the heart of our business since its inception and is fundamental to everything we do.

- **2003**: Johnson Controls publishes its first sustainability report and joins the EPA Climate Leaders Program.
- **2004**: Johnson Controls became one of the first companies to become a U.N. Global Compact signatory.
- **2007**: Chosen as World’s Most Ethical Company for the first time. As of 2021, on the list 14 times.
- **2018**: 100 percent of our U.S. manufacturing electricity consumption offset with renewable energy, a commitment we continue.
- **2018**: One of the first industrial companies to issue a Green Bond in the U.S. in 2020. Linked senior revolving credit facility to specific sustainability metrics in 2019.
- **2021**: Named Corporate Knights Most Sustainable Corporation in the World and Forbes Best Employer for Diversity.
- **2021**: Sustainability and diversity performance goals are required for our CEO and executive team. Our CEO reports progress quarterly to the board of directors.
- **2021**: ~50% of our revenue contributes to the clean economy. ~75% of R&D is directed to sustainable products & solutions.

Delivering sustainability:
- More than 30.6 million metric tons of CO₂e reduced through energy savings for customers since 2000
- Customers saved more than $6.6 billion USD through energy and operational savings since 2000
- ~10,000 employees have sustainability or diversity goals in their performance reviews

Improving our operational footprint:
- 25 sites landfill free
- 70% reduction in CO₂e since 2002
- 100% increase in energy productivity since 2002
## 2025 Global Sustainability Strategy

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

### People
Foster a culture of sustainability that engages and attracts people who want to make a difference
Volunteer 2.5 million hours and establish employee engagement groups globally, furthering the United Nations Sustainable Development Goals

### Partnerships
Lead in global sustainability partnerships
Leverage our impact through at least three strategic global sustainability partnerships

### Performance
From a 2017 baseline we are delivering:
- **25%** reduction for energy and greenhouse gas intensity
- **10%** reduction for water use at stressed locations
- **25%** of manufacturing locations landfill-free
- **25%** reduction in recordable safety incidents

### Increase
- **25%** reduction in recordable safety incidents
- **Increase** diverse supplier spend at a rate exceeding revenue growth

### Governance
Demonstrate our commitment from the top
Continue integration of sustainability into company goals and decision-making
Strengthening Our ESG Leadership with New Ambitious Commitments

<table>
<thead>
<tr>
<th>GLOBAL ESG STRATEGY ALIGNED WITH UN GLOBAL COMPACT</th>
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<tbody>
<tr>
<td><strong>ENVIROMENTAL</strong></td>
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<tr>
<td>Climate change solutions</td>
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<tr>
<td>Reducing waste</td>
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<tr>
<td>Reduce water consumption</td>
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<td>Sustainable products / solutions</td>
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<tr>
<td>Net zero carbon emissions by 2040</td>
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<td>100% renewable energy usage by 2040</td>
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<td>Direct 75% of R&amp;D to new product development to sustainable solutions</td>
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<td>Double customers’ annual avoided emissions</td>
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<td><strong>SOCIAL</strong></td>
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<td>Ensuring a safe &amp; healthy working environment</td>
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<td>Culture of Diversity &amp; Inclusion</td>
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<td>Talent development</td>
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<td>Community engagement</td>
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<td>Double the representation of women leaders globally and minority leaders in the United States within 5 years</td>
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<td>Launch initiative to educate next generation of diverse sustainable building industry leaders; partnering with HBCUs</td>
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<td>Elevate sustainability as KPI for preferred suppliers; encourage suppliers to cut their own emissions</td>
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<td>Launch an initiative focused on underserved markets and increase spend with women and minority owned businesses</td>
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<tr>
<td><strong>GOVERNANCE</strong></td>
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<td>Board diversity</td>
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<td>Pay for performance</td>
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<td>Stakeholder engagement</td>
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<td>Reporting transparency</td>
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<tr>
<td>Link executive compensation to sustainability and diversity goals to drive leadership accountability</td>
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<td>Sustainability oversight elevated to Board of Directors &amp; integrated into Enterprise Risk Management</td>
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<td>Non-Financial reporting align with recommendations of the Task Force for Climate-related Financial Disclosures (TCFD)</td>
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<td>Maintain Board diverse in gender, ethnicity, citizenship &amp; skills</td>
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We are honored to be recognized

- Listed on the Calvert Responsible Index since February 2009
- Since 2004, Johnson Controls has been committed to the UN Global Compact and its principles of human rights, labor, the environment and anti-corruption.
- MSCI AAA rating since 2018
- Ecovadis Gold Sustainability Rating since 2019
- FTSE4Good Sustainability Rating since 2019
- Named amongst the top two companies in our industry by Sustainalytics

- Listed as Number 1 on the Sustainable 500 ESG Index
- Listed on the S&P ESG Index
- Named to Euronext Vigeo Eiris World 120 and U.S 50
- Named one of just 45 companies awarded the Terra Carta Seal, recognizing companies who are leading their peers in creating genuinely sustainable markets
- Named in Corporate Knights’ 2021 Global 100 index as one of the 100 Most Sustainable Corporations in the World
- Johnson Controls recognized by CDP for Leadership in Climate Action
- Johnson Controls named to prestigious Financial Times Europe Climate Leaders list
- ENERGY STAR Most Efficient 2020
- Johnson Controls ranked on Forbes Best Employers for Diversity List 2021

- Awarded Prime status by ISS ESG
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- Corporate ESG Performance
- Honored as one of the Carbon Clean 200 by Corporate Knights and As You Sow since 2016
- Named one of the 100 Best Corporate Citizens in 2021 for the 16th year in row
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