

Johnson Controls Statement on the United Nations Framework Convention on Climate Change (UNFCC) 22nd Conference of the Parties (COP22) in Marrakech: Launching the Paris Agreement Last Updated: November 2016

The United Nations Framework Convention on Climate Change (UNFCCC) 22nd Conference of the Parties (COP 22) in Marrakech, Morocco in November 2016 marks an important milestone for the global economy. The Paris Agreement, which has now entered into force, is a landmark global agreement setting a course for actions to reduce greenhouse gas emissions through 162 nationally determined contributions (NDCs), representing 189 countries. Now that the Agreement is in place, our global focus must be to establish the plans and actions for implementation, and COP 22 is a critical forum for doing that. Johnson Controls is pleased to join this COP as a private sector participant, as we have for many years. A key element of realizing our vision for "a safe, comfortable and sustainable world" is global action on climate change.

Smart investments and policies

The International Energy Agency estimates that investment of \$1 trillion annually into low-carbon energy solutions by 2030 is needed to avoid catastrophic effects of climate change and make our global building and transportation infrastructure more resilient. The transition to lower-carbon, more sustainable and resilient technologies has already begun. According to the Business Council on Sustainable Energy and Bloomberg New Energy Finance, in 2015, global investment in clean energy reached a record high of \$329 billion. It is critical to maintain momentum in business innovation, public and private investment, and policy frameworks that support this transition.

Johnson Controls has pledged many investments for our own part. Internally, we have:

- committed to reduce our energy and greenhouse gas emissions intensity, which requires investments in employee training and engagement, energy efficiency retrofits and renewable energy, among other investments;
- pledged to invest \$50M in low global warming potential refrigerants;
- agreed to co-fund a joint innovation lab with CBRE that will develop leading edge energy management solutions to lower cost and enhance our clients' work environments;
- invested in the continued development of fire suppression systems using low or zero global warming potential agents; and
- invested in research and development both on our own and in partnership with leading National laboratories and universities in such critical technologies as energy storage and battery technologies, and smart building controls and energy analytics, so that we can make our global infrastructure more environmentally responsible and resilient.

Collaboration and integration

To achieve the long-term goals of the Paris Agreement and also the United Nation's Sustainable Development Goals 7 and 13 (SDG7 and SDG13), the public and private sectors must collaborate. In addition to our own commitment to reducing our Scope 1 and 2 energy and emissions, and delivering

technologies that help our customers reduce their energy and emissions, Johnson Controls partners with many other organizations for collective action on climate change. For example, Johnson Controls collaborates with members of the Business Council for Sustainable Energy, the Alliance to Save Energy, The American Council for an Energy Efficient Economy, the European Partnership for Energy and the Environment, the Alliance for Responsible Atmospheric Policy, the European Alliance of Companies for Energy Efficiency in Buildings, the UN Sustainable Energy for All Initiative, The Climate Group as a founding member of the Energy Productivity 100 (EP100) coalition, the U.S. Department of Energy Better Plants Challenge, U.S. Business Act on Climate Pledge, and many other coalitions to motivate and accelerate action on reducing greenhouse gas emissions.

Portfolio approach

Embracing a diverse portfolio of clean and efficient energy solutions will enable countries to reduce greenhouse gas emissions and meet their NDC goals, enhance climate resilience and create new climate-friendly and inclusive pathways of economic growth. This portfolio includes more efficient vehicle technologies, start-stop batteries, new energy storage solutions, advanced predictive building controls, efficient cooling equipment with low global warming potential refrigerants, and other technologies that protect the environment and improve resource efficiency and resilience in buildings, transportation and urban infrastructure. Johnson Controls is proud to provide our innovative technologies and solutions in over 150 countries, and we are committed to continued innovation. Our solutions-based portfolio approach includes accelerating the renovation of existing building and energy systems in developed countries, such as the United States, as well as the construction of new, more resource efficient infrastructure in cities in rapidly developing countries around the world, such as China.

As part of our participation in the COP 22 discussions, Johnson Controls seeks to share three key messages:

- Our commitment to action on climate change remains steadfast. As part of our company value to be "Purpose-Led" we are committed to protecting people and the environment.

 Addressing the challenge of climate change by improving our own resource efficiency while also supporting our customers and suppliers in doing the same is a critical part of this commitment.
- We are committed to public-private collaboration. Given the magnitude of the challenge of
 rising sea levels, rising temperatures, and increases of severe weather events, no single actor
 can accomplish what's required alone. We continue to collaborate with business partners, the
 public sector and civil society to make forward progress on resource-efficient technology
 adoption, capacity building and the introduction of policy and financial enablers.
- We have innovative solutions today, and pledge continued investment in technologies for the future. Johnson Controls is a global leader in energy storage, building technologies and solutions. We have technologies available today to improve resource efficiency and reduce greenhouse gas emissions in buildings, transportation and energy systems. In addition we plan continued investment so that we can meet the challenge of climate change with even more innovative solutions for the future.