

Johnson Controls **2020** Sustainability Report



The power behind **your mission**



Contents

Introduction by our Chairman and CEO	3	Community Leadership Program	37
Our Company	4	Johnson Controls Foundation (U.S.)	38
Sustainability At Johnson Controls	6	United Way	38
Sustainability Commitments	7	Global Disaster Relief.....	38
2025 Sustainability Strategy.....	8	Our Employees	39
2019 Sustainability Performance.....	10	Health And Safety.....	39
Global Sustainability Council	12	Diversity And Inclusion.....	43
About Our Reporting.....	13	Employee Development, Training And Education	46
Materiality.....	15	Supplier Sustainability	50
Stakeholder Engagement	17	Supplier Diversity	51
Case Study: U.S. Survey Results Indicate 75 Percent Of Organizations Plan to Increase Energy Efficiency and Smart Building Investments.....	18	Human Rights	52
2019 Energy Efficiency Indicator Survey	18	U.N. Global Compact.....	53
Risks and Opportunities Due To Climate Change.....	19	Child Labor.....	53
Delivering Sustainability To Our Customers.....	20	Forced Or Compulsory Labor	53
Case Study: Stanford University	23	Security Practices.....	53
Case Study: University of Hawaii System.....	23	Slavery And Human Trafficking	54
Case Study: Bee'ah.....	24	Conflict Minerals.....	54
Case Study: Powerhouse Brattørkaia	24	Product Safety.....	55
Improving Our Operational Footprint	25	Customer Privacy.....	55
Energy & Emissions	25	Governance	56
Water	27	Company Leaders	56
Effluents And Waste.....	28	Responsibility For Economic, Environmental, And Social Topics	56
Materials.....	29	Risk Management	57
Case Study: Refrigerant transition for environmental protection.....	30	Ethics And Integrity.....	58
Circular Economy Case Study: Sensormatic Visual Source Tags and Energy Efficiency.....	31	Public Policy Engagement.....	60
Biodiversity.....	32	Bribery And Corruption Issues	61
Social	33	Data Appendix	62
Investments And Economic Impacts.....	33	Sustainability Process Data	62
Community Investment	34	Environmental Data	65
Community Engagement	35	Results: Energy	65
Community Sponsorships.....	36	Results: Emissions	68
STEM Leadership Program	36	Results: Water	72
Blue Sky Involve Global Employee Volunteer Program	37	Results: Waste	74
		Results: Materials	76
		Social Data.....	77
		Governance Data	88
		GRI Content Index	92

This 2020 Sustainability Report and GRI Index by Johnson Controls International plc of FY2019 data has been prepared in accordance with the GRI Standards: Comprehensive option.

Introduction

[103-1](#) | [103-2](#) | [103-3](#) | [102-14](#) | [102-23](#)

Letter from George Oliver Chairman and CEO



At Johnson Controls, sustainability is our business. We deliver innovation that improves lives and makes the world a better place. With a global team of 105,000 experts in more than 150 countries and a legacy of innovation stretching back 130 years, our employees create innovative, sustainable, clean products and services that empower customers and communities to consume less energy and conserve resources.

We create intelligent buildings and efficient energy solutions to enable smart cities and communities. We grow our business by providing sustainable products and services, improving operational effectiveness, empowering our people, and reducing the environmental footprint of our operations and supply chain. We believe that, through leadership in sustainability, Johnson Controls creates long-term benefit for our customers, employees, shareholders, and society as a whole.

Our employee purpose is to power our customers' success and protect the environment. In 2019, I joined CEOs around the world in signing the Statement on the Purpose of a Corporation, which includes a commitment to protect the environment by embracing sustainable practices across our business. We also signed a sustainable finance agreement, tying sustainability metrics to our finance rates. We also announced several ambitious commitments at the 2019 United Nations Climate Action Summit in New York to work to help limit climate change and increase global prosperity.

We have created an ambitious strategy that integrates sustainability into all that we do, from the highest levels of corporate governance to our company operations. We are committed to providing sustainable products and services, to attracting people who want to make a difference, and to leading by example.

Johnson Controls achieved two significant sustainability milestones in 2019 by reducing greenhouse gas intensity by 50 percent while doubling the energy productivity of our operations over a 16-year period. We always strive to do more, which is why we have established additional ambitious goals. These goals include reducing energy and emissions intensity by another 25 percent by 2025. We are delivering on this and our other goals. In the last year, we achieved a 5.1 percent reduction in greenhouse gas intensity.

Our commitment to sustainability extends to the solutions we bring to our customers. Johnson Controls has implemented more than 3,000 energy-saving projects globally. The result has been billions of dollars in energy savings and reductions of more than 29 million metric tons of carbon emissions from our customers' facilities. Our award-winning YZ Chiller is the most efficient low-GWP large-tonnage chiller on the market today. We also recently launched a new high-efficiency rooftop air conditioner that offers new sustainability features such as UV-light air treatment and energy recovery.

Our progress is being noticed. We are honored to be called one of the World's Most Ethical Companies for the thirteenth time, to earn MSCI's AAA status, to be on the list of the 100 Best Corporate Citizens by CR Magazine, and to be named to Corporate Knights' Carbon Clean 200 list of companies leading the way with solutions for a clean energy future.

We are extremely proud of our achievements – but there is more work to be done. It is the dedication and hard work of our employees around the globe that enables us to achieve our sustainability goals and deliver on our vision of a safe, comfortable and sustainable world. I thank our employees and our stakeholders for partnering with us on our sustainability journey.

Our Company

[102-1](#) | [102-2](#) | [102-6](#) | [102-7](#) | [102-10](#)

Every day, we transform the environments where people live, work, learn and play. We have a presence in 90 percent of the world's most iconic buildings and our global team of more than 105,000 experts delivers on our customers' missions in industries such as healthcare, education, data centers, and transportation.

Johnson Controls is a global diversified technology and multi-industrial leader serving a wide range of customers in more than 150 countries. Our company creates intelligent buildings, efficient energy solutions and integrated infrastructure that work seamlessly together to deliver on the promise of smart cities and communities. In FY2019, Johnson Controls sold its Power Solutions business to Brookfield Business Partners L.P. On May 1, 2019, Clarios, formerly Johnson Controls Power Solutions, relaunched as a new entity and leader in advanced energy storage solutions. Johnson Controls remains committed to helping our customers win and creating greater value for all of our stakeholders through our strategic focus on buildings. Our commitment to sustainability dates back to our roots in 1885, with the invention of the first electric room thermostat.

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.

- Our Building Technology equipment, including our [Metasys](#) smart building solution, continues to help customers such as [Maui College](#) and [Bee'ah headquarters](#) reduce energy and water costs and greenhouse gas emissions.
- Our Tyco Retail Solutions and other connected offerings help our customers utilize their resources more efficiently.
- Our Tyco Fire and Security offerings help keep people, including first responders, safe and secure. These offerings also help protect the natural and built environment.

We focus on efficiency, controls, and automation to make your world more sustainable



Industries	Products & Solutions	Services & Support
Data Centers	HVAC Equipment	Operations, Maintenance and Repair Services
K-12 Education	Building Automation and Controls	Training Services
Federal Government	Security	Product Documentation
Global Marine and Navy	Fire Detection	Product Selection Tools
Residential	Fire Suppression	Energy and Efficiency Solutions
Healthcare	Digital Solutions	Design and Construction Solutions
Industrial and Manufacturing	Industrial Refrigeration	Optimization and Retrofit Solutions
Higher Education	Residential and Smart Home	Systems Integration
State and Local Government	Retail Solutions	Managed Services
Public and Affordable Housing	Distributed Energy Storage	Fire Maintenance and Support
Sports and Entertainment		Security Maintenance and Support
Transportation		Replacement Parts and Supplies

Sustainability at Johnson Controls

Johnson Controls has always been a company that drives energy efficiency, both internally and for our customers. In 2019, we reaffirmed our global commitment to reducing our environmental footprint through building efficiency and utilizing highly efficient cooling. Here are some of the new commitments and public statements we made that demonstrate our vision for a safer, more sustainable world.

Purpose of a Corporation

In August 2019, George Oliver joined other CEOs from around the world in signing the Business Roundtable's Statement on the Purpose of a Corporation. This statement included commitments to deliver value to our customers, invest in our employees, deal fairly and ethically with our suppliers, support the communities where we work, embrace sustainable practices across our business, and generate long-term value for shareholders.

Three Percent Club

Launched at the U.N. Climate Action Summit in September 2019, the Three Percent Club is a new coalition that includes countries, companies and international organizations committed to driving a three percent global increase in energy efficiency each year – a move that can help limit climate change and increase global prosperity. It builds on International Energy Agency research that shows the right efficiency policies could deliver more than 40 percent of the emissions reductions needed to reach the goals of the Paris Agreement – and all without the need for new technology.

EP100 Cooling Challenge

Johnson Controls was the first U.S. company to commit to the EP100 Cooling Challenge. We are leading by example on efficient cooling across our own operations and are joining businesses around the world who seek to cool their operations in the most energy-efficient ways possible. International nonprofit The Climate Group partnered with the Alliance to Save Energy to launch this new initiative in September 2019.

Cool Coalition

The Cool Coalition comprises more than 80 partners from the public and private sectors, finance, and academia in addition to international organizations and various global cities. It aims to accelerate the shift to sustainable energy sources for cooling, protect vulnerable populations, and achieve sustainable development through efficient cooling. "Getting cooling right offers a three-in-one opportunity to cut global warming, improve the lives of millions of people, and realize huge financial savings," said Inger Andersen, executive director, U.N. Environment Program. Her comments were made during the Climate Action Summit in September 2019. "The Cool Coalition is a powerful new collective force for realizing these and many other benefits," Andersen added.

Sustainability Commitments

102-12 | 102-13



Sustainable financing

In December 2019, Johnson Controls became one of the first industrial companies to tie its senior revolving facilities to individual sustainability metrics in the U.S. syndicated loan market. We entered into two of the first sustainable improvement loans in the U.S. and the industrial sector with the execution of our new \$2.5 billion Five-Year Senior Revolving Credit Facility and our \$500 million 364-day senior Revolving Credit Facility. These facilities include a sustainability-linked pricing mechanism that adjusts interest rates in line with our sustainability performance. The sustainability metrics are tied to employee safety, the greenhouse gas emissions savings we achieve for our customers, and reduced greenhouse gas emissions from our operations.

Executive goals


Sustainability is embedded into our products, services, culture and the performance goals of employees at every level of our organization, starting at the top. Our CEO has performance goals tied to our sustainability metrics, and reports on progress toward these goals quarterly to our board of directors. In turn, these sustainability goals are integrated into the goals of our executive team. That team ensures sustainability is integrated into the goals of their teams globally.

Voluntary Corporate Commitments	Date Adopted
U.N. Global Compact	2004
Climate Leaders Program	2007
Copenhagen Communique	2009
Better Buildings Challenge	2013
Responsible Corporate Engagement in Climate Policy	2015
Reduce short-lived climate pollutant emissions	2015
American Business Act on Climate Pledge	2015
Energy Productivity - EP100	2016
"We Are Still In" pledge	2017
Commitment to adopt Science-Based Targets	2018
Three Percent Club	2019
High-Level Commission on Carbon Pricing and Competitiveness	2019
Cool Coalition	2019

2025 Sustainability Strategy


[102-11](#) | [102-15](#) | [102-46](#)

Johnson Controls has publicly reported sustainability data since 2002. We do what we say we will do and are transparent about where we can improve. As a result, we are proud and fortunate to be included in more than 40 prestigious sustainability indexes. We established our 2025 Sustainability Strategy in 2018 based on our new company footprint, sustainability materiality assessment, and corporate strategic plan. Our 2025 Sustainability Strategy takes a holistic approach to sustainability through five pillars of focus:




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 global strategic sustainability partnerships

Performance


Improve how we perform
From a 2017 baseline:

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 diverse supplier spend at a rate exceeding revenue growth
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Governance

Demonstrate our commitment from the top
Continue integration of sustainability into company goals and decision-making

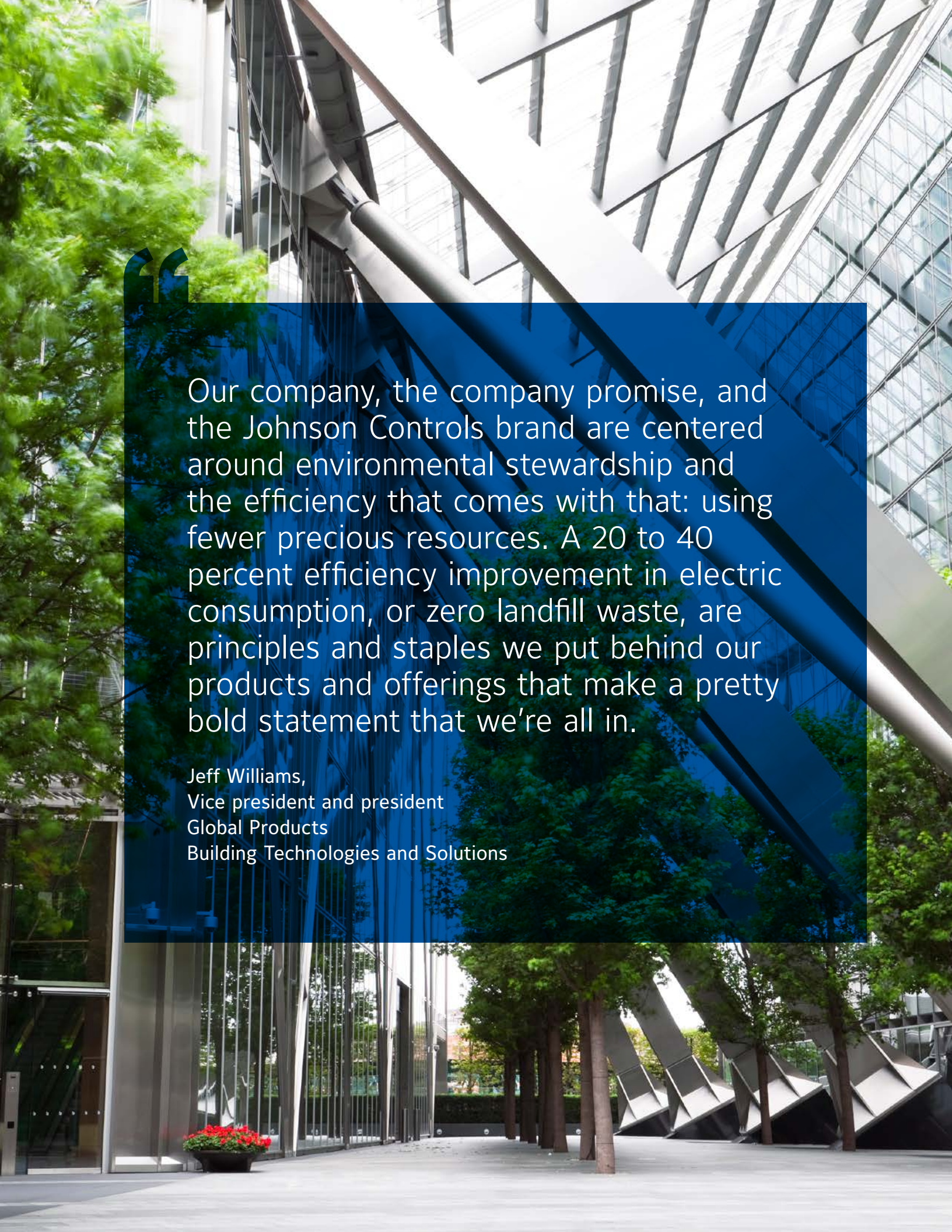


Johnson Controls has also committed to aligning these goals with a science-based emissions target in 2020.



Our company, the company promise, and the Johnson Controls brand are centered around environmental stewardship and the efficiency that comes with that: using fewer precious resources. A 20 to 40 percent efficiency improvement in electric consumption, or zero landfill waste, are principles and staples we put behind our products and offerings that make a pretty bold statement that we're all in.




Jeff Williams,
Vice president and president
Global Products
Building Technologies and Solutions





2025 Sustainability Strategy

Progress to date

[102-11](#) | [102-15](#) | [102-46](#)

Strategy	2025 goals	Progress by the end of FY2019
 <p>Solutions</p> <p>Provide increasingly sustainable products and services.</p>	<p>Integrate sustainable design for products and services identified as having the highest environmental and social impact.</p>	<p>Since January 2000, performance contracting projects have helped our customers save more than 29.4 Million Metric Tons CO2e and \$6.3 billion through energy and operational savings.</p> <p>Use end-of-life impact models on main product lines near completion.</p> <p>Our products and services were honored with sustainability awards including the Sustainability Product of the Year for the YORK® Mission Critical Direct Evaporative Cooling Air Handling Unit by The Business Intelligence Group along with our project partners, and the Digie Award for “Most Intelligent Building – Corporate Headquarters” for Bee’ah’s new sustainable headquarters in the United Arab Emirates.</p>
 <p>People</p> <p>Foster a culture of sustainability that engages and attracts people who want to make a difference.</p>	<p>Volunteer 2.5 million hours by 2025.</p> <p>Align 80 percent of volunteer activities with U.N. Sustainable Development Goals.</p> <p>Establish employee engagement groups globally.</p> <p>Integrate sustainability into recruitment.</p>	<p>In 2019, employees brought our total volunteer hours to 1.74 million, volunteering individually and on group projects in communities around the world.</p> <p>More than 83 percent of our volunteering and philanthropy efforts align with U.N. Sustainable Development Goals.</p> <p>In 2019, our sustainability employee group has grown from one chapter in North America to chapters in Asia, North America, South America, and Europe.</p> <p>Sustainability is a part of recruitment and new employee materials.</p>
 <p>Partnerships</p> <p>Lead in global partnerships that significantly increase our sustainability impact.</p>	<p>Leverage our impact through at least three global strategic sustainability partnerships.</p>	<p>At the U.N. Climate Action Summit in September, we made global commitments to the Three Percent Club for Energy Efficiency, The Cool Coalition and the EP100 Cooling Challenge which focus on building efficiency and high-efficiency cooling.</p> <p>Clay Nesler, vice president, Global Sustainability and Regulatory Affairs, and the Global Sustainability Council’s chairman, is serving as interim president and an executive on loan to the Alliance to Save Energy, a nonprofit, bipartisan alliance of business, government, environmental, and consumer leaders working to expand the economy while using less energy.</p>

Strategy	2025 goals	Progress by the end of FY2019
 <p>Performance</p> <p>Improve our sustainability performance and track our progress.</p>	<p>From a 2017 baseline:</p> <ul style="list-style-type: none"> 25 percent reduction in greenhouse gas emissions intensity. 25 percent reduction in energy intensity. 10 percent water reduction at water-stressed locations. 25 percent of manufacturing locations landfill-free 25 percent reduction in recordable safety incidents. Increase diverse supplier spend at a rate exceeding revenue growth. 	<p>Achieved two significant sustainability milestones in 2019 by reducing our enterprise-wide greenhouse gas intensity by 64 percent while doubling the energy productivity of our operations over a period of 16 years.</p> <p>Our global renewable energy amounted to 251,908 MWh through the purchase of Renewable Energy Certificates. Through this initiative we offset 100 percent of our greenhouse gas emissions from our Global Products manufacturing plants in the United States.</p> <p>We exceeded our FY2019 2.5 percent reduction goal for greenhouse gas intensity by achieving 5.1 percent, and also reduced our energy intensity by 1.8 percent.</p> <p>We are on track to meet our Zero Landfill goals and have achieved 19 Zero Landfill facilities to date.</p> <p>We have committed to adopt science-based targets in 2020.</p>
 <p>Governance</p> <p>Demonstrate our commitment from the top.</p>	<ul style="list-style-type: none"> Continue to integrate sustainability into company goals and decision-making. Ensure a robust sustainability governance process. Disclose climate-related risks in financial reporting Implement new policies/practices to maintain leadership. 	<p>Sustainability-linked financing agreement completed in 2019.</p> <p>Conducted 2019 Sustainability Materiality Assessment aligned with SASB and GRI. Results integrated into sustainability reporting.</p> <p>U.N. Global Compact annual Communication on Progress submitted by George Oliver.</p> <p>Quarterly sustainability performance scorecard reviewed by board and Executive Committee.</p> <p>Grady Crosby, Chief Diversity Officer and Vice President, Public Affairs, is secretary of the board and chairman of the nomination and governance committee of the United Nations Global Compact Network USA.</p> <p>Katie McGinty, vice president, Global Government Relations, appointed to Wisconsin Governor Tony Evers' climate change task force.</p>

Global Sustainability Council

[102-18](#) | [102-19](#) | [102-20](#) | [102-21](#) | [102-31](#) | [102-32](#) | [102-33](#)

At Johnson Controls, sustainability is distributed, integrated, and embedded across the businesses and across functions. Our sustainability strategy is approved by the Executive Committee and governed by the Global Sustainability Council (GSC). The 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. This means acting organizationally as a hub to facilitate and drive the cross-organizational nature of sustainability.



The GSC leads our efforts to be a global leader in providing scalable, market-based building and energy solutions addressing the world's greatest sustainability challenges. The GSC was established in 2009 to provide a structure for our enterprise-wide sustainability engagement and plays a central role as a coordinating structure for the enterprise on sustainability issues.

The GSC is responsible to the CEO and his direct reports. The Executive Sponsor of the GSC is Grady L. Crosby. He is vice president of Public Affairs, Chief Diversity Officer, President of the Johnson Controls Foundation, and Executive Chair of the GSC. The membership of the GSC is comprised of vice president-level executives from different business areas, functions and regions

(including representatives from operations, human resources, communications, marketing, legal, community engagement, products, and sales) to ensure that our environmental and sustainability initiatives have senior-level support across the enterprise globally.

The GSC is the mechanism by which top enterprise-wide environmental initiatives are tracked. The leader of the GSC formally reviews and approves the organization's annual sustainability report and the content for the GRI framework, which supports multiple reporting and research entities throughout the year. The GSC meets every month and reports to the executive team and the board on a quarterly basis.

Our reporting

[103-1](#) | [102-48](#) | [102-56](#)

We recognize the importance of transparency and so report in accordance with the U.N. Global Compact, European Union Non-Financial Disclosure, Global Reporting Index (GRI), CDP, Task Force on Climate-Related Financial Disclosure (TCFD), and SASB, among others. This Sustainability Report is produced to provide greater detail on our sustainability activities and additional information of importance to our stakeholders. The content of this report is based primarily on the requirements of the GRI Standards.



Since 2003, we have reported sustainability data in accordance with the GRI guidelines. This report has been prepared in accordance with the GRI Standards: Comprehensive option.

Scope

This report focuses on operations within our control for the fiscal year 2019 (FY2019). 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. Also see our [2020 Annual Shareholders and Proxy Statement](#).

In order to provide the best year-over-year comparison, sustainability metrics for fiscal years 2017 and 2018 have been restated to reflect our current company footprint. Fiscal years

2017–2019 metrics include data from Building Solutions and the Johnson Controls–Hitachi joint venture and exclude Power Solutions, now known as Clarios.

The report has been prepared using United States dollars (“USD”). Unless otherwise indicated, references to 2019 and 2018 are to Johnson Controls financial years ending September 30, 2019 (“fiscal 2019”) and 2018 (“fiscal 2018”), respectively.

Accuracy and third-party assurance

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 [2019 Form 10-K](#) and other related reports are reviewed by PricewaterhouseCoopers LLP, an independent registered public accounting firm.

Sustainability external assurance

Since 2011, Bureau Veritas, now part of Apex, an independent auditor recognized by the Carbon Disclosure Project, has audited our GHG emissions data per ISO Standard 14064-3, Greenhouse gases – Part 3: Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions. 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 audits are linked as verification statements in the GRI Content Index.

Environmental Health and Safety external assurance

Johnson Controls uses third-party software ProcessMap 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. At times, we engage assistance from third-party environmental, health and safety and ISO consultants for site-specific audits. This includes using, for some sites, certified registrars to validate and certify our operations to various quality, environmental, six sigma and safety standards, e.g., 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.

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 GSC 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. In 2019, Johnson Controls sold Power Solutions, now called Clarios. In order to provide stakeholders with comparable information over time, we have removed Power Solutions data from our sustainability metrics.

Materiality

[102-21](#) | [102-40](#) | [102-42](#) | [102-43](#) | [102-44](#) | [103-1](#) | [102-46](#) | [102-47](#)

In 2019, we completed a [Sustainability Materiality Assessment](#). During this process, we engaged customers, supply chain partners, industry associations, non-governmental organizations, trade media, academia, investors, and rating agencies. Internal stakeholders were from a variety of levels within the organization including executive leadership, our Global Sustainability Council, our Global Sustainability Employee Network, Business Resource Group leaders, and account managers.

The process helped Johnson Controls assess the environmental, social, and governance topics that are priorities for our stakeholders.

We use this feedback to inform our sustainability strategy and ensure we report on the issues of most interest. We also integrate this feedback into our Enterprise Risk Management process. Ensuring that we focus on issues material to Johnson Controls, this report has been prepared in accordance with the GRI Standards: Comprehensive option and thus includes all the topics below.

The results showed that the sustainability-related issues 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

2019 Reporting Topics			
Economic performance	Energy	Occupational health and safety	Human rights
Market presence	Greenhouse gas emissions	Training and education	Local communities
Indirect economic impacts	Water	Diversity and equal opportunity	Supplier social assessment
Procurement practices	Effluents and waste	Freedom of association and collective bargaining	Public policy
Anti-corruption	Biodiversity	Child labor	Customer health and safety
Anti-competitive behavior	Environmental compliance	Forced or compulsory labor	Privacy
Tax	Supplier environmental assessment	Security practices	Socio-economic compliance
Materials	Employment	Rights of indigenous people	

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

Disclaimer: Throughout this report, materiality refers to the list of sustainability topics about which Johnson Controls communicates because they are material for our stakeholders in this context. It should not be confused with materiality for financial or regulatory purposes.

Actions based on stakeholder feedback:

Environment

- Provide increasingly sustainable products and services – Our biggest opportunity to make a positive global sustainability impact is through our products and services. We are committed to innovation in developing increasingly energy-efficient and sustainable products and services.
- Improve how we perform – We have made great strides in improving our operational footprint. For example, we have reduced our greenhouse gas intensity by 64 percent since 2002 and recognized 19 sites as landfill-free. We will strive to do more, driving ambitious goals for greenhouse gas emissions, energy, water, and waste.

Social

- Ensure a safe and healthy work environment – It is critical that we continue to conduct business in a way that is protective of the health and safety of our employees, those working on our behalf, our customers, our shareholders, the environment and the communities in which we operate. This also includes a focus on delivering product quality and safety, keeping our employees safe and our data secure. Johnson Controls first signed the United Nations Global Compact in 2004, and we remain steadfastly committed to aligning our operations and strategies with the Compact's Ten Principles, including human rights, labor, health and safety, the environment and anti-corruption.

Governance

- Continue to integrate sustainability into company goals and decision-making – Sustainability is core to Johnson Controls. It is a part of our vision, values and employee purpose. Our commitment to ethics and integrity and our culture of sustainability benefits communities and the world, while improving our shareholder value, reputation, productivity, and employee retention.
- Lead in global sustainability partnerships – We recognize that we have an incredible opportunity to increase our sustainability impact through collaboration with others. We take leadership roles in global sustainability organizations that engage in advocacy for responsible climate policy and energy and environment laws and regulations that provide environmental, economic and social benefits for customers and communities around the world.

Stakeholder Engagement

U.S. survey results indicate 75 percent of organizations plan to increase energy efficiency and smart building investments.

2019 Energy Efficiency Indicator survey



Johnson Controls conducts an [annual survey analyzing energy efficiency, renewable energy, smart building technology plans, practices and investments among executive-level decision makers](#).

The study found that 75 percent of surveyed organizations in the U.S. plan to increase their investment in energy efficiency, renewable energy and smart building technology, a 16 percent increase over 2018. The research suggests that sustainability is a key contributor to this increase - 80 percent of organizations with energy or greenhouse gas reduction goals plan to increase investment next year, versus 37 percent without goals. Investment in smart and sustainable building technologies not only addresses urgent climate challenges but also improves comfort, health, safety, and affordability for building occupants and communities.

The study, now in its thirteenth edition, surveyed 400 energy and facility management executives in the United States to understand current and planned investments, key drivers, and technology trends supporting smart, safe and sustainable buildings. More than half of participants believe that reducing energy costs, increasing energy security and reducing greenhouse gas emissions are critical factors to consider when making investments. In addition to these drivers, 87 percent of organizations indicated that resilience is very or extremely important when considering future energy and building infrastructure investments, compared with 68 percent the previous year.

The survey also indicates a rising trend towards green and zero-carbon buildings:



85%

of organizations plan to have at least one certified green building compared with 72 percent last year, while 62 percent are willing to pay a premium for space in a certified green building.



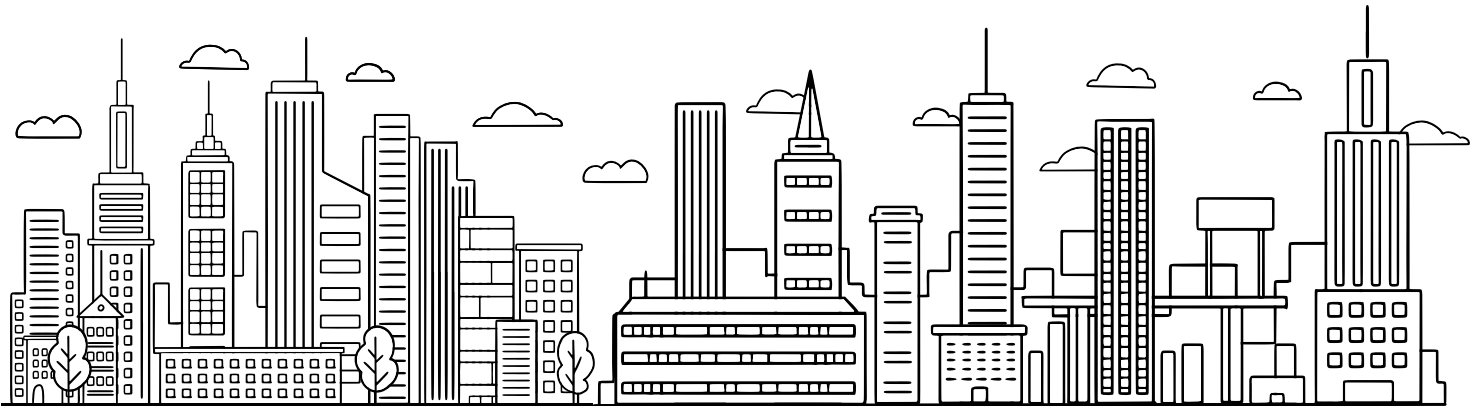
63%

of organizations say they are very or extremely likely to have one or more facilities that are nearly or net zero energy or carbon in the next ten years, up from 58 percent in the previous year.



61%

of organizations surveyed invested in on-site renewable energy in 2019 while 34 percent of organizations invested in the replacement of fossil fuel heating equipment with heat pump technology last year.



There was continued strong interest and investment in smart buildings last year:



71%

of organizations invested in building control system improvements and more than half have implemented an enterprise-wide building management system.



>50%

More than half of organizations invested in the integration of security, fire/life safety systems and lighting systems with other building technology systems last year, with another third investing in energy information management software.



5 years

Cybersecurity, Internet of Things (IoT), data analytics/machine learning, data privacy and advanced controls were identified as having the greatest impact on the implementation of smart buildings over the next five years.

Risks and opportunities due to climate change

[102-15](#) | [102-33](#) | [201-2](#)

Johnson Controls is committed to being a sustainability solutions provider. We provide a range of innovative, sustainable, clean technologies that help our customers reduce carbon emissions and energy use, increase resiliency, use fewer resources, and reuse and recycle materials while protecting people and the environment.

We believe that significant action is needed in the short-term to mitigate the causes of climate change and to begin adapting to its risks and impacts. We believe the highest-priority actions should be improving energy efficiency in all sectors as that represents the fastest, cleanest, and most cost-effective way to reduce greenhouse gas emissions.

We believe a comprehensive global climate policy is needed, a policy backed by strong national policies, goals, and actions. As a global company, our biggest concern is having to respond to differing agreements as various governmental agencies develop their own requirements without reference to regulations imposed on the company elsewhere.

We believe the price of energy should reflect the environmental costs of consumption, allowing market economics to lead the shift to cleaner alternatives and new technologies. We support a variety of market-based approaches to regulating carbon emissions that assure the integrity of the reductions and that are efficient in their implementation.

The current lack of consistent climate policy creates economic and regulatory uncertainty, which may impact the demand for our products and services. Such regulatory uncertainty extends to building energy codes, HVAC minimum efficiency performance standards, clean energy tax credits, utility incentives, and voluntary programs such as Energy Star. For example, the Kigali Amendment to the Montreal Protocol, which calls for a global phase-down of HFC refrigerants, has not been ratified by the United States. This could increase compliance costs because of

state-by-state approaches and reduced demand for our high-efficiency, low-GWP cooling and refrigeration equipment.

We believe that a complementary set of policies is needed to overcome market barriers to energy efficiency. These policies would include voluntary zero carbon building codes, building performance standards, energy efficiency resource standards, and market-based efficiency credit trading.

Additionally, climate change could impact our business operations. For example, the demand for our products and services, such as heating and air conditioning equipment, may be affected by changing long-term weather conditions. Increasingly severe and frequent weather conditions could disrupt our operations by impacting the availability and cost of materials in our supply chain and could increase insurance, transportation and other operating costs.

These factors may impact our decisions to construct new facilities or maintain existing facilities in areas most prone to physical climate risks. We could also face indirect financial risks passed through the supply chain.

As awareness of climate change increases among our stakeholders, we have an opportunity to continue to build upon our reputation as a sustainability leader. We foresee more demand for our products and services as our customers and other stakeholders more fully recognize our reputation for responsibly serving our markets. This is because we have a legacy of more than 130 years of providing energy efficiency products and services.

Being transparent and openly reporting our successes will continue to give our sustainable products and services more exposure to potential customers and may increase demand. 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 risks, opportunities and planning can be found in our annual CDP Climate Change Response at www.cdp.net.

Delivering sustainability to our customers

Since introducing our first product more than 130 years ago – an electric room thermostat – our customers have trusted us to provide products and services that reduce energy use and improve sustainability. We offer a range of innovative products that help our customers become more efficient with their resources, more sustainable and more competitive. Our employee purpose is to power our customers' success and protect the environment.



Green revenue:

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

At Johnson Controls, sustainability is our business. In fiscal 2018, green revenue represented 45 percent of our total revenue, and in fiscal 2019 it represented 49 percent of our total revenue. 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.

Green buildings: Johnson Controls has supported our customers in certifying more than 70 million square feet of green building

space around the world. In China alone, we have helped our customers achieve LEED for locations covering 38.5 million square feet and China's Three Star green building certification for locations covering five million square feet. In Latin America, we have completed customer projects with LEED certifications for more than 5.5 million square feet. All three of our corporate headquarters buildings – in Glendale, Wisconsin, USA; Cork, Ireland; and Shanghai, China – are LEED-certified, as are a number of manufacturing facilities.

Energy-efficient technology:

Johnson Controls provides customers with products that combine energy efficiency with the lowest total emissions. We have developed a family of low global warming potential (GWP) HVAC products that use low Global Warming Potential (GWP) alternative R-513A as a refrigerant. These include the YORK YVWA water-cooled screw chiller and the YORK YMC² magnetic-bearing water-cooled centrifugal chiller.

The revolutionary [YORK® YZ magnetic-bearing centrifugal chiller](#) is the most efficient chiller in the world. The YZ chiller is fully optimized for ultimate performance with a next generation low-GWP refrigerant, delivering superior real-world performance, lower cost of ownership and a new definition of sustainability. YZ chillers offer 35 percent better efficiency than conventional centrifugal chillers. This system also offers up to 60 percent lower refrigerant charge than traditional systems available in the market.

Energy retrofits: We also help our customers achieve energy savings by implementing [Energy Performance Contracting](#). Through these projects, we deploy equipment upgrades and management services to deliver guaranteed energy savings and help customers achieve GHG reductions. Since January 2000, our efforts to help our customers save energy through performance contracting have resulted in a reduction of more than 29.4 million metric tons CO₂e. In just the last two years, since 2017, our customers have saved more than 241,000 metric tons of CO₂e from new Performance Infrastructure projects.

Renewable energy offerings: In response to increasing global demand for renewable energy, Johnson Controls is expanding its product and service offerings to include elements of solar, biomass, wind, waste-to-energy, landfill gas to energy, geothermal, combined heat and power, other renewable sources, and fuel cells as energy supply options for customers. We expect demand from businesses and organizations for on-site renewable energy to increase due to their decreasing costs and positive economic and environmental impact. We believe the greatest opportunity involves combining renewable technologies with digital technology, systems-level energy efficiency strategies and [beneficial electrification](#) to provide flexible services to the electric grid and a foundation for zero carbon buildings.

Water conservation: The Johnson Controls BlueStream™ hybrid cooling system combines water- and air-cooling technologies to reduce water consumption by up to 80 percent while optimizing energy efficiency.

We have partnered with two national laboratories – the National Renewable Energy Laboratory (NREL) in Golden, Colorado, and [Sandia National Laboratories](#) in Albuquerque, New Mexico – to test the BlueStream™ hybrid cooling system at NREL's high-performance computing data center. The center saved 1.16 million gallons of water in its first year of operation, and 2.10 million gallons over a two-year period, cutting water usage in the data center in half while continuing to operate at optimal energy efficiency. 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.



Delivering sustainability to our customers



More than
29.4m
metric tons of CO₂e
reduced through energy
savings from customers
since 2000



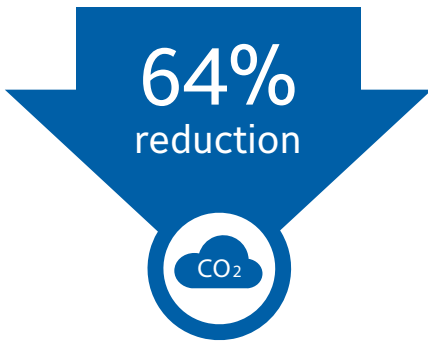
70m_{sq ft}
Certified green
building space



2.1m
gallons of water saved
at NREL Data Center.

Improving our operational footprint

Greenhouse Gas Emissions
intensity from 2002 to 2019



19 sites
landfill
free



Energy productivity
since 2002



Case Study: Stanford University



In order to help meet California's ambitious climate goals, the [University of California](#) committed to a goal of 100 percent renewable energy by 2025. Stanford University, although not part of the state university system, also committed to the goal and proceeded to make investments in energy efficiency in campus buildings, saving up to 50 percent with an average of 24 percent through building retrofits. In order to meet renewable energy targets, the campus added 5 MW of rooftop solar and 68 MW at an off-site central solar plant. It then de-commissioned a gas

combined heat and power plant and converted the steam heating system to hot water so that 90 percent of campus heating could be provided by heat recovery chillers in a [new central energy facility](#). An advanced [model predictive controller](#) optimizes the use of large chilled and hot water storage tanks using seven-day forecasts of thermal load and real-time energy prices. The projected impact is a 68 percent greenhouse gas reduction, 15 percent water reduction and \$420 million in cost savings over 35 years.

Case Study: University of Hawaii System



The University of Hawaii System committed to achieve 100 percent renewable energy by 2035, 10 years ahead of a 2045 [state-wide renewables commitment](#). Maui College focused on energy efficiency first, resulting in a 45 percent reduction in electricity demand through new building controls, HVAC equipment retrofits, cool window films, and LED lighting upgrades. The college then installed 2.8 MW solar photovoltaic (PV) units and 13.2 MWh of energy storage, [making it the first campus in the country powered by 100 percent on-site renewable energy](#). The

building energy management system is digitally integrated with the lighting, electric vehicle charging, solar PV and battery storage systems. Further, a micro-grid controller provides load shifting and grid stabilization services to the utility. The project, which includes five campuses, will provide \$79 million in savings over 20 years and was financed through an energy savings performance contract, eliminating the need for taxpayer or ratepayer investment.

Case Study: Bee'ah Headquarters



[Bee'ah Headquarters](#), under construction in Sharjah, United Arab Emirates, has the goal of being the smartest and most sustainable building in the Middle East. The 7,450m² building, designed by the world-renowned Zaha Hadid Architects, will be 100 percent powered by 3.23 GWh of on-site solar photovoltaic. It is designed to LEED Platinum standards and includes many active and passive

energy efficiency measures such as dynamic window control, daylight controls, insulated glazing, and high-efficiency HVAC systems. Data from all building systems are stored in a digital data vault to enable advanced data analytics and machine learning to continuously reduce environmental impact and improve occupant productivity.

Case Study: Powerhouse Brattørkaia



One of the most impressive of all current zero carbon buildings - designed by the [Powerhouse](#) alliance - is the [Powerhouse Brattørkaia](#), located in Trondheim, Norway. The Powerhouse Brattørkaia is energy positive across the entire building life cycle, including embodied energy in construction materials and end-of-life deconstruction. It is an eight-story office building with 3,000m² of solar photovoltaic producing 85,000 kWh annually, which is enough excess electricity to charge 200 electric vehicles. A seawater-source natural refrigerant heat pump provides all cooling and heating for the office as well as some neighboring buildings through a district energy system.

The building is highly efficient, achieving the BREEAM Outstanding green building standards. It utilizes air-side heat recovery, a

super-insulated envelope, control of thermal mass for heating and cooling, and occupant-adaptive lighting and ventilation systems. A digitalization strategy called "Smart by Powerhouse" defines five levels of intelligence: Automated, Smart Ready, Smart Standard, Smart Predictive, and Smart Cognitive. All 14 building technical systems are connected using a common digital infrastructure that facilitates remote monitoring to optimize energy use and operations across all 25 Powerhouse sites.

These diverse projects from around the world demonstrate that focusing on decarbonization, electrification, efficiency and digitization can deliver zero carbon buildings and communities that are smart, safe, sustainable and affordable.

Improving our operational footprint

Energy and Emissions

[103-1](#) | [103-2](#) | [103-3](#)

To achieve our 2025 goals of 25 percent reductions in both energy and emissions intensity, we rigorously evaluate our energy use at a facility and global level. We are committed to improving environmental performance and reducing energy from our global operations, including manufacturing plants, distribution centers, service centers, offices, fleets and other operations worldwide. We have put in place policies, goals and operational practices to achieve this. We track our energy use and emissions at a facility and global level to ensure progress toward our goals.

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, 1,334 low- or no-cost projects resulted in energy and operational savings of more than \$34.3 million. We track projects using our Continuous Improvement Track system (CI TRAC). Implemented initiatives include conducting a refrigerant leakage reduction program, improving the energy efficiency of manufacturing operations and processes, and certifying our manufacturing plants to the ISO14001, ISO50001, and other relevant standards.



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 additional to the green power that may already be offered in the standard electricity mix. In 2019, our renewable energy amounted to 251,908 MWh through the purchase of RECs from renewable energy projects in the United States. Through this initiative we offset 100 percent of our greenhouse gas emissions from electricity use for our Global Products manufacturing plants in the United States. We also have on-site renewable energy in some of our locations, including our corporate headquarters in Glendale, Wisconsin and Shanghai, China, in addition to our Matamoros site in Mexico.

Our Johnson Controls Corporate Headquarters building in Glendale, Wisconsin is LEED Platinum certified and has on-site solar generation, which directly supplies electricity to the campus, offsetting our electricity consumption from standard utility supply.

Transportation initiatives

Nearly a third of our GHG emissions come from our vehicle fleet. We have a specific vehicle emissions reduction workgroup to analyze emissions data and ensure we achieve emissions 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 in order 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 other higher miles per gallon vans and trucks, telematics, and implementing a policy which prohibits speeding and encourages fuel-efficient driving techniques. We also collaborate with our suppliers to decrease environmental impact from transportation by participating in the U.S. Environmental Protection Agency's SmartWay program, and encouraging our leased truckers to also participate.



Water

[103-1](#) | [103-2](#) | [103-3](#) | [303-1](#) | [303-2](#)

Our goal is to reduce water consumption by 10 percent at our water-stressed facilities by 2025. We conducted a detailed analysis with the World Resources Institute Aqueduct™ tool to identify which of our locations are in water-stressed areas. We measure consumption in both our manufacturing and office buildings, detect and repair water leaks, recalibrate flow meters, and deploy water-saving technologies.



As Johnson Controls has expanded globally, the diversity of our facilities in terms of type and location has increased. Typically our facilities are in industrial corridors or complexes where other industrial activities are present, and our impacts on sources of water are not significant. Internally we implemented best practices and water savings efforts at water-stressed locations, and in 2019 achieved a 5.9 percent annual reduction in water use.

We strive to create a positive impact on our environment by providing products and services that enable our customers to use less water. For example, Johnson Controls helps water providers and consumers reduce water usage, increase efficiency of the systems that distribute and use water, and create healthy and sustainable environments. One of the ways we do this 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.

Our approach to siting and managing 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 as defined by our JCMS, and all applicable laws and regulations.

In addition, we have committed to build new facilities to LEED standards. We have innovative water reclamation technologies at several of our facilities, including all three of our corporate headquarters buildings - in Glendale, Wisconsin, USA; Cork, Ireland; and Shanghai, China - which are LEED certified. We have innovative water reclamation technologies at several of our facilities, including our Glendale facility where we have a 30,000-gallon rooftop cistern to capture rainwater for reuse in water closets and urinals.

Effluents and Waste

[103-1](#) | [103-2](#) | [103-3](#)

Our goal is that 25 percent of Johnson Controls manufacturing locations will be landfill-free by 2025. Every location is encouraged to eliminate the disposal of waste sent to landfill to the extent feasible. In 2019 we reached a milestone of 19 manufacturing locations that have a 100 percent diversion rate and are recognized as zero-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.
- Reducing waste across our corporate facilities, through the use of 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.

Case Study: Nineteen facilities recognized as zero waste to landfill as of FY2019

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 nineteen facilities are now recognized as attaining zero waste to landfill in FY2019. These plants 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.

In order to be recognized as zero landfill, a site has to participate in an independent review and demonstrate to the Senior Environmental Health & Safety (EHS) Leadership team that 100 percent of the waste being produced is either recycled, reused or converted to energy. Each location to reach this goal 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.

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)
- Skymark Ajax, Canada (September 2019)

Materials

[103-1](#) | [103-2](#) | [103-3](#) | [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, increase the use of easy-to-recycle materials, and purchase energy-efficient (Energy Star or EU labeled) equipment whenever appropriate.



The materials we purchase across all businesses to support administrative, building maintenance, and transportation related activities include:

- Gasoline and diesel fuel
- Cleaning products
- Stationery and paper products
- Office furniture
- Electrical equipment (computers, printers, fax machines, photocopiers, microwave ovens, dishwashers)
- Food and beverages

Building Technologies & Solutions

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 seek to continually use more sustainable materials in the products we offer. For example, in September 2019, we launched the largest-capacity water source VRF systems in the industry, the Hitachi Water Source Variable Refrigerant Flow (VRF) heat pump and heat recovery systems, allowing our customers to use water in energy-efficient heat pump and heat recovery applications.

Today, many organizations are choosing to renovate their spaces over starting anew 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.

Case Study: Refrigerant transition for environmental protection and energy efficiency

The refrigerant industry is successfully transitioning away from Ozone-Depleting Substances and is now focusing on Greenhouse Gas (GHG) emissions and total carbon footprint. As part of our commitment to environmental stewardship, Johnson Controls approaches this transition holistically by evaluating several principles regarding our products and technologies that utilize refrigerants.

Energy consumption is the most dominant contributor to the total cost of ownership of heating, ventilation and air conditioning/ refrigeration (HVAC/R) systems, making energy efficiency a key driver when comparing technologies.

In addition, climate change concerns, fluctuating energy costs, energy independence, and a lack of power distribution infrastructure in some countries make efficiency even more appealing.

Further, comprehensive refrigerant management practices provide one of the greatest opportunities to reduce greenhouse gas emissions during HVAC/R system operation, maintenance, and end-of-life recovery.



System operation: Maintaining an optimal refrigerant charge in HVAC/R equipment is essential to the efficient performance of the system. The potential for refrigerant loss during regular operation is generally dependent on equipment design and routine maintenance efforts, but refrigerant loss will almost always have a negative impact on system capacity, efficiency, and total carbon footprint. Proper refrigerant management throughout the equipment's life is necessary to optimize equipment performance.



Monitoring and maintenance: HVAC/R systems that are continuously monitored for refrigerant loss can provide the benefit of proactively addressing potential refrigerant leaks and specific maintenance needs. Servicing procedures specific to system application must be implemented to minimize refrigerant loss during scheduled and unplanned maintenance requirements. In the medium to long term, this streamlines the overall cost of maintaining your equipment.



Refrigerant recovery: End-of-life recovery can account for a majority of potential refrigerant emissions directly from the HVAC/R equipment of a building. Accurate removal and storage or disposal are critical to an effective refrigerant management plan. In many regions, they provide guidelines for end-of-life refrigerant management practices, and recycling programs for some refrigerants used in existing equipment.



Support for global refrigerant initiatives: To further the cause of sustainability, government, industry, and civil society must collaborate to adopt a consistent approach to managing refrigerant transitions. These transitions must take place in a proactive, environmentally sound, economical, and equitable manner. Johnson Controls supports global agreements and has made voluntary commitments to initiatives aimed at driving this consistent approach to managing the refrigerant transition.

Johnson Control supports and works with leading industry associations around the world to encourage governments to ratify the Kigali Amendment to the Montreal Protocol. This is a global regulation for the phase-down of high-GWP HFC refrigerants. Johnson Controls also supports the Paris Agreement, which aims to strengthen global responses to the threat and impact of climate change in industrialized and developing countries.

In addition to supporting global agreements, Johnson Controls has committed to initiatives that support an equitable approach to the refrigerant transition. These include the Cool Coalition, which promotes collaborative actions across a wide range of key stakeholders to achieve energy efficient and climate-friendly cooling, and the EP100 Cooling Challenge, an initiative to improve cooling efficiency in the built environment.

Johnson Controls has also signed up to the We Mean Business Short-Lived Climate Pollutants initiative, which is a commitment to reduce short-lived climate pollutant emissions, including HFCs.

Johnson Controls has published a comprehensive [white paper](#) on refrigerant transition.

Circular Economy

Case Study: Sensormatic

Visual Source Tags

For retailers, removing security tags from jackets, purses and other items and tossing them into a box for reuse is just part of checking out items at the register. Johnson Controls is proud to be the company behind this simple circular economy example with most of our customers returning more than 90 percent of our Sensormatic tags for reuse.

Over ten years, we have helped recirculate more than 10 billion security tags, saving materials, energy, waste, and customer costs.

How is it done?

Tags are sold to the clothing manufacturer who applies them to the product before shipping to the stores. At the store, staff remove the tags at checkout. They are then returned to the retailer's warehouse using the truck which delivers clothing to stores. No extra vehicle trips are made. We pay the retailer a buy-back price, so the retailer saves the tags in their warehouse until a full container is ready and returns them to the nearest recirculation center.

All the recirculation centres are ISO14001 certified and process the tags in the most environmentally responsible way possible, including using renewable electricity, recycled or sustainable products in the process, and ensuring that any waste or scrap is handled to the highest environmental standards. Any tags that have reached end of life are broken down to the component materials and recycled. Once the tags are processed, they are returned to the warehouse nearest to the clothing manufacturer. There, the process begins again.





Biodiversity

[103-1](#) | [103-2](#) | [103-3](#) | [304-1](#) | [304-2](#) | [304-3](#) | [304-4](#)

We engage in a variety of community-oriented activities, many of which are related to environmental stewardship and biodiversity.

Blue Sky Involve is our global, employee-driven volunteer program that encourages employees to form volunteer teams and work with local non-profit organizations or schools to support the arts, education, environment, health and social service efforts while gaining leadership development skills. Through initiatives like these, we fund projects around the world related to environmental conservation, including planting trees and preserving natural habitats. We also dedicated employee volunteer hours to environmental protection projects and plant trees globally to help sequester carbon dioxide. For Earth Day, 2019, employees in each of our global headquarters planted trees in a global demonstration of our One Team approach. Employees in hundreds of other locations around the world together implemented projects including pollinator gardens, tree planting, invasive species removal, and biodiversity education in their areas.

Typically our facilities are in industrial corridors or complexes where other industrial activities are present. Our land acquisitions are rare. We strive to create a positive impact on our environment by providing products and services that enable our customers to use less energy, water and other resources, by recycling and reusing materials where possible, and by investing in conservation through our [Community Engagement](#) initiatives.

Social

Investments and Economic Impacts

Johnson Controls makes investments that will 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.



Indirect economic investments are made each fiscal year to support many different stakeholders. In the last eight years, the Johnson Controls Foundation has provided more than \$70 million to support U.S. charitable organizations in the areas of the arts, education, health and social services, and the environment. In 2019, the Foundation gave \$9.6 million to nonprofit organizations that measurably improve our communities. This support included direct grants to non-profit organizations, matching gifts for employee pledges to a national United Way campaign and a Milwaukee campaign to support the United Performing Arts Fund, and matches as part of the Safe and Smart Matching gift program

for individual employee gifts to eligible non-profit organizations. All investments are tracked with impact metrics and are reviewed to ensure goals are attained. Please also see the Community Engagement section for more information.

Our products and services also have an indirect economic impact by helping our customers save energy and water, reduce waste, and consequently, 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.

Community Investment

203-2 | 413-1 | 413-2

In every aspect of our business, Johnson Controls seeks to promote the wellbeing of our communities and our planet. The mission of the Corporate Community Involvement and Engagement program is to invest in the communities where our employees live and work. Through our programs, outlined in Community Engagement and on our website at [Corporate Responsibility Program Overviews](#), we seek to bring positive impacts to our communities. 100 percent of our operations have implemented local community engagement, impact assessments, and development programs.



A formal and comprehensive process is implemented for every new facility, acquisition and divestiture we make in our portfolio. Our facilities are sited and operate in such a way that operations rarely create issues for the local community. If such instances ever occur, our facility managers are prepared to interface with the community leaders to understand the issues and to draw upon more expertise to quickly resolve any issues.

In most cases where we are entering a market, our business has a positive impact on the local society. The value of the business to Johnson Controls 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.

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 skill 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 prepared for success outside the company.

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 freely of their time, skills and energy.



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. We encourage our leaders to engage fully in their communities through nonprofit board service.

At Johnson Controls, we lead with a strategic approach to philanthropy and volunteerism. Our philanthropic and community engagement strategy seeks to improve the lives of those we serve through employee volunteerism and financial support so as to build communities that are safe, smart and sustainable.

Safe

For Johnson Controls, a focus on safety includes support of organizations that provide safety from natural disasters such as floods, fires and hurricanes, and organizations with a mission of 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 define 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 also supports organizations with a mission to protect our environment.

Case Study: Urban Ecology Center



This signature program with Milwaukee's Urban Ecology Center is an example of our corporate community and philanthropic strategy in action. A robust sponsorship from Johnson Controls supports a summer program for young adult interns at the center. Many of the young adults are recruited from Johnson Controls neighborhoods of focus for jobs centered around environmental education. Our corporate headquarters hosts the young adults for a day of

learning from subject matter experts on careers in sustainability. During their day, students receive a tour of the Platinum LEED-certified headquarters and also hear from a diverse group of executives on topics such as resumé writing and interviewing. A Johnson Controls employee sits on the Urban Ecology Center board and many employees volunteer at the center each fall as part of the United Way Season of Caring.

Community Sponsorships

Johnson Controls provides many organizations with financial sponsorship and coordinated volunteer efforts. By sponsoring galas, luncheons and other community activities, Johnson Controls can support organizations not only financially, but also by lending the organization the Johnson Controls brand. Other companies and individuals are more likely to step forward in support because of our strong record of due diligence. In 2019, Johnson Controls provided more than \$1.5 million in sponsorships to nonprofit organizations.

STEM Leadership Program

Johnson Controls supports education in science, technology, engineering and mathematics (STEM). STEM fields are the cornerstone of our business. In 2019, the program provided grants to 30 FIRST Robotics teams where Johnson Controls employees serve in volunteer roles to encourage experiential learning, mentorship and to help develop the skills that will enable students to be successful in the future. It also supported Summerfest Tech and plans to support its expansion in 2020 to showcase regional tech initiatives by convening technologists, business leaders, and innovators.



Blue Sky Involve Global Employee Volunteer Program

Throughout the world, we foster community involvement by our employees through our Blue Sky Involve employee volunteer program, demonstrating our social conscience to improve the communities in which we live, work and operate. Blue Sky Involve helps Johnson Controls employees share their passion and expertise through community volunteer activities and strengthens their professional and leadership skills. The program reinforces our corporate values and brings them to life through service to the community. Employees form volunteer groups and work with local nonprofit organizations or schools to support education, environmental stewardship or social service effort. Each partner organization receives a grant of \$250, \$500, \$1000, or \$2,500, depending on project type, towards a volunteer project planned with our employees.

Since Blue Sky Involve launched in 2006, Johnson Controls employees have coordinated more than 10,000 projects and volunteered 1.7 million hours of their time to local communities. In 2019, 95 percent of our Blue Sky Involve volunteer efforts aligned with U.N. Sustainable Development Goals.



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 2019, more than 187 leaders represented our company in local communities serving on nonprofit boards. Organizations included hospitals, universities, social service agencies 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 employees and customers live and work. The Johnson Controls Foundation turns toward these Johnson Controls leaders for guidance on grant requests that come to the Foundation's attention. These leaders provide insight and visibility into the operations of the nonprofit and are a crucial part of the due diligence process for approving grant requests that can range from \$5,000 to more than \$100,000 in some cases.

Johnson Controls Foundation (U.S.)

The Johnson Controls 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, Milwaukee Zoological Society, and Marquette University. The Foundation also contributes to lesser-known organizations that provide quiet support and programming to Milwaukee's most vulnerable populations: Meta House, which provides assistance to women with addictions; Hunger Task Force, which provides food to pantries across the city; and Urban Ecology Center, which connects children from the city with environmental education. In the last nine years, the Johnson Controls Foundation has funded more than \$71 million to support U.S. charitable organizations in the areas of the arts, education, health and social services, and the environment. Through the Foundation's Safe & Smart Matching Gift Program, employee contributions are matched dollar-for-dollar to eligible institutions and organizations in those categories. In FY2019, the Foundation gave \$7.69 million in grants to support the communities where we live and work.

United Way

Johnson Controls holds a nationwide United Way giving campaign in the United States each year. In Wisconsin, where our U.S. headquarters is located, Johnson Controls has held the largest workplace giving campaign for eight straight years, despite not even breaking the top 25 in terms of number of employees working for the company. This first-place status is no accident; it is the result of a strategic partnership with United Way and an emphasis on the annual fall campaign that emphasizes employee participation and leaders contributing at high levels based on their salary.

Global disaster relief

Johnson Controls supports natural disaster relief efforts globally. By partnering with large organizations such as the Red Cross and United Way, as well as smaller local agencies, we have played a role in supporting large-scale disaster relief efforts through our company donations.

Johnson Controls is 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. Since 2012, Johnson Controls has made 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. In addition to company donations, Johnson Controls employees provide support to local communities through employee donations and volunteerism.



Our Employees

Health and Safety

[103-1](#) | [103-2](#) | [103-3](#) | [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 the success of Johnson Controls. 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.



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. 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 diversity and decentralized nature of our company, our Health and Safety programs are designed around global standards with appropriate variations addressing the 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 the 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. 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 of 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 have onboarding and training programs in place 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.

Some of the key standards and practices of our programs include:

- 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.
- 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 an example of this innovative stance.
- We deploy the 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.



Safety Culture and Behavior-Based Safety initiatives are being deployed within different parts of Johnson Controls. As there are different ways to ensure employees are engaged with safety, as a company we monitor and support such initiatives. Johnson Controls is 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 wellbeing 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.

Policies, standards and certifications

Johnson Controls has a company-wide Environmental, Health and Safety policy that is supported by local, regional and site-specific employee Health and Safety policies and programs. Johnson Controls 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, etc.) where necessary.

For a safety management system, Johnson Controls generally follows the standards of OHSAS 18001/ISO 45001. Many Johnson Controls 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 and ISO 14001.

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 through 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](#)

Johnson Controls 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 and/or supervisors may need to be involved to help resolve an exposure problem - but they do not get access to 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/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 Recordkeeping, NFPA 70E Live Electrical, Confined Space, etc.).

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 Rate (SIR), Motor Vehicle Accident Rate (MVAR) and Near Miss, Unsafe Act, and Unsafe Condition Closure Rates. 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, key performance indicator 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 on the type and scope of work.

In the manufacturing organization, Health and Safety Committees generally operate at the location level due to the size and concentration of employees. In the installation and service business, Health and Safety Committees generally operate at the branch and/or regional levels due to a dispersed workforce.

Key Performance Indicators

Johnson Controls utilizes 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). Johnson Controls places more emphasis on the TRIR because of its uniform application around the world. While the LTIR is also tracked, Johnson Controls believes it is less useful in measuring Health and Safety outcomes due to 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. Bespoke 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 overall 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 its 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/unsafe conditions, create and perform safety audits, perform workplace inspections, leadership safety walks, measure compliance with government regulations and internal procedures, create standard reports, manage risk assessments, track waste/energy/waste metrics and medical monitoring results (i.e, blood lead levels). The EHSIS platform is used by the company's 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 can be subject to collective bargaining agreements, including health and safety topics covered by these agreements. We believe strongly in providing all employees with a safe place to work no matter location or union association. Johnson Controls communicates that belief through its [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.



Diversity and Inclusion

405 | 406

Johnson Controls is committed to leading the industry in diversity and inclusion – it’s what our customers expect, and it’s essential to business success. Only by valuing diversity and inclusion and committing to equal opportunity practices will we be able to fully utilize the human and business resources available to us in our pursuit of customer satisfaction. At the same time, we believe that by valuing diversity we enable everyone to fully realize their potential.

We value and respect the diversity of our employees, officers, directors, suppliers, customers, and communities. We build a culture of diversity and inclusion, and work to eliminate discrimination and harassment in all of its forms, including that related to color, race, gender, sexual orientation and gender identity, age, pregnancy, caste, disability, union membership, ethnicity, national origin or religious beliefs.

Our company is committed to providing equal opportunity in all of our employment and purchasing practices. (See Supplier Sustainability for more about our commitment to supplier diversity within our supply chain). This applies to hiring, salary, benefits, advancement, discipline, termination, and retirement.

In 2019, Grady Crosby, vice president, Public Affairs, and chief diversity officer for Johnson Controls, was honored with the [2019 Business Champion](#) award by the African American Chamber of Commerce for his efforts to help lead our commitment to creating a diverse and inclusive workforce as well as partnering with a diverse vendor and supplier base aligned with company values.

In 2019, Johnson Controls was honored to be named a [Top 50 Employer for Women Engineers](#) by *Women Engineer*, one of the [50 Best Companies for Diversity](#) by *Black Enterprise*, a [Top Employer in China](#) from Top Employers Institute, and one of the [2019 Best of the Best for U.S. Veterans](#) by *U.S. Veterans*.



Leadership in removing barriers and promoting inclusion

We follow established processes to achieve diversity goals around the world and to build a culture of inclusion that is receptive to diverse ideas, experiences, and practices. We offer workshops, websites, and communications to help employees embrace and realize the benefits of workforce diversity. Our people also benefit from opportunities to work outside their home countries.

Global efforts include the establishment of several Diversity Councils across Europe, Africa, and Latin America. These teams of Johnson Controls diversity champions work to improve employee awareness of the advantages of diversity and inclusion, and encourage acceptance for all employees. Example initiatives include distribution of diversity and inclusion newsletters to all employees, development of a diversity and inclusion brochure and training for shop floor employees, and roundtable discussions with country leaders.

Employee Business Resource Groups

Our employees help create an inclusive workforce through initiatives like Business Resource Groups (BRGs). These are employee-led volunteer groups open to all staff. Their goal is to improve attraction, retention, inclusion, and engagement of a diverse and global workforce. All BRGs are organized by employees and funded by the company. All BRGs go through an official chartering process and must develop programming and initiatives focused in four areas: Career, Commerce, Culture, and Community.

- Women’s Network (WN)
- African and African American Business Resource Group (AAABRG)
- Sustainability (EMPACT)
- Hispanic Business Resource Group (UNIDOS)
- Asia Pacific Business Resource Group (APBRG)
- LGBT+ Business Resource Group (JC4e)
- Young Professionals (SYNERGY)
- People impacted by disabilities (UNlimited)
- Veterans Engagement Team (VET)

Training and accountability

The office of Workforce Diversity partners closely with Human Resource and business leaders to meet our diversity and inclusion objectives. Their mission is to create, develop, and fully leverage the strengths of a diverse workforce in order to meet our growth commitments.

Strategies in support of this mission fall into three categories:

- 1) Attracting and retaining the best talent, across the globe, to leverage a variety of perspectives, cultures, and experiences for innovation.
- 2) Maintaining a workplace in which employees are included and passionately engaged.
- 3) Anticipating and managing cultures, systems, practices, and compliance for scalable success.



Johnson Controls has implemented several measures that focus on ensuring accountabilities exist for making progress in diversity. One example is tying a portion of our executives' incentive compensation to diversity performance for females and minorities. We also commit to having a diverse talent pipeline by partnering in the workforce planning forecasts with our business units, each with targeted goals around recruiting interns and new college graduates.

In addition, Johnson Controls has sponsored conferences, including the National Association for the Advancement of Colored People, and has received numerous awards for its work in promoting non-discrimination and diversity. Workers' representatives are not subject to discrimination and have access to workplaces as necessary to carry out their functions.

Commitment to an inclusive culture

We are committed to providing a workplace that is free of harassment or any other behavior that diminishes a person's integrity and self-esteem. Physical or mental harassment or abuse will not be tolerated. Johnson Controls 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, the Executive Vice President of Human Resources monitors implementation of and compliance with these policies.

Discrimination is defined as: "Any act or omission which fails to meet the standards of the Equal Employment Opportunity Commission (EEOC) which includes all types of discrimination, to include race, religion, age, national origin, gender, sexual orientation, gender identity, genetic information or disability."

Employees, temporary employees, 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 harassment or unfair practice so that appropriate action can be taken after a prompt investigation. Actions taken as a result of an investigation may include discipline and warnings to employees, employee counseling, leadership training, and EEO/Harassment training.

A [24-hour Integrity Helpline](#) is managed by the Ethics and Compliance department and is available to anyone who wishes to ask a question related to an ethical issue at the company. Most often, employees discuss such issues directly with their supervisor. This reflects the fact most questions that come up every day are being handled at the local plant or office level with local managers and supervisors. In addition, employees are encouraged to reach out to their human resources representative, the legal department or compliance team if they don't feel comfortable going to their direct manager.

Employee Development, Training and Education

403-5 | 404



Talent management

Johnson Controls supports the continued development of its people. Strategic talent reviews and succession planning occur on a planned cadence annually – globally and across all business areas. Annually, the CEO convenes several meetings with senior company leadership to review top enterprise talent. In these meetings, leaders discuss key talent management issues with the CEO, review critical roles, top talent, strategic talent moves, and gain commitment for their talent management focus for the coming year. 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. Across the organization, our leaders are monitoring the progress on representation of diverse talent via our succession planning and talent review processes, which allows for pipeline development and career planning for diverse talent.

More than half of our management positions are filled internally.

Training and education

High performance at Johnson Controls is an outcome of a person's ability to change, adapt, and grow throughout his or her 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. The company's approach to learning focuses on reinforcing key principles that are designed to support an individual's effectiveness in his or her 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 managers and employees are equipped with the tools necessary to continue to learn, grow and develop throughout their careers. Johnson Controls provides technical and leadership training to employees, customers and suppliers who work for or with our products and services. Training is provided in a number of formats to accommodate the learner's style and pace, location, and technological knowledge and access. Johnson Controls has offered more than 3,000 courses to all audiences. This represents nearly 40,000 individual student enrollments in course offerings, of which 36,000 were employees.

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 a lifelong learning outside of the office environment.

Programs for upgrading employee skills and transition assistance programs

[404-2](#)

As Johnson Controls continues to grow, we believe that attracting, developing, motivating, and retaining leaders is a key element of our sustainable and profitable growth. As our business has become more global, we must develop leaders from every part of the world. We understand that, like customers, our employees and potential employees have choices of where to work, and we must compete for the best talent. We invest significantly in being an employer of choice and have developed a system to promote our people's career and personal development while seeking their engagement in our vision, values, and objectives. We ensure that our work environments promote excellent performance, teamwork, inclusion, leadership, safety, and growth. We encourage community involvement and volunteerism with leadership and environmentally related causes.

Johnson Controls sponsors a variety of formal programs to recognize, reward, and motivate employees:

- **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. Each year a group of roughly 40 high-potential leaders is challenged with solving real-world business problems while building new relationships and exploring global business issues. The program started in 2004 and has graduated 12 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, and people leadership. This program annually engages 150 managers from around the world. The program began in 2007.
- **iLead People** – The 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.
- **iLead by Influence** – This program covers the critical influencing skills that can help participants lead with authority and does so in an interactive format that includes practical skill-building exercises.

- **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

- **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 the 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 processes, one-on-ones, pricing, TAS reviews, and cross-selling.
- **Sales Management Code** – A development program for sales managers that presents a sales management process. It is focused on high-impact salesperson activities and has an emphasis on sales manager coaching.
- **Commercial Development Program** – The Johnson Controls Commercial Development Program (CDP) is a two-year program designed to help top talent develop their commercial skills through three rotational assignments across various areas of the company. Participants are involved with projects and initiatives that directly impact our strategic operations and business growth. The program allows participants to gain insight into a variety of business operations and provides training and educational opportunities to supplement their development.



Field operations training

There are a variety of courses given in the HVAC, Fire and Security space. 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, with some eLearning and heavy application with lab equipment in the in-person sessions.

- **Service Technical Academy (STA)** – The Service Technical Academy (STA) is a career development program designed for North American HVAC Domain Service technicians, mechanics, and all security and fire technicians.

Manufacturing training

- **Johnson Controls Manufacturing System (JCMS) Champion for Operations Leadership Program** – Recognition program for operations vice presidents and JCMS operations directors. The program revolves around the focus that being a JCMS Champion reinforces the commitment made by operations leaders to drive the One Johnson Controls 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.
- **Business Partner and Subject Matter Expert JCMS Certification Program** – For business partners and subject matter experts that are new to their JCMS Roles. The program is focused on the building of foundational JCMS awareness, core knowledge, and skills required to perform their roles. The awareness and knowledge are delivered through a series of eLearning modules. Their skills are sharpened as they complete their JCMS calibration sessions and lead the second party assessments in their plants. This level of JCMS leadership is extremely important for business success and progressing plants to reach higher levels of maturity, as they drive employee engagement and execute our vision of becoming the most operationally capable company in the world.
- **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. JCMS coaches are critical to achieving the One Johnson Controls way of manufacturing efficiently and effectively across the enterprise.
- **JCMS Plant Manager Champion Program** – A program that recognizes plant managers as the key differentiators for all employees to improve plant performance via plant management championing the One Johnson Controls way of manufacturing. In this program, plant managers recognize JCMS as the One Johnson Controls way of manufacturing and maintaining accountable staff. They establish mindsets and behaviors that are reflected in every process, launch, and product in the plant in a sustainable way.
- **Plant Principle Champion JCMS Certification Program** – A development program for Plant Principle Champions (PPCs) taking on a JCMS role in one of the nine JCMS principles. The program consists of learning solutions that build awareness, knowledge, and skills required to advance the manufacturing practices in their plants. To build awareness, PPCs complete foundational learning and gain an overview of the basic concepts of JCMS and how it benefits the One Johnson Controls way of manufacturing. To build knowledge, priority core learning solutions provide an in-depth look at the main principles driving towards reaching and sustaining maturity Level 3 of JCMS. When they achieve maturity Level 3 in their JCMS principle, the PPC has achieved the desired skills to advance the plant's maturity and continue on to higher maturity levels.



Performance management

Johnson Controls has a standardized performance management process that includes an annual development plan for all non-production employees globally. This standardization enables improved strategic talent review workflow and career development planning, as well as improved reporting and analysis. Johnson Controls also maintains internal portal websites dedicated to human resources professionals, employees and managers for desktop access to key human resources-related information that has been translated for global use.

Employability

Johnson Controls has an internal posting system in place throughout the United States, Canada, and Europe. This system gives employees the opportunity to search, review, and apply for jobs through a centrally managed website. Plans for similar systems for South America and Asia are underway. We have measured the enrollment of our diverse high potentials in these programs to ensure this talent has access to critical career development experiences.

Continued external employability

[402-1](#)

The competitive nature of the business requires Johnson Controls 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 individuals concerned.

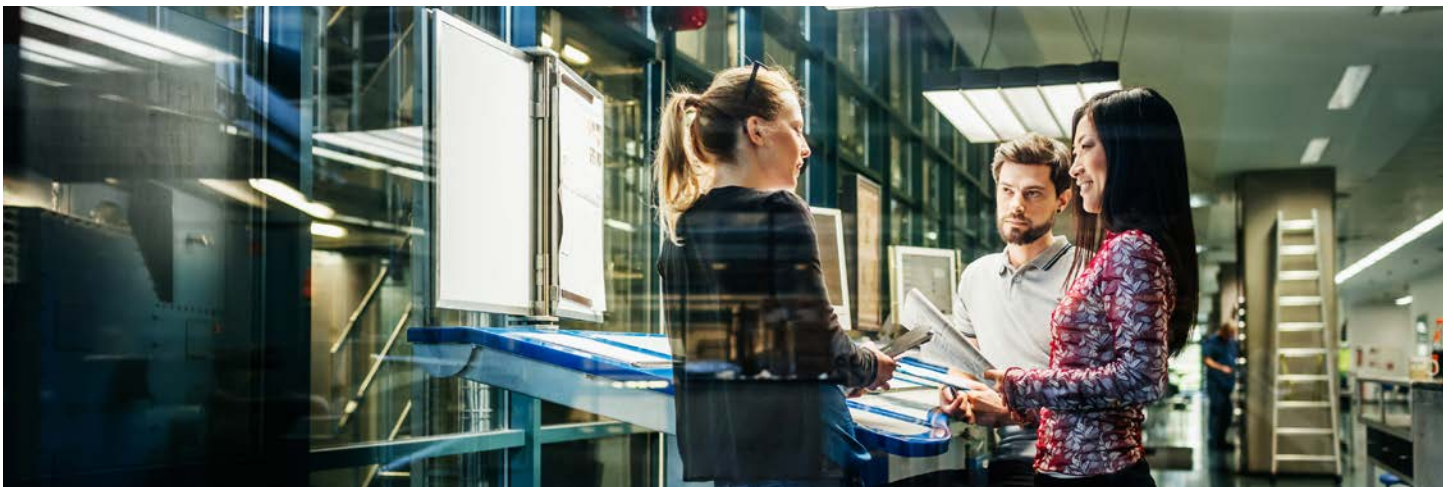
Johnson Controls respects any obligation from applicable regulations or collective agreements to inform employees and their representatives in due course. In general, should a plant close or reductions in workforce occur within Johnson Controls operations, impacted employees receive 60-day advance notice. In accordance with federal requirements, Johnson Controls also ensures the collective bargaining unit (if applicable), the state dislocated worker unit, and appropriate local government unit are also advised.

Measures frequently taken in connection with redundancies include: identification of alternative internal employment opportunities and provision for outplacement transition services. Johnson Controls ensures compliance with company plan benefit guidelines and local government regulations.

Supplier Sustainability

[102-9](#) | [204-1](#) | [308-1](#) | [308-2](#)

At Johnson Controls, 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](#).



The company employs 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. The Johnson Controls Sustainability Rating is part of our supplier scorecard.

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.

To date, no significant social or environmental performance issues have been identified with any supplier. Current data indicates that no supplier has refused to abide with the essence of the Code of Ethics or has been terminated because of social or environmental performance issues. However, there have been instances in which follow-up questions and discussions have been necessary, particularly relating to environmental permit currency and operations compliance.

Assessing supplier data reliability

Generally, Johnson Controls expects suppliers to behave ethically as well as 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 sustainability rating, 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 its customers (i.e. raw material extraction, chemical processing, manufacturing associated with high labor demands, etc.).

We also rely on local, state, and federal agencies to monitor a supplier's compliance with environmental and labor laws. We

often use the web 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.

However, like any company, we encounter issues that are dealt with promptly and appropriately. Falsification of data is taken seriously, and appropriate follow-up actions are taken whenever data is suspect. This action could result in contract termination.



Supplier diversity

Diversity business development is the set of commercial and purchasing processes that incorporate diverse-owned businesses as elements of our product and services offerings. It is a strategic business imperative that supports our mission to exceed customers' increasing expectations. As such, goal attainment and progress is reviewed and communicated throughout the organization on a monthly basis. We understand that diversity business development is a team effort and requires the support of each Johnson Controls office, facility, and account.

Our diversity business initiative is directed by senior management and is integrated into our corporate strategy. Johnson Controls and its customers define diverse suppliers as companies that are certified as owned, operated and controlled by minorities or women, and those designated by government agencies as small or disadvantaged businesses. We do business with more than 150 diverse suppliers and contractors, representing more than 30 product and service categories. Since 1993, Johnson Controls has spent more than \$22 billion with diverse suppliers.

Human Rights

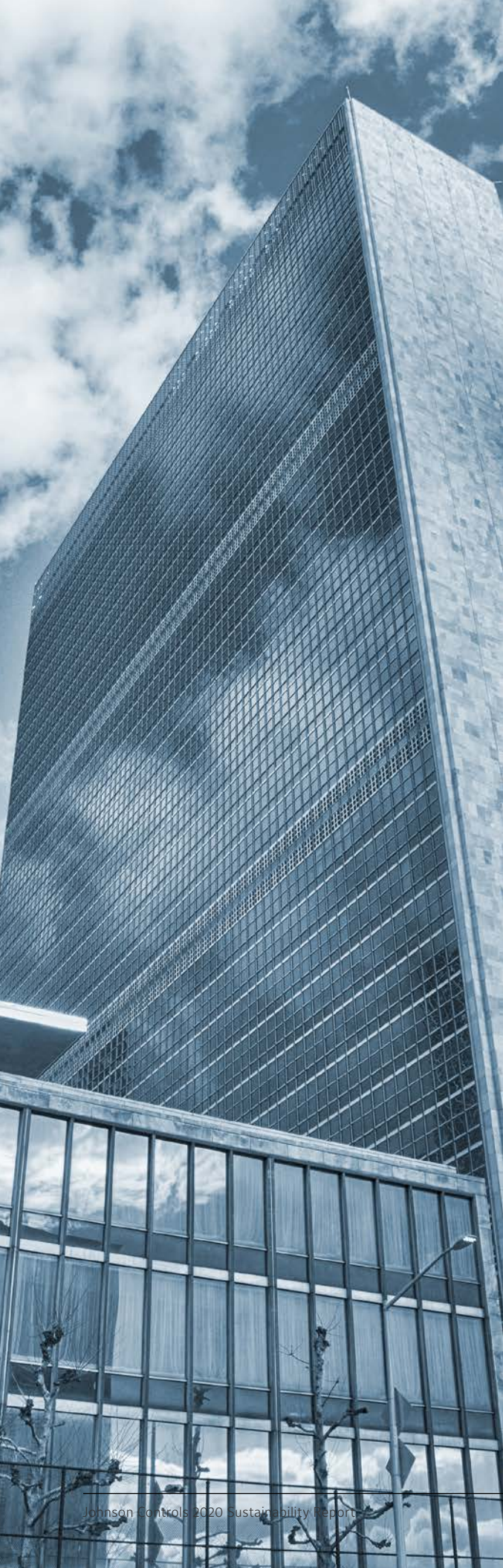
Our [Human Rights & Sustainability Policy](#) and our [Code of Ethics](#) define our overall management approach as relating to human rights, anti-corruption, environmental, governance, social, and related matters. We respect the environment, the communities in which we operate, and our employees' human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



Johnson Controls 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, the Executive Vice President of Human Resources monitors implementation of and compliance with these policies. Employees, temporary employees, 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 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.



UN Global Compact

[102-12](#)

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. In addition, Johnson Controls supports the United Nations Framework on Business and Human Rights.

Our progress in meeting each of the UN Compact Principles is reported publicly on the [United Nations Global Compact](#) website. Also see, our [Sustainability Commitments](#).

Child labor

[408-1](#)

We take active measures to prevent and eliminate child labor through our policies. Our [Code of Ethics](#) and [Human Rights & Sustainability Policy](#) address child labor and are consistent with the UN Global Compact and ILO Convention 138. Potential employees are required to show valid identification and proof of age before they are hired. To the best of our knowledge, there is no child labor within our company. The company has not found any of its plants or operations which 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 our policies.

Security practices

[410-1](#)

At Johnson Controls, our security mission is to protect corporate assets – that includes 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

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 is 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 is 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

[SASB: 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 their 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.

Product safety

[403-7](#)

Our company values include being "Customer Driven" and "Future Focused". These define our commitments to help our customers win and to continuously improve our business. The responsibility for monitoring customer satisfaction resides with the Board of Directors and with business unit management.

Johnson Controls is committed to providing quality products and services that meet or exceed the expectations of our customers. Deficiencies that threaten the physical wellbeing of any person or put the financial security of our company at risk should 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 help to continuously improve the 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](#)

A standardized procedure assessing safety and health impacts for our product development is in place across the enterprise. We follow a launch procedure for New Product Development. 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, we may also use Risk Assessments or Fault Tree Analysis (FTA) in the design to capture compounding effects leading to failures, after which the countermeasures can be put back into the FMEAs as single-point failures. Product safety and noncompliance with regulatory items are defined under FMEAs with the highest severity ratings.



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

Product safety controversies

While the company faces certain product liability cases that are brought against its products from time to time, none of those cases have involved actions for non-compliance with an applicable regulatory or voluntary code and fines, settlements or court-imposed awards for such non-compliance.

The company does have a process for determining whether products in the field have non-conformities that might be the source of potential product safety concerns. It regularly monitors field performance and performance in the factory to determine whether any non-conformities in our product could be the source of those types of concerns.

If we determine that such circumstances exist (i.e. non-conformities 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 end product, or determine the correct field actions if our product is the one 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 labeling
417-1

Our Building Technologies & Solutions products are listed by Nationally Recognized Test Labs (NRTL). The standards used for these listings require that specific information be placed on defined labels regarding safety. This information includes maximum voltages, amperages, pressures, etc. It also requires the NRTL and the standards tested. By regulation we also include additional labels as needed such as refrigerant type, DOE required efficiency or performance ratings. Our Installation, Operation and Maintenance Manuals are provided to relay specific information regarding safe use of the product and applicable safety warnings.

Customer privacy
418-1

[Johnson Controls cares deeply about privacy](#) and is committed to protecting personal information in accordance with fair information practices and applicable data privacy laws. The company has not identified any substantiated complaints of breaches of customer privacy.

Johnson Controls joined the very exclusive list of comparable companies that have obtained official approval from [European Data Protection Authorities for Binding Corporate Rules](#) (BCRs). BCRs form a required set of policies that satisfy the most stringent standards and represent the company’s commitment to the seamless protection of personal data whenever such data is transferred or accessed globally. When considered alongside the Johnson Controls Ethics and Compliance standards, obtaining recognition for BCRs demonstrates our company’s continued commitment to protecting personal data from our employees, customers, suppliers, and consumers. This is a strategic trust enabler for the organization.

Governance

Company leaders

[102-18](#)

The Johnson Controls Board of Directors is guided by our Corporate Governance Principles, 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 the company's governance structure, Board of Directors and their committees is publicly available in our [annual shareholders and proxy statement](#). Information about our executive leadership and our board of directors is also available on the [Leadership](#) page of our website.

Responsibility for Economic, Environmental and Social Topics

[102-19](#) | [102-20](#) | [102-26](#) | [102-27](#) | [102-29](#)

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 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 Board of Directors is briefed each quarter on our company sustainability progress.

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; Vice President, Public Affairs and Chief Diversity Officer; Executive Vice President, Human Resources; and Vice President, Procurement.

In addition, local business leaders are responsible for the impacts 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 Johnson Control's Sustainability Report – to the internal [Global Sustainability Council](#) and other appropriate organizations within the company.

Risk Management

[102-11](#) | [102-15](#) | [102-29](#) | [102-30](#) | [102-31](#) | [205-1](#)

Johnson Controls has a comprehensive [risk management program](#). 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 role of the Board of Directors and the Risk Management Process is disclosed on page 28 of the [2020 Annual Shareholders & Proxy Statement](#).



We govern our enterprise risks and opportunities through a robust risk management and mitigation program. The role of our Board of Directors in risk oversight is consistent with our leadership structure, with management having day-to-day responsibility for assessing and managing our risk exposure and the Board and its committees providing oversight in connection with those efforts, with particular focus on the most significant risks we face.

The Board performs its risk oversight role in several ways. Board meetings regularly include strategic overviews by the CEO that describe the most significant issues, including risks, affecting us. In addition, the Board is regularly provided with business updates from our business unit leaders, and updates from the General Counsel and other functional leaders. The Board reviews the risks associated with our financial forecasts, business plan and operations. These risks are identified and managed in connection with the Johnson Controls enterprise risk management (ERM) process.

The company's ERM process provides the enterprise with a common framework and terminology to ensure consistency in

identification, reporting, analytics, and management of 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. The results of the ERM process are presented to the Board at least annually. In addition, a Risk Committee oversees the ERM program by providing feedback, guidance and direction on the process, procedures and results and will escalate any new risks that should be elevated to the Executive Committee.

As a global multi-industrial company, we face a range of risks, including general economic, credit and capital market conditions risks, regulatory risks, global climate change risks, and several other risks that are fully listed and explained in our [2019 Form 10-K](#). In addition, we have key teams in place to oversee and advise on our sustainability risks and opportunities. These include our Executive Committee, Executive Leadership Team, Global Sustainability Council, Purchasing Leadership Team, and specialized committees and management groups.

Ethics and Integrity

[102-16](#) | [102-17](#) | [102-33](#) | [102-34](#) | [103-1](#) | [103-2](#) | [103-3](#) | [419-1](#)

Throughout our history, Johnson Controls has 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 & Sustainability Policy](#).

Integrity is at the center of everything we do at Johnson Controls. Our company’s ongoing success stems from our deeply engrained culture of ethics and integrity. Acting with integrity allow 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 allow us to implement our culture globally.

Compliance with our Code of Ethics and our Anti-Corruption Policy is a condition of employment. Johnson Controls trains its employees on a variety of anti-corruption and related matters, including the Foreign Corruption Protection Act, anti-bribery statements from our Code of Ethics and our Code of Ethics more broadly.

All online employees must complete an ethics certification that requires completion of the ethics training module and a review of the Code of Ethics. Employees who do not require certification must demonstrate they know and understand the Code of Ethics as part of their orientation and as part of their annual job appraisals. Our number of participants has grown year on year since we launched this online ethics training in 2001, and we consistently achieve more than 90 percent compliance with the training and certification requirements.





The completion status of the annual employee training certification is reported to the Audit Committee of the Board of Directors. The Audit Committee of the Board of Directors 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](http://valuesfirst.johnsoncontrols.com) is publicly available to anyone, including employees, customers, suppliers and other third parties, at <http://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 sign 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 the "tone at the top" whenever our leadership team provides communications throughout the year to employees (employee portal, in-person meetings, web casts, emails to employees, etc.).

We seek to create an environment that removes barriers and promotes inclusion. We want an environment that fosters effective recruitment, development, motivation and retention so that each person is able to maximize his or her contribution to meeting business objectives. We systematically gather feedback and take action to improve our work environment. This ensures our processes are working properly and that employees, customers and shareholders understand our policies and guiding principles

around treatment, respectability, and integrity. We track, analyze and communicate performance outcomes quarterly.

Integrity Helpline

[102-17](#)

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 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 the global compliance leadership team and presented to the Audit Committee.

The Integrity Helpline is only one of several communication vehicles that employees can use to raise ethics-related concerns. Most often, employees discuss such issues directly with their manager. In addition, employees are encouraged to reach out to their HR representative, legal department or compliance team if they do not feel comfortable going to their direct manager.

Employees can also contact the compliance team directly if they have any ethics or compliance questions using the Ask Compliance mailbox at askcompliance@jci.com. Queries sent to this mailbox are reviewed and sent to the appropriate person who will respond to the enquiry.

Public policy engagement

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.

Our public policy engagement is often conducted in conjunction with the efforts of allied business, trade and issue organizations of which the company is a member.

- **North America:** the Business Council for Sustainable Energy, the Alliance to Save Energy, the American Council for an Energy Efficient Economy, the National Association of Energy Service Companies, the National Association of Manufacturers, the Alliance for Responsible Atmospheric Policy, the Business Roundtable, and the CDP.
- **Europe:** European Partnership for Energy and the Environment, European Building Automation Controls Association, and the European Alliance of Companies for Energy Efficiency in Buildings.
- **Asia-Pacific:** China Association of Building Energy Efficiency (CABEE); China National Resources Recycling Association (CRRA); China Energy Storage Alliance; and Center for Environmental Education and Communications (CEEC) of the State Environmental Protection Administration (SEPA) of China.

Political contributions

[415-1](#)

Johnson Controls and its employees participate in the public policy process in the United States in a variety of ways. These include corporate government affairs activities designed to educate and influence elected officials and policy makers on key issues related to the company's business, individual political giving by employees through the Johnson Controls Political Action Committee (PAC), and membership of trade associations and organizations to help advance our business objectives.

Johnson Controls did not make any corporate contributions to political candidates, parties or committees in 2019. It does not provide financial or in-kind support in other countries, or in other ways besides our PAC in the United States.



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 & Sustainability Policy](#).

Code of Ethics and Anti-Corruption Policy

[102-12](#) | [205-1](#)

Our dedication 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 Johnson Controls Code of Ethics is translated into 26 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.

Johnson Controls trains its employees on a variety of anti-corruption and related matters, including the Foreign Corrupt Practices Act, bribery, conflicts of interest, statements from our Code of Ethics and our Code of Ethics more broadly. All online management-level employees must complete an annual ethics certification which requires completion of the ethics training module and a review of the Code of Ethics. Employees who do not require certification must demonstrate they know and understand the Code of Ethics as part of their orientation and as part of their annual job appraisals.

Our number of participants has grown each year since we launched the online ethics training in 2001. Further, we have achieved 100 percent compliance with the training and

certification requirements. In addition, all managers are assigned a quarterly “Values in Action” training which requires them to hold a discussion session with their team based on prescribed scenarios that pose a variety of ethical dilemmas. All scenarios are based on cases from the Johnson Controls Integrity Helpline or risks identified through internal audit or management review.

These ethics training campaigns require a minimum completion rate of 90 percent enterprise-wide. In FY2018, we closed the annual campaign at 97 percent completion and the average completion rate for the quarterly Values in Action was 94 percent.

Operations assessed for risks related to corruption

One hundred percent of the company’s business units and corporate activities have been analyzed for risks related to corruption. This risk assessment is part of our strategic planning and Sarbanes-Oxley processes. This risk assessment is also part of our audit plan, which is a risk-based audit process. We have improved our international trade compliance program even further – it includes information on corruption – and have made sure risks are identified and processes are in place. This program looks at all of our businesses and geographies.

See our [Code of Ethics](#) and [Human Rights & Sustainability Policy](#) – both address corruption.

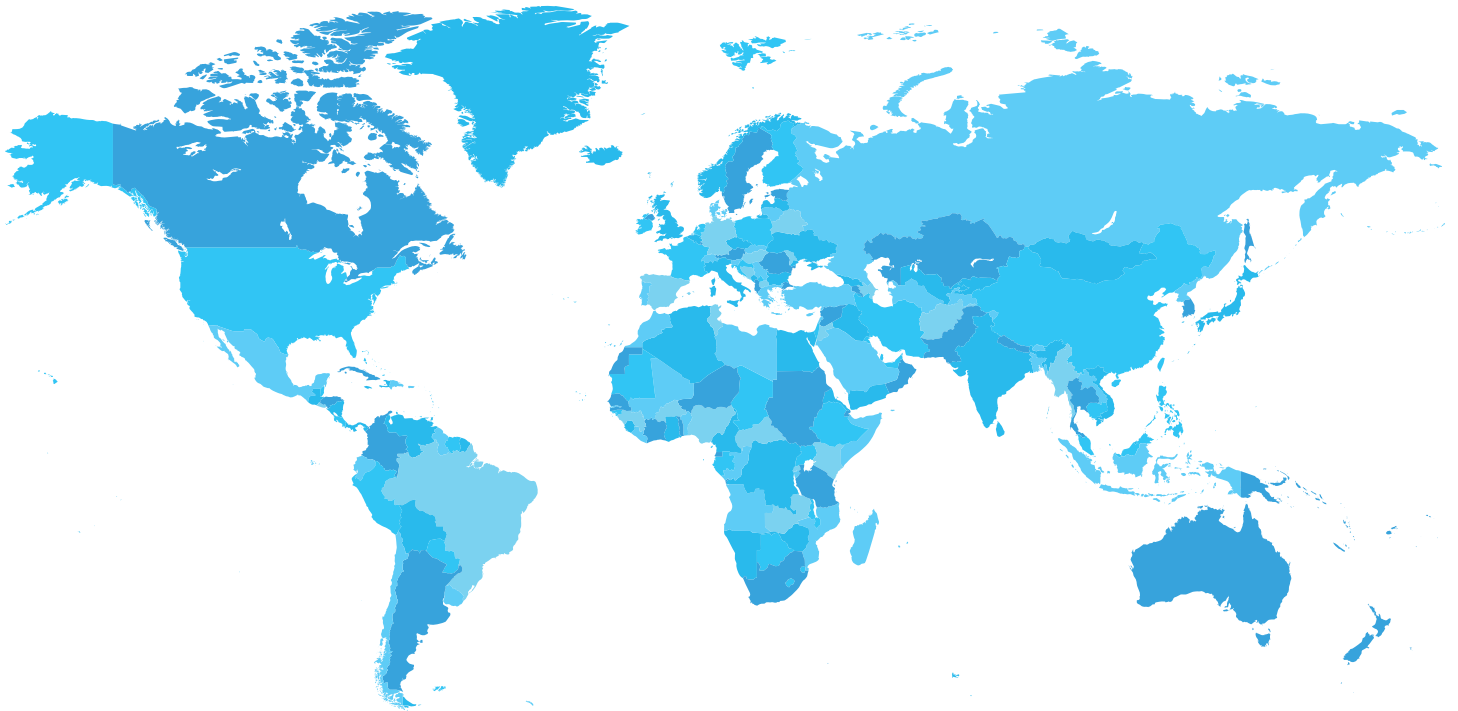
Data Appendix

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
 - International Energy Agency (IEA)
 - The Climate Registry
 - DEFRA
- GWP values taken from:
 - IPCC Fourth Assessment Report (AR4 - 100 year)



Location of operations

[103-1](#) | [102-4](#)

Our 105,000 worldwide employees serve a wide range of customers in around 2,000 locations in more than 70 countries. 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	Denmark	Italy	Oman	Slovakia	United Kingdom
Australia	Egypt	Japan	Panama	South Africa	United States of America
Austria	Finland	Kazakhstan	Peru	Republic of Korea	Uruguay
Bahrain	France	Kuwait	The Philippines	Spain	Uzbekistan
Belgium	Germany	Lebanon	Poland	Sweden	Vietnam
Brazil	China - Hong Kong (SAR)	Luxembourg	Portugal	Switzerland	
Canada	Hungary	China - Macau (SAR)	Qatar	Chinese Taiwan	
Chile	India	Malaysia	Romania	Thailand	
China	Ireland	Mexico	Russian Federation	Turkmenistan	
Colombia	Isle of Man	The Netherlands	Qatar	Turkey	
Costa Rica	Indonesia	New Zealand	Saudi Arabia	Ukraine	
Czech Republic	Israel	Norway	Singapore	United Arab Emirates	

Stakeholder Engagement

[102-40](#) | [102-43](#)

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 Engagement			
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	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	Calls 1x1 engagement Surveys Conferences Top Supplier Awards Supplier Diversity initiatives Materiality Assessment	Participation in Sustainability Materiality Assessment
Customers	At least quarterly	Calls Meetings 1x1 engagement Surveys Materiality Assessment Market Research	Participation in Sustainability Materiality Assessment
Investors	At least quarterly	Calls Annual Investor Day Materiality Assessment	Participation in Sustainability Materiality Assessment
Non-governmental organizations	At least quarterly	Calls Meetings Conferences Materiality Assessment Memberships Funding through Foundation and Sponsorships Employee volunteering	Participation in Sustainability Materiality Assessment
Industry Groups	At least quarterly	Calls Meetings Conferences Materiality Assessment	Participation in Sustainability Materiality Assessment
Labor Groups	At least quarterly	Calls Meetings	Participation in Sustainability Materiality Assessment
Media	At least quarterly	Calls Meetings Conferences Materiality Assessment	Participation in Sustainability Materiality Assessment
Academia	At least quarterly	Calls Meetings Research partnerships Employee matching programs for higher educational institutions Materiality Assessment	Participation in Sustainability Materiality Assessment

Environmental Data

Results: Energy

ISO 14001, ISO 50001, and OHSAS 18001 certified and compliant status from manufacturing facilities

Environmental Data			
JCI Company-wide	ISO 14001	ISO 50001	OHSAS 18001
Certified	56%	2%	49%
Compliant	10%	0%	8%

Energy consumption within the organization

[302-1](#) | [302-3](#)

Energy consumption within the organization				
Consumption by fuel type	Unit of measure	2019	2018	2017
Renewable fuels				
Biomass	GJ	47,515	54,326	59,131
Ethanol	GJ	0	1,612	2,288
Subtotal	GJ	47,515	55,938	61,419
Non-renewable fuel sources				
Natural Gas	GJ	1,819,851	1,803,780	1,918,035
Fuel distilled from crude oil and other fossil fuels*	GJ	4,527,374	4,329,272	4,343,112
Subtotal	GJ	6,347,225	6,133,051	6,261,147
Energy consumed				
Electricity	GJ	2,723,076	2,881,107	2,751,346
Steam	GJ	15,318	14,322	10,641
Subtotal	GJ	2,738,394	2,895,429	2,761,986
GRAND TOTAL	GJ	9,133,135	9,084,418	9,084,553

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

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 Bureau Veritas, now part of Apex, with a limited assurance.
- Percentage of total operational spending on energy (most recent reporting year): More than 0%, but less than 5%.
- Please refer to our latest CDP report for a breakout of the sources of the renewable energy used.
- Please see section GRI 102-48 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 consumption outside the organization				
Energy Category/ Activities	Unit of measure	2019	2018	2017
Upstream				
Fuel and energy related activities ¹	GJ	289,125	298,606	249,266
Transportation and distribution ²	GJ	7,876,620	6,845,316	6,900,367
Downstream				
Use of sold products ³		83,043,682	85,727,711	84,213,516
GRAND TOTAL	GJ	91,209,426	92,871,632	91,363,149

Starting with FY2017, data has been restated to remove Power Solutions (now Clarios) and reflect our current company footprint.

- (1) This energy is associated with the losses during transmission & 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 energy consumed by our chiller products manufactured during the reporting year and through their entire use phase. This value is estimated by modeling the energy usage for a representative sample of chiller 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	2019	2018	2017
Numerator ¹	GJ	9,133,135	9,084,418	9,084,553
Denominator ²	Million USD in revenue	23,968	23,399	22,835
Energy Intensity (ratio)	GJ per Million USD in revenue	381	388	398

Data has been restated to remove Power Solutions (now Clarios) and reflect our current company footprint.

- (1) Scope includes only 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.

Reduction of energy consumption

302-4

Reduction of energy consumption				
	Unit of measure	2019	2018	2017
Total Energy Saved	Gigajoules	11,944	101,395	204,823

Methodology notes:

- Our Continuous Improvement team collects project information implemented at the plant level. 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 savings each 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

Reductions in energy requirements of products and services				
Product/Service(s)	Unit of measure: Gigajoules (GJ)	2019	2018	2017
Energy Savings Performance Contracting ¹		20,059,947	25,761,568	21,768,740
Chiller Products ²		519,161	617,022	569,500
TOTAL		20,579,161	26,378,590	22,338,240

- (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.
- (2) These annual energy savings are associated with the higher energy efficiency of two of our chiller products compared to existing standard industry designs.

Methodology notes:

- Our energy solutions team generates reports for our guaranteed energy savings active during each reporting year, which facilitates generating an annual total. Our chiller equipment savings represent the higher efficiency of our products compared to existing standard designs.
- 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.
- Johnson Controls provides a variety of advanced products, services and technologies for an assortment of applications that include reducing energy and greenhouse gases (GHG). Find some examples here.

Results: Emissions

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

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

Results: Emissions			
	2019	2018	2017
Direct (Scope 1) - Metric Tons CO₂e			
CO	389,625	376,987	377,496
CH	63	65	68
N	127	136	144
HFC	296,898	295,066	355,549
Subtotal	686,713	672,253	733,256
Indirect (Scope 2)¹ - Metric Tons CO₂e			
Market-based	269,191	310,990	404,242
Location	395,376	418,983	420,320
Subtotal	269,191	310,990	404,242
Other Indirect (Scope 3) - Metric Tons CO₂e			
Purchased goods and services	4,704,000	5,141,000	3,826,000
Capital goods	2,899,000	2,905,000	1,891,000
Fuel and energy related activities ²	33,000	35,000	30,000
Upstream transportation and distribution	566,000	496,000	501,000
Waste	5,000	6,000	5,000
Business travel ³	43,000	48,000	32,000
Employee commuting	248,000	244,000	217,000
Investments	0	0	0
Use of products ⁴	15,308,000	15,750,000	18,134,000
End of life	257,000	268,000	268,000
Subtotal	24,063,000	24,893,000	24,904,000
Biogenic ⁵	4,224	4,830	5,378
GRAND TOTAL (Scope 1+2+3)⁶	25,018,904	25,876,243	26,041,498
GHG Intensity ⁷	39.9	42.0	49.8
Percent change in GHG Intensity, FY2017 baseline	-19.9 percent	-15.6 percent	Baseline year
2025 Sustainability Strategy Goal	-6.9 percent	-3.5 percent	Baseline year

- (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 Scope² include CO₂, CH₄, and N₂O.
- (2) Category considers emissions for transportation and distribution losses. This category represents updated, correct figures.
- (3) Category considers emissions from business air travel only.
- (4) Category considers emissions from chiller products 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) Includes 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.

Starting with FY2017, data has been restated to remove Power Solutions (now Clarios) and reflect our current company footprint.

Reduction of GHG emissions

[305-5](#)

Reduction of GHG emissions				
	Unit of measure	2019	2018	2017
Total GHG reductions	Metric tons CO ₂ e	19,432	55,639	99,982

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.
- Our CI-TRAC tool collects project information implemented at the plant level. 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.

GHG emissions savings for our customers

[305-5](#)

Reduction of GHG emissions				
	Unit of measure	2019	2018	2017
Actual	Metric tons CO ₂ e	241,322	134,142	Baseline year
Goal	Metric tons CO ₂ e	240,000	120,000	Baseline year

Goal 120,000 metric tons of carbon dioxide equivalent (CO₂e) savings for our customers from Performance Infrastructure projects added annually through FY2025 from a FY2017 baseline

Emissions of ozone-depleting substances (ODS)

305-6

	Unit of measure	2019	2018	2017
Purchase of ODS	Metric tons of CFC-11 equivalent	4.5	5.5	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

Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions				
Emissions Types	Unit of measure	2019	2018	2017
SOx emissions ¹	Kg	8,162	8,601	9,168
SOx intensity	kg per Million USD in revenue	0.34	0.37	0.40
NOx emissions ²	Kg	197,477	203,219	216,513
NOx intensity	kg per Million USD in revenue	8.2	8.7	9.5
Particulate matter emissions ³	Kg	20,620	21,931	23,536
Hazardous air pollutants (HAP) ⁴	Kg	NA	60,465	37,735
Volatile organic compound (VOC) emissions ⁵	Kg	5,006	113,560	88,138
VOC intensity ⁵	kg per Million USD in revenue	0.2	4.9	3.9
Global normalized stack and fugitive emissions ⁶	kg per Million USD in sales	9.6	17.4	16.4

Data has been restated to remove Power Solutions (now Clarios) and 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) HAPs data is US data only. HAPs data for 2019 has not yet been calculated as the data is extracted from Toxic Release Inventories (TRI) reports, which are not gathered for reporting until later in 2020.
- (5) 2019 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 2018 figure now includes TRI reported data.
- (6) Stack and fugitive emissions numerator value considers the sum of SOx, NOx, VOC, PM, and HAPs data. 2019 reported value currently excludes toxic release inventory (TRI) data since it is still unavailable at this time. 2018 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.
- Hazardous air pollutants (HAP) and volatile organic compounds (VOC) data for 2019 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 2020.
- 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. Bureau Veritas, now part of Apex, verified the energy consumption data which 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 U.S. Environmental Protection Agency and therefore include only releases in the United States.
- Effective 2014, we no longer consider and report Copper or Certain Glycol Ethers as a HAP, consistent with U.S. Environmental Protection Agency (EPA) definition of HAPs, however we continue to report releases of these substances.
- 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.
- SO_x, NO_x, 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

[303-1](#) | [303-2](#) | [303-3](#) | [303-4](#) | [303-5](#)

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 obtaining more granular water data and we hope to be able to report more information on the results of this analysis in the future. Efforts to collect water use data were initiated globally in 2003. Each year, the number of facilities reporting increases and will continue to improve so that we may trend usage for future reports. 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 by source

[303-3](#)

Water withdrawal by source				
Source	Unit of measure	2019	2018	2017
Municipal water supplies or other water utilities	Cubic meters	3,828,417	4,165,612	3,941,413
Total water withdrawal	Cubic meters	3,828,417	4,165,612	3,941,413
Normalized water withdrawal (Intensity)	Cubic meters per Million USD in revenue	160	178	173

Starting with FY2017, data has been restated to remove Power Solutions (now Clarios) and reflect our current company footprint.

Methodology notes:

- Data is sourced from direct measurements (invoices, metered data).
- Starting with our 2011 data, Bureau Veritas, now part of Apex, an independent auditor recognized by CDP, audited our water consumption. The certificate for this most recent audit is attached to the GRI Index.
- As Johnson Controls has expanded globally, the diversity of our facilities and products has increased. Outside of municipal water we currently do not have comprehensive data on other water sources used, however we have initiated efforts to improve the detail of our water data.

Water Consumption

[303-5](#)

Specific Data Unavailable

Results: Waste

As a result of our efforts, in FY2019, two of our facilities were recognized for achieving a zero waste to landfill status. There are now 19 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 88 percent company-wide diversion rate including hazardous and non-hazardous waste.

Water discharge by quality and destination

[303-4](#) | [306-1](#)

Water discharge by quality and destination				
Destination	Unit of measure	2019	2018	2017
Water discharge	Cubic meters	1,665,286	1,293,071	1,012,330

Starting with FY2017, data has been restated to remove Power Solutions (now Clarios) and reflect our current company footprint.

Methodology notes:

- Volume values for all years include total sewer discharge. We are currently in the process of collecting additional detail in terms of discharge destination to provide additional breakdown in the near future.
- Sewage and stormwater represent the major types of discharges from our manufacturing plants and office complexes.
- Unplanned discharges that violate host country regulations are tracked within our global Environmental Health & Safety teams and monitored by management.

Waste by type and disposal method

306-2

Waste by type and disposal method			
Category	2019	2018	2017
Non-hazardous waste - Metric Tons			
Reuse	367	2,266	310
Recycling	91,495	90,710	85,545
Composting	45	83	149
Recovery (including energy recovery)	1,033	2,575	994
Incineration	1,620	1,116	1,603
Landfill	9,612	10,905	9,982
TOTAL	104,172	107,655	98,582
Hazardous waste - Metric Tons			
Reuse	140	17	27
Recycling	2,964	2,550	3,270
Composting	0	0	0
Recovery (including energy recovery)	526	480	1,038
Incineration	820	918	421
Landfill	865	1,464	1,669
TOTAL	5,315	5,430	6,425
GRAND TOTAL	(Non-hazardous+Hazardous) 109,487	113,086	105,007

Starting with FY2017, data has been restated to remove Power Solutions (now Clarios) and reflect our current company footprint.

Methodology notes:

- Through our contracts with waste disposal contractors, we require them to provide with 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 & Safety tracking system.

Significant spills

[306-3](#)

A significant spill is defined as a spill that is included in the organization's financial statements, for example due to resulting liabilities, or is recorded as a spill by the organization. During reporting year FY2019, no spills had a materially adverse effect on Johnson Controls finances or to the local environment and/or community. Nonetheless, to ensure transparency, we are reporting all "reportable spills," which we define as a spill or release that requires reporting to a regulatory agency.

Significant spills		
Recorded significant spills	Total number	Source detail
2019	0	2019 NOVs, Permit Exceedances and Releases
2018	0	2018 NOVs, Permit Exceedances and Releases
2017	0	2017 NOVs, Permit Exceedances and Releases

Our Johnson Controls Manufacturing System defines standards for environmental management to avoid spills in the first place. We identify and share best practices across the enterprise through the Global Manufacturing and Operations Council and other mechanisms to continuously improve our environmental management 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.

Transport of hazardous waste

[306-4](#)

Transport of hazardous waste				
	Unit of measure	2019	2018	2017
Hazardous waste transported	kilograms	5,314,874	5,430,316	6,425,123

Starting with FY2017, data has been restated to remove Power Solutions (now Clarios) and reflect our current company footprint.

In compliance with the Basel Convention and other relevant environmental laws and regulations, Johnson Controls strives to implement environmentally sound management of hazardous wastes and other wastes by taking all practicable steps to support proper waste handling and transport that is protective of human health and the environment. For the transport of all wastes, Johnson Controls seeks to hire reputable, conscientious and safe freight forwarders and carriers to carry the wastes, whether such wastes will be recycled or permanently disposed. Carriers are required to be licensed and insured for moving hazardous waste and dangerous goods. All reasonable precautions are taken to protect the environment and workers in transporting hazardous wastes and other wastes. Johnson Controls implements a "cradle-to-grave" process, tracking all waste that leaves U.S. soil until such wastes get full environmentally sound recovery or disposal in a manner that is protective of human health and the environment.

Methodology Notes:

Numbers for this section have been updated to only reflect the hazardous waste mass that is generated as a by-product of our own operations and ultimately transported for disposal. All estimates are based on the best available data at publication and may change over time.

Water bodies affected by water discharges and/or runoff

[306-5](#)

Specific Data Unavailable

Typically, our facilities are in industrial corridors or complexes where other industrial activities are present. Our approach to the siting and management of all of 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.

Results: Materials

Materials used by weight or volume

301-1

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

Recycled input materials used

[301-2](#)

Recycled input materials used			
	2019	2018	2017
% Recycled input materials used	61%	74%	73%

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](#)

Percent of reclaimed products and their packaging materials				
Product sold	2019	2018	2017	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](#)

Direct Economic Value Generated and Distributed							
Currency: Million USD	Value generated	Value distributed					Value retained
FY2019	Revenues	Operating costs	Wages and benefits	Payments to providers of capital	Payments to government	Community investments	(generated less distributed)
Company Level	28,969	(16,146)	(6,435)	(1,270)	(377)	13	4,754

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 philanthropy contributions of more than \$9.6 million and employee giving in excess of \$3.5 million.

Diversity of governance bodies and employees

[405-1](#)

Diversity of governance bodies and employees									
Governance body (e.g. board) members (as of Annual Meeting of March 6, 2019)	Male		Female		Minority or Vulnerable Group		Age Groups		
	Number	%	Number	%	Number	%	% <30 years old	% 30 - 50 years old	% >50 years old
	9	75%	3	25%	5	42%	0%	8%	92%

Employees	Male		Female	
	Global number	Global %	Global number	Global %
Total	94,370	78%	26,103	22%
Managers	10,226	83%	2,152	17%

Employees	Minority or Vulnerable Group		Age Groups		
	Global number	Global %	% <30 years old	% 30 - 50 years old	% >50 years old
Total	12,375	28%	18%	56%	26%
Managers	822	18%	3%	61%	36%

Minority or Vulnerable Group data represents U.S. employees. Age Groups data represents all employees globally.

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

[405-2](#)

Ratio of basic salary and remuneration of women to men, by significant locations* of operations			
Location	2019 Ratio	2018 Ratio	2017 Ratio
Canada	0.86	0.85	0.90
China	0.96	1.03	0.99
Czech Republic	0.71	0.79	0.83
Germany	0.88	0.87	0.94
Mexico	0.96	0.92	1.10
Singapore	0.69	0.69	0.74
Slovakia	0.86	0.81	0.80
Total Home Country	0.93	0.94	0.86
Total Worldwide	0.92	0.93	0.92

*Significant location: location that has a large concentration of employees in both plant and corporate offices.

Incidents of discrimination and corrective actions taken

[406-1](#)

Incidents of discrimination and corrective actions taken			
	2019	2018	2017
Total number of incidents of discrimination	155	112	84

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: All appropriate incidents are 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 Standard Entry Level Wage by Gender Compared to Local Minimum Wage			
Ratio of employee entry level wages to the minimum wage at significant locations of operations	Gender or Total Workforce	Minimum wage used	Ratio of entry level wage to minimum wage
US(HQ)	Men	7.25 USD	3.18
US(HQ)	Women	7.25 USD	3.06
China	Men	2200 CNY	0.95
China	Women	2200 CNY	0.97
Mexico	Men	102.68 MXN	1.11
Mexico	Women	102.68 MXN	1.18
Czech Republic	Men	12,200 CZK	1.37
Czech Republic	Women	12,200 CZK	1.03
Slovakia	Men	520 EUR	1.87
Slovakia	Women	520 EUR	1.66

Ratio of annual total compensation

102-38

Ratio of annual total compensation	
Location	2019 Ratio
Canada	2.59
China	14.56
Czech Republic	4.08
Germany	3.71
Mexico	6.19
Singapore	4.28
Slovakia	4.74
USA	5.29
Total Worldwide	5.68

In providing the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees, we are including full-time employees that are manager-level or above (Corporate only for USA, Canada and Mexico).

Ratio of percentage increase in annual total compensation

[102-39](#)

Ratio of percentage increase in annual total compensation	
Location	2019 Ratio
Canada	1.01
China	0.70
Czech Republic	1.61
Germany	0.75
Mexico	1.20
Singapore	2.56
Slovakia	1.87
Total Home Country	0.58
Total Worldwide	1.28

The ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country is based on the ratio of the median merit percentage increase versus the merit increase of the highest paid employee in that country. The overall global average is 1.28 of the median increase over the highest paid increase

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

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
- Paid time off for employee volunteers

Financial:

- Stock Ownership
- Stock Options
- Relocation Assistance
- Matching gift program

Education:

- Education Benefits: Employee
- 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)

New employee hires and employee turnover[401-1](#)

New employee hires and employee turnover							
Total Workforce		2019		2018		2017	
New Employee Hires		Total Number	Rate	Total Number	Rate	Total Number	Rate
	All age groups	24,395	26%	28,617	24%	26,831	22.6%
Global (excludes hires from acquisition/HAF)	Under 30 years old	10,752	61%	13,334	61%	12,497	55.5%
	Between 30 and 50 years old	11,173	22%	12,742	19%	12,137	18.5%
	Over 50 years old	2,470	9%	2,513	8%	2,197	7.2%
Employee Turnover		Total Number	Rate	Total Number	Rate	Total Number	Rate
	All age groups	22,879	24%	27,571	23.3%	25,108	21.2%
Global (excludes terms from divestiture or facility sold)	Under 30 years old	7,809	44%	9,803	43%	8,546	37.9%
	Between 30 and 50 years old	10,845	21%	13,511	19%	12,552	19.2%
	Over 50 years old	4,222	16%	5,264	5%	4,010	13.1

Gender Diversity

102-8

Gender Diversity			
Women in supervisory	2019	2018	2017
Non-management – male	71,190	84,144	80,429
Non-management – female	22,178	23,951	22,745
Non-management total	93,368	108,095	103,174
Supervisor level and above – male	11,024	12,303	12,440
Supervisor level and above – female	2,701	2,950	2,975
Supervisor level and above	13,732	15,253	15,415
Total employees	107,100	123,348	118,589

Full-time and part-time employees by gender	2019	2018	2017
Full-time – male	80,158	93,799	92,269
Full-time – female	23,571	25,291	24,877
Total full time	103,729	119,090	117,146
Part-time – male	299	571	599
Part-time – female	597	812	843
Total Part-time	896	1,383	1,442

Employees by region	Male	Female
North America	34,029	9,300

Permanent and temporary employees by gender	2019	2018	2017
Indefinite or permanent contract – male	80,583	92,935	91,036
Indefinite or permanent contract – female	24,177	25,539	24,961
Total indefinite or permanent	104,760	118,474	115,997
Fixed term or temporary contract – male	944	1,242	1,685
Fixed term or temporary contract – female	371	496	759
Total fixed term or temporary	1,315	1,738	2,444

Average Hours of Training per Year per Employee

404-1

Average Hours of Training per Year per Employee						
	2019		2018		2017	
Employee category	Male	Female	Male	Female	Male	Female
CEO	4.75	0	1.33	0	6.58	0
President/Executive Vice-President	8.51	5.17	6.50	6.03	5.96	6.17
Vice-President/ General Manager	9.12	10.12	7.8	8.23	5.94	6.32
Director	9.50	10.75	11.54	12.41	7.37	7.93
Manager	12.48	11.10	13.00	13.89	10.23	10.17
Supervisor	10.76	15.56	13.01	16.83	10.02	19.40
Individual Contributor - Professional	14.14	14.54	13.66	17.04	9.50	15.55
Individual Contributor-Support	12.50	13.13	17.20	17.98	12.57	11.78
Overall Average	12.42	12.42			11.07	13.02

Percentage of employees receiving regular performance and career development reviews

404-3

Percentage of employees receiving regular performance and career development reviews			
	2019*	2018*	2017
Male	93	82	38
Female	97	85	48
Total	93	82	40

*FY19 and FY18 data represents percent of salaried employees receiving performance reviews. All managers are asked 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:

More than 75 percent

Explanation of the level(s) at which each formal joint management-worker health and safety committee typically operates within the organization:

The Company 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	2019	2018	2017
Total recordable incidents	Work-Related Fatalities	1	4	0
	Total Recordable Incident Rate (TRIR)	0.41	0.48	0.57
Actual	Percent change in Total Recordable Incident Rate, FY2017 baseline	-28.07%	-15.79%	Baseline year
2025 Sustainability Strategy Goal:	Percent Change in Total Recordable Incident Rate, FY2017 baseline	-6.9%	-3.5%	Baseline year
Lost time incidents	Total Lost Time Incident Rate	0.15	0.17	0.24

- To calculate these figures we follow U.S. OSHA injury classifications globally.
- Metrics include employees and supervised contractors.
- Data is per 200,000 hours and, starting with FY2017 data, reflects our company footprint as of the end of FY2019.

Work-related hazards that pose a risk of ill health

[403-10](#)

- Our Safe Workplace Principle within Johnson Controls Manufacturing System is aligned with the requirements of OHSAS 18001.
- Johnson Controls provides a variety of relevant medical services to assist employees in countries where access to healthcare may be limited.

Supplier Sustainability - Tracking and Accountability

[308-1](#) | [308-2](#) | [414-1](#) | [414-2](#)

Supplier Sustainability - Tracking and Accountability			
	2019	2018	2017
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			
	2019	2018	2017
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 | 102-41

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

Freedom of Association and Collective Bargaining			
Collective bargaining agreements	2019	2018	2017
Percentage of total employees covered by collective bargaining agreements	22	26	29

*Percentage of employees covered by collective bargaining agreements global.

Security Human Rights Training

410-1

Security Human Rights Training			
	2019	2018	2017
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	Yes	Yes

Incidents of Violations Involving Rights of Indigenous Peoples

[411-1](#)

	2019	2018	2017
Total number of identified incidents involving indigenous rights	0	0	0

As there were no incidents, no review and remediation was required

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

[412-1](#)

Operations that have been subject to human rights reviews or impact assessments		
Country	# of Operations	% of Operations
All	All	100%

Employee training on human rights policies or procedures

[412-2](#)

Employee training on human rights policies or procedures			
	2019	2018	2017
Total number of hours devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations	119,006	111,480	67,101
Percentage of employees in the reporting period trained in human rights policies or procedures concerning aspects of human rights that are relevant to operations	91%	97.5%	56.5%

Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

[412-3](#)

Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening			
Significant investment agreements* and contracts that include human rights clauses or that underwent human rights screening: Johnson Controls uses more than 200,000 suppliers.	2019	2018	2017
	100%	100%	100%

*Significant investment agreements are defined as agreements with strategic suppliers.

Product Labeling

[417-1](#)

Product Labeling			
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		
Requirements for product and service information and labeling	2019	2018	2017
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 incidents of non-compliance with product and service information and labeling regulations or voluntary codes.

[417-3](#)

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

Governance Data

Composition of the Board of Directors and its Committees

102-22

Composition of the Board of Directors and its Committees			
Committee Function	Name of Committee	Formal Board Responsibility?	Number of Non-Executive Directors
Audit/Accounting	Audit Committee	✓	4
Remuneration/Compensation	Compensation Committee	✓	4
Nomination	Corporate Governance Committee	✓	3
Major corporate actions	Executive Committee	✓	3
Worldwide Labor Policies and Practices	Executive Compliance Committee; various business unit Compliance Committees		20
Human Rights Issues	Executive Compliance Committee; various business unit Compliance Committees		20
Diversity and Employment Equity	Executive Committee		11
Supply Chain Social Responsibility	Procurement Leadership Team	✓	18
Corp. Social Responsibility, Corp. Citizenship, Sustainable Development	Global Sustainability Council		18
Health and Safety	Corporate Governance Committee	✓	3
Environmental Issues	Corporate Governance Committee Global Sustainability Council	✓	3 18
Risk Management	Risk Committee		11
Ethics Issues	Executive Compliance Committee; various business unit Compliance Committees		114
Political Involvement	PAC Steering Committee		10
Community and Public Affairs	Executive Committee		11
Charitable Giving	Foundation Committee		5

	Male	Female	Total Number
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	8	3	11
Total board	9	3	12
Membership of under-represented social groups	5		
Stakeholder Representation	0		

*Information in this section is as of the Annual Meeting of March 4, 2020.

Executive Leadership Team Responsibility for Corporate Social Responsibility and Sustainability

[102-18](#) | [102-19](#) | [102-20](#) | [102-26](#) | [102-27](#) | [102-29](#)

Executive Leadership Team Responsibility for Corporate Social Responsibility and Sustainability			
As of the annual meeting of March 4, 2020	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	Lynn Minella	Executive Vice President & Chief Human Resources Officer	1 - reports to Chairman and CEO
Community and Public Relations	Grady L. Crosby	Vice President, Public Affairs & Chief Diversity Officer	2 - reports to Chief Human Resources Officer who reports to the Chairman and CEO
Environmental Issues	John Donofrio	Executive Vice President, General Counsel	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 EVP and Chief Financial Officer who reports to the Chairman and CEO
Compliance/Ethics Issues	Andrew Thorson	Vice President, Chief 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

Communication and Training about Anti-Corruption Policies and Procedures

[205-2](#)

Communication and Training about Anti-Corruption Policies and Procedures						
Communication and training on anti-corruption, anti-corruption policies and procedures ⁴	2019		2018		2017	
	Total	Percent	Total	Percent	Total ^{1,2}	Percent
Governance body members	95	97%	214	100%	145	100%
Employees	59,503	91%	55,740	97.5%	68,109	100%
Business partners ³					373	

(1) The FY2017 total is smaller than that of previous years due to Adient spin off.

(2) FY2017 data is based on total employees and percent is calculated based on online employee population of 90,000.

FY2017 Managers and above: 42,724, 100 percent.

(3) Percent based on suppliers who are in-scope for our third-party supplier program.

(4) Due to differing Human Resource management/employee data systems, training and communication data by region is not available.

Confirmed Incidents of Corruption and Actions Taken

102-34 | 205-3

Confirmed Incidents of Corruption and Actions Taken			
	2019	2018	2017
Total number of confirmed incidents of corruption	0	0	2
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	0	0	2
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.

Non-compliance with laws and regulations in the social and economic area

419-1

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.

Currency: USD	2019	2018	2017
Total monetary value of significant fines	\$13,167	\$8,500	\$41,482
Total number of non-monetary sanctions ¹	0	14	16

(1) FY2018 reported data includes environmental fines and NOVs as the outlined scope of this question. FY2019 data reflects our current company footprint. Historic data has not been changed.

Non-compliance with environmental laws and regulations

[103-1](#) | [103-2](#) | [103-3](#) | [307-1](#)

Non-compliance with environmental laws and regulations			
Currency: USD	2019	2018	2017
Total monetary value of significant fines	\$3,002	\$8,500	\$41,482
Number of environmental fines paid by the company	3	1	12
Total number of non-monetary sanctions	1	14	18
Cases brought through dispute resolution mechanisms	See 2019 attachments, 2019 NOVs, Permit Exceedances and Releases for details	See 2018 attachments, 2018 NOVs, Permit Exceedances and Releases for details	See 2017 attachments, 2017 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. We identify and share best practices across the enterprise through the Global Manufacturing and Operations Council and other mechanisms to continuously improve our environmental 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.
- 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.
- FY2019 and FY2018 reported data considers environmental fines and NOVs as the outlined scope of this question.
- See our [2019 Form 10-K](#) for more information.

Political Contributions

[415-1](#)


Political Contributions			
Currency: USD	2019	2018	2017
Recipient: PAC Activity Country: USA	\$271,900	\$142,000	\$223,500









GRI Content Index




GRI Content Index



SASB Standard: Resource Transformation Sector – Electrical and Electronic Equipment

General Standard Disclosures			JCI Sustainability Report	
Disclosure Number	Description	Response	SDG	SASB
Organizational Profile				
102-1	Name of the organization	Johnson Controls International plc One Albert Quay Cork, Ireland www.johnsoncontrols.com		
102-2	Activities, brands, products, and services	www.johnsoncontrols.com – See “Products and Solutions” and “Services and Support” 2019 Form 10-K , Business, Pages 3-6		RT-EE-000.A
102-3	Location of headquarters	2019 Form 10-K , Header Location of Headquarters		
102-4	Location of operations	2019 Form 10-K Properties , Page 21 Global Location Finder JCI Sustainability Report: Location of operations		
102-5	Ownership and legal form	Johnson Controls International plc is a public limited company governed by a board of directors. Articles of Association Corporate Governance		
102-6	Markets served	2019 Form 10-K , Business, Pages 3-6, and Properties, Page 21 Global Site Directory , Page 1 Global Location Finder JCI Sustainability Report: Location of operations		
102-7	Scale of the organization	2019 Form 10-K , Business, Pages 3-6; Employees, Page 6; Selected Financial Data, Pages 26 - 27 Non-Financial Disclosure Report 2020 About Us – Our Company		
102-8	Information on employees and other workers	JCI Sustainability Report: 102-8 Our Employees		RT-EE-000.B

Disclosure Number	Description	Response	SDG	SASB
*Organizational Profile				
102-9	Supply chain	JCI Sustainability Report: Supplier Sustainability Supplier Portal Ethics Expectations of Our Suppliers Supplier Sustainability Supplier Sustainability Rating Johnson Controls Supplier Sustainability Rating Survey		
102-10	Significant changes to the organization and its supply chain	2019 Form 10-K Business, Pages 3-5; Fiscal Year 2019 compared to Fiscal Year 2018, Page 27; Acquisitions and Divestitures and Discontinued Operations, pages 66 - 69		
102-11	Precautionary Principle or approach	Our Sustainability Reporting and Policies Risk Management Process JCI Sustainability Report: Sustainability Approach JCI Sustainability Report: Risk Management Global Environmental Health & Safety Policy Supplier Portal Human Rights & Sustainability Policy Conflict Minerals Policy Code of Ethics		
102-12	External initiatives	JCI Sustainability Report: Sustainability Policies and Commitments Voluntary Corporate Commitments		
102-13	Membership of associations	JCI Sustainability Report: Sustainability Policies and Commitments 2019 Sustainability Memberships		
Strategy				
102-14	Statement from senior decision-maker	JCI Sustainability Report: Letter from George Oliver		
102-15	Key impacts, risks, and opportunities	2019 Form 10-K Risk Factors, Pages 6 - 21 Non-Financial Disclosure Report 2020 JCI Sustainability Report: Sustainability Approach JCI Sustainability Report: Governance Structure Human Rights & Sustainability Policy Code of Ethics Sustainability Materiality Assessment		

Disclosure Number	Description	Response	SDG	SASB
Ethics and Integrity				
102-16	Values, principles, standards, and norms of behavior	JCI Sustainability Report: Ethics and Integrity Our Values Human Rights & Sustainability Policy Energy & Climate Position Code of Ethics		
102-17	Mechanisms for advice and concerns about ethics	JCI Sustainability Report: Ethics and Integrity Code of Ethics Integrity Helpline		
Governance				
102-18	Governance structure	JCI Sustainability Report: Governance Structure 2020 Notice and Proxy Statement , Page 3 includes a table of board members and the committees on which each board member serves. Our Leaders Corporate Sustainability Governance		
102-19	Delegating authority	JCI Sustainability Report: Governance Structure Corporate Sustainability Governance		
102-20	Executive-level responsibility for economic, environmental, and social topics	JCI Sustainability Report: Governance Structure 2020 Notice and Proxy Statement , Executive Officers and Board of Directors, Pages 3 – 10, 31 – 33 Our Leaders Corporate Sustainability Governance		
102-21	Consulting stakeholders on economic, environmental, and social topics	JCI Sustainability Report: Stakeholder Engagement 2020 Notice and Proxy Statement , Pages 22, 24, 34, 42 Sustainability Materiality Assessment Corporate Sustainability Governance		
102-22	Composition of the highest governance body and its committees	JCI Sustainability Report: Board of Directors Committees 2020 Notice and Proxy Statement , Page 3, 31 Johnson Controls Board of Directors		
102-23	Chair of the highest governance body	Corporate Governance Guidelines 2020 Notice and Proxy Statement Page 3, 8		

Disclosure Number	Description	Response	SDG	SASB
*Governance				
102-24	Nominating and selecting the highest governance body	Corporate Governance Charters, Guidelines and Policies 2020 Notice and Proxy Statement , Page 3 – 10, 36: Governance Committee		
102-25	Conflicts of interest	Corporate Governance Charters, Guidelines and Policies Corporate Governance Guidelines , Pages 4, 8-9 2020 Notice and Proxy Statement , Page 29, 44		
102-26	Role of highest governance body in setting purpose, values, and strategy	JCI Sustainability Report: Governance Structure Corporate Governance website 2020 Notice and Proxy Statement , Pages 19 – 33		
102-27	Collective knowledge of highest governance body	JCI Sustainability Report: Governance Structure Governance Committee Charter , Page 1, page 2 section 7 2020 Notice and Proxy Statement , Pages 30 –33		
102-28	Evaluating the highest governance body's performance	Corporate Governance website 2020 Notice and Proxy Statement , Page 21, 26		
102-29	Identifying and managing economic, environmental, and social impacts	Sustainability homepage for Johnson Controls JCI Sustainability Report: Governance Structure JCI Sustainability Report: Risk Management Risk Management Process 2020 Notice and Proxy Statement , Pages 30 –33 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." Human Rights & Sustainability Policy Code of Ethics Corporate Governance website UN Global Compact FY2019 Communication on Progress Non-Financial Disclosure Report 2020		

Disclosure Number	Description	Response	SDG	SASB
*Governance				
102-30	Effectiveness of risk management processes	<p>JCI Sustainability Report: Risk Management JCI Sustainability Report: Global Sustainability Council 2020 Annual Shareholders & Proxy Statement, Page 20 (Board Leadership); Page 21 (Areas of Focus for the Board & Board Oversight of Strategy); Page 22 (Board Oversight of Risk); Page 48 Risk Management Process Non-Financial Disclosure Report 2020</p>		
102-31	Review of economic, environmental, and social topics	<p>JCI Sustainability Report: Governance Structure JCI Sustainability Report: Risk Management 2020 Annual Shareholders & Proxy Statement, Page 20 (Board Leadership); Page 21 (Areas of Focus for the Board & Board Oversight of Strategy); Page 22 (Board Oversight of Risk); Page 48 Non-Financial Disclosure Report 2020</p>		
102-32	Highest governance body's role in sustainability reporting	<p>JCI Sustainability Report: Global Sustainability Council Non-Financial Disclosure Report 2020 is signed by the company's Lead Director and chairman of the board. 2020 Notice and Proxy Statement, Pages 30 -33</p>		
102-33	Communicating critical concerns	<p>JCI Sustainability Report: Ethics and Integrity Code of Ethics Integrity Helpline Corporate Governance website</p>		
102-34	Nature and total number of critical concerns	<p>JCI Sustainability Report: Ethics and Integrity Code of Ethics Integrity Helpline</p> <p>Omission: Information on the nature and total number of critical concerns communicated to executive leadership and the board are highly confidential and are protected by attorney client privilege.</p>		
102-35	Remuneration policies	<p>2020 Annual Shareholders & Proxy Statement, Executive Compensation Framework 42 Executive Compensation Management 44 Fiscal 2019 Compensation Decisions and Outcomes 49 Additional Information 55</p>		

Disclosure Number	Description	Response	SDG	SASB
*Governance				
102-36	Process for determining remuneration	2020 Annual Shareholders & Proxy Statement , Executive Compensation Framework 42 Executive Compensation Management 44 Fiscal 2019 Compensation Decisions and Outcomes 49 Additional Information 55		
102-37	Stakeholders' involvement in remuneration	2020 Annual Shareholders & Proxy Statement , Page 40		
102-38	Annual total compensation ratio	JCI Sustainability Report: 102-38 Our Employees		
102-39	Percentage increase in annual total compensation ratio	JCI Sustainability Report: 102-39 Our Employees		
*Stakeholder Engagement				
102-40	List of stakeholder groups	JCI Sustainability Report: 102-40 Stakeholder Engagement 2019 Sustainability Memberships Sustainability Materiality Assessment		
102-41	Collective bargaining agreements	JCI Sustainability Report: 102-41 Human Rights EEO Employer Code of Ethics		
102-42	Identifying and selecting stakeholders	JCI Sustainability Report: Stakeholder Engagement Sustainability Materiality Assessment		
102-43	Approach to stakeholder engagement	JCI Sustainability Report: 102-43 Stakeholder Engagement Sustainability Materiality Assessment		
102-44	Key topics and concerns raised	JCI Sustainability Report: Stakeholder Engagement Sustainability Materiality Assessment		
*Reporting Practice				
102-45	Entities included in the consolidated financial statements	2019 Form 10-K , Entities Included in the Consolidated Financial Statement, Pages 3-6		
102-46	Defining report content and topic boundaries	JCI Sustainability Report: Stakeholder Engagement JCI Sustainability Report: Sustainability Approach Sustainability Materiality Assessment		

Disclosure Number	Description	Response	SDG	SASB
*Reporting Practice				
102-47	List of material topics	JCI Sustainability Report: Stakeholder Engagement Sustainability Materiality Assessment		
102-48	Restatements of information	2019 Form 10-K , Index to Exhibits, pages 125 - 127 JCI Sustainability Report: 102-48 About Our Reporting		
102-49	Changes in reporting	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.		
102-50	Reporting period	This GRI report is for Johnson Controls Fiscal Year 2019: October 1, 2018 – September 30, 2019 2019 Form 10-K , Header, Page 1		
102-51	Date of most recent report	Our most recent report was published in April 2019. Johnson Controls 2019 Sustainability Report Sustainability Reporting, Policies & Commitments Non-Financial Disclosure Report 2020		
102-52	Reporting cycle	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 April.		
102-53	Contact point for questions regarding the report	Jenna Kunde – Director, Global Sustainability Programs Johnson Controls, 5757 N. Green Bay Avenue, Glendale, WI 53209 Phone: 414-524-2501 Corp-Sustainability@jci.com		
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Comprehensive option.		
102-55	GRI content index	Our full GRI report may be viewed or printed in pdf from Johnson Controls' website, with links provided to supporting documents, at http://www.johnsoncontrols.com/corporate-sustainability/reporting-and-policies		

Disclosure Number	Description	Response	SDG	SASB
*Reporting Practice				

102-56	External assurance	JCI Sustainability Report: 102-56 External Assurance of Data 2019 Verification Statement for JCI-GHG Emissions 2019 Verification Statement for JCI-Waste 2019 Verification Statement for JCI-Water 2020 Annual Report , Audit Committee Report page 12; Report of Independent Registered Public Accounting Firm, pages 49 - 51		
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Global Management Approach				
103-1 103-2 103-3	Explanation of the Material Topic and its Boundary The Management Approach and its Components Evaluation of the Management Approach	JCI Sustainability Report: Explanation of the Material Topic and its Boundary JCI Sustainability Report: Location of Operations JCI Sustainability Report: Ethics and Integrity Sustainability Materiality Assessment 2020 Annual Shareholders & Proxy Statement Non-Financial Disclosure Report 2020 Our Sustainability Reporting and Policies		

Material Topics

Economic





Disclosure Number	Description	Response	SDG	SASB
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Economic Performance

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Sustainability Materiality Assessment JCI Sustainability Report: Location of Operations		
103-2	The management approach and its components	JCI Sustainability Report: Explanation of the Material Topic and its Boundary		
103-3	Evaluation of the management approach	Corporate Governance website Sustainability Governance Non-Financial Disclosure Report 2020 Code of Ethics		

GRI 201: Management Approach 2016

201-1	Direct economic value generated and distributed	JCI Sustainability Report: 201-1 Economic 2019 Form 10-K, Pages 56 and 109	  	
201-2	Financial implications and other risks and opportunities due to climate change	JCI Sustainability Report: Risks and Opportunities due to Climate Change 2019 Awards 2019 Form 10-K, Climate Change Risk Factors, Page 11 CDP Climate Change Leadership List		
201-3	Defined benefit plan obligations and other retirement plans	JCI Sustainability Report: 201-3 Our Employees - Benefits Tomorrow Needs You		
201-4	Financial assistance received from government	<p>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.</p> <p>Omission: We do not currently track centrally all of the types of potential government assistance listed in this indicator.</p>		

Disclosure Number	Description	Response	SDG	SASB
Market Presence				
GRI 103: Management Approach 2016				
103-1 103-2 103-3	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach	2019 Form 10-K , Products/Systems and Services, Pages 3-5 Corporate Governance website Code of Ethics Sustainability Governance Sustainability Materiality Assessment JCI Sustainability Report: Location of Operations JCI Sustainability Report: Explanation of the Material Topic and its Boundary Tomorrow Needs You		
GRI 202: Market Presence 2016				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	JCI Sustainability Report: 202-1 Our Employees – Compensation		
202-2	Proportion of senior management hired from the local community	JCI 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				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Corporate Governance website Sustainability Governance Sustainability Materiality Assessment 2019 Form 10-K Properties, Pages 21 Location of Headquarters JCI Sustainability Report: Explanation of the Material Topic and its Boundary		
103-2	The management approach and its components	JCI Sustainability Report: Indirect Economic Impacts Corporate Social Responsibility Program Overviews Non-Financial Disclosure Report 2020 Code of Ethics Supplier Diversity		



Disclosure Number	Description	Response	SDG	SASB
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103-3	Evaluation of the management approach	Supplier Sustainability Rating Survey 2019 Awards Johnson Controls named IoT Innovator of the Year 2019 Awards: Johnson Controls among Top 100 Global Innovators, 5 time winner Most Intelligent Building – Corporate Headquarters (Bee’ah’s new headquarters in the UAE) Environmental Leader Project of the Year (University of Hawai’i (UH) Maui College)		
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GRI 203: Indirect Economic Impacts 2016

203-1	Infrastructure investments and services supported	<p>JCI Sustainability Report: Indirect Economic Impacts</p> <p>JCI Sustainability Report: Community Engagement</p> <p>Corporate Social Responsibility Program Overviews</p> <p>Non-Financial Disclosure Report 2020</p> <p>Johnson Controls makes \$7.5 million commitment to Milwaukee nonprofits in 2020</p> <p>JCI to implement infrastructure improvement in 43 facilities throughout Lubbock County, Texas</p> <p>JCI to create better environment for Cornell College through \$5.9M in improvements</p> <p>Building resilient communities through infrastructure, innovation and inclusion</p>	    	
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203-2	Significant indirect economic impacts	<p>JCI Sustainability Report: Indirect Economic Impacts</p> <p>JCI Sustainability Report: Community Engagement</p> <p>Corporate Social Responsibility Program Overviews</p> <p>Non-Financial Disclosure Report 2020</p>	    	
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Disclosure Number	Description	Response	SDG	SASB
Procurement Practices				
GRI 103: Management Approach 2016				
103-1 103-2 103-3	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach	JCI 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 JCI Sustainability Report: Explanation of the Material Topic and its Boundary		
GRI 204: Procurement Practices 2016				
204-1	Proportion of spending on local suppliers	JCI Sustainability Report: 204-1 Local Suppliers		
Anti-Corruption				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	JCI Sustainability Report: Explanation of the Material Topic and its Boundary Code of Ethics Sustainability Materiality Assessment		
103-2	The management approach and its components	JCI Sustainability Report: Risk Management Risk Management Process JCI Sustainability Report: Ethics and Integrity JCI Sustainability Report: Human Rights UN Global Compact FY2019 Communication on Progress Human Rights & Sustainability Policy		
103-3	Evaluation of the management approach	Integrity Helpline Non-Financial Disclosure Report 2020		
GRI 205: Anti-corruption 2016				
205-1	Operations assessed for risks related to corruption	JCI Sustainability Report: Risk Management Risk Management Process Human Rights & Sustainability Policy Code of Ethics Non-Financial Disclosure Report 2020		RT-EE-510a.1

Disclosure Number	Description	Response	SDG	SASB
GRI 205: Anti-corruption 2016				
205-2	Communication and training about anti-corruption policies and procedures	JCI Sustainability Report: 205-2 Communication on anti-corruption policies and procedures		
205-3	Confirmed incidents of corruption and actions taken	JCI Sustainability Report: Ethics and Integrity JCI Sustainability Report: 205 -3 Anti-Corruption Supplier Portal Code of Ethics Supplier Sustainability Rating survey Johnson Controls named one of the 2019 World's Most Ethical Companies		RT-EE-510a.2
Anti-Competitive Behavior				
GRI 103: Management Approach 2016				
103-1 103-2 103-3	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach	JCI Sustainability Report: Ethics and Integrity JCI Sustainability Report: Human Rights JCI Sustainability Report: Governance Structure Sustainability Materiality Assessment UN Global Compact FY2019 Communication on Progress Code of Ethics Human Rights & Sustainability Policy Integrity Helpline JCI Sustainability Report: Explanation of the Material Topic and its Boundary	 	
GRI 206: Anti-competitive Behaviour 2016				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2019 Form 10-K , Legal Proceedings, Page 21		RT-EE-510a.3

Material Topics

Environmental

Disclosure Number

Description

Response

SDG

SASB

Materials

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Johnson Controls Tax Strategy		
103-2	The management approach and its components	Sustainability Materiality Assessment		
103-3	Evaluation of the management approach	Code of Ethics JCI Sustainability Report: Explanation of the Material Topic and its Boundary		

GRI 207: TAX 2019

207-1	Approach to tax	Johnson Controls Tax Strategy Corporate Governance 2020 Annual Shareholders & Proxy Statement, page 22, Audit Committee		RT-EE-510a.3
207-2	Tax governance, control and risk management	Johnson Controls Tax Strategy Corporate Governance 2020 Annual Shareholders & Proxy Statement, page 22, Audit Committee		RT-EE-510a.3
207-3	Stakeholder engagement and management of concerns related to tax	Johnson Controls Tax Strategy Corporate Governance 2020 Annual Shareholders & Proxy Statement, page 22, Audit Committee		RT-EE-510a.3
207-4	Country-by-country reporting	Johnson Controls Tax Strategy		RT-EE-510a.3

Environmental









GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	JCI Sustainability Report: Materials		
103-2	The management approach and its components	Sustainability Materiality Assessment		
103-3	Evaluation of the management approach	JCI Sustainability Report: Explanation of the Material Topic and its Boundary Non-Financial Disclosure Report 2020		

GRI 301: MATERIALS 2016

303-1	Materials used by weight or volume	JCI Sustainability Report: 301-1 Materials		
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Disclosure Number	Description	Response	SDG	SASB
303-2	Recycled input materials used	JCI Sustainability Report: 301-2 Materials Sustaining a Sustainability Company First 100% Renewable Energy College Campus in the US		
303-3	Reclaimed products and their packaging materials	JCI Sustainability Report: 301-3 Materials Code of Ethics Human Rights & Sustainability Policy		
Energy				
GRI 103: Management approach 2016				
103-1	Explanation of the material topic and its Boundary	2019 Awards Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the Material Topic and its Boundary JCI Sustainability Report: Energy Energy and Efficiency Services Sustainability Reporting, Policies & Commitments	 	
103-2	The management approach and its components	JCI Sustainability Report: Energy Non-Financial Disclosure Report 2020 2019 Awards: Johnson Controls among Top 100 Global Innovators, 5 time winner	 	
103-3	Evaluation of the management approach	JCI Sustainability Report: Energy 2019 Awards 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 2019 World's Most Ethical Companies 2018 Awards DOE Better Plants Goal Achievement Award DOE Better Buildings Better Plants Challenge Non-Financial Disclosure Report 2020	 	
GRI 302: Energy				
302-1	Energy consumption within the organization	JCI Sustainability Report: 302-1 Energy 2019 Verification Statement for JCI-GHG Emissions	 	RT-EE-130a.1




Disclosure Number	Description	Response	SDG	SASB
*Energy				
302-2	Energy consumption outside of the organization	JCI Sustainability Report: 302-2 Energy 2019 Verification Statement for JCI-GHG Emissions	  	RT-EE-130a.1
302-3	Energy intensity	JCI Sustainability Report: 302-3 Energy 2019 Verification Statement for JCI-GHG Emissions Non-Financial Disclosure Report 2020	  	RT-EE-130a.1
302-4	Reduction of energy consumption	JCI Sustainability Report: 302-4 Energy DOE Better Buildings Better Plants Challenge	  	
302-5	Reductions in energy requirements of products and services	JCI Sustainability Report: 302-5 Energy BE Energy Performance Contracting Buildings - HVAC Equipment Project - Johnson Controls partners with the Town of Walden on floating solar photovoltaic (PV) array Project - University of North Dakota partners with Johnson Controls to build new steam plant Non-Financial Disclosure Report 2020		
Water				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the Material Topic and its Boundary Energy and Efficiency Services - Water JCI Sustainability Report: Water		
103-2	The management approach and its components	JCI Sustainability Report: Water EPRI Technology Abstract on Thermosyphon Cooling Case Study - Glendale Corporate Headquarters Energy and Efficiency Services - Water		
103-3	Evaluation of the management approach	JCI Sustainability Report: Water Non-Financial Disclosure Report 2020 BlueStream Hybrid Cooling System		




Disclosure Number	Description	Response	SDG	SASB
GRI 303: Water and Effluents 2018				
303-1	Interactions with water as a shared resource	2019 Verification Statement for JCI-Water Non-Financial Disclosure Report 2020 Energy and Efficiency Services - Water		
303-2	Management of water discharge-related impacts	2019 Verification Statement for JCI-Water Non-Financial Disclosure Report 2020 Energy and Efficiency Services - Water		
303-3	Water withdrawal by source	JCI Sustainability Report: 303-3 Water 2019 Verification Statement for JCI-Water Non-Financial Disclosure Report 2020		
303-4	Water discharge	JCI Sustainability Report: 303-4 Water 2019 Verification Statement for JCI-Water Human Rights & Sustainability Policy		
303-5	Water consumption	JCI Sustainability Report: 303-5 Water 2019 Verification Statement for JCI-Water Case Study - Glendale Corporate Headquarters Energy and Efficiency Services - Water Omission: Unavailable		
Biodiversity				
GRI 103: Management Approach 2016				
103-1 103-2 103-3	Explanation of the material topic and its Boundary The management approach and its components Evaluation of the management approach	JCI Sustainability Report: Biodiversity Human Rights & Sustainability Policy Code of Ethics Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the Material Topic and its Boundary		
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	JCI Sustainability Report: 304-1 Biodiversity Code of Ethics UN Global Compact FY2019 Communication on Progress Omission: Unavailable		
304-2	Significant impacts of activities, products, and services on biodiversity	JCI Sustainability Report: 304-2 Biodiversity Omission: Unavailable		
304-3	Habitats protected or restored	JCI Sustainability Report: 304-3 Biodiversity Omission: Unavailable		

Disclosure Number	Description	Response	SDG	SASB
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	JCI Sustainability Report: 304-4 Biodiversity Omission: Unavailable		

Emissions




GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the Material Topic and its Boundary JCI Sustainability Report: Emissions DOE Better Buildings Better Plants Challenge	  	
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103-2	The management approach and its components	JCI Sustainability Report: Emissions Non-Financial Disclosure Report 2020 Sustainability homepage for Johnson Controls	  	
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103-3	Evaluation of the management approach	JCI Sustainability Report: Emissions 2019 Awards DOE Better Buildings Better Plants Challenge Johnson Controls named to 2019 World's Most Ethical Companies 2019 Awards: Johnson Controls among Top 100 Global Innovators, 5 time winner 2019 Awards Corporate Responsibility Magazine names Johnson Controls to 100 Best Corporate Citizens List Non-Financial Disclosure Report 2020	  	
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GRI 305: Emissions 2016


305-1	Direct (Scope 1) GHG emissions	JCI Sustainability Report: 305-1 Emissions 2019 Verification Statement for JCI-GHG Emissions 2019 Awards Dow Jones Sustainability Index	  	
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305-2	Energy indirect (Scope 2) GHG emissions	JCI Sustainability Report: 305-2 Emissions 2019 Verification Statement for JCI-GHG Emissions 2019 Awards Dow Jones Sustainability Index		
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Disclosure Number	Description	Response	SDG	SASB
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*Emissions

305-3	Other indirect (Scope 3) GHG emissions	<p>JCI Sustainability Report: 305-3 Emissions 2019 Verification Statement for JCI-GHG Emissions</p> <p>BE Energy Performance Contracting Supplier Sustainability Rating Survey</p> <p>2019 Awards Dow Jones Sustainability Index</p>	  	
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305-4	GHG emissions intensity	<p>JCI Sustainability Report: 305-4 Emissions 2019 Verification Statement for JCI-GHG Emissions</p> <p>2019 Awards Dow Jones Sustainability Index</p> <p>Non-Financial Disclosure Report 2020</p>		
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305-5	Reduction of GHG emissions	<p>JCI Sustainability Report: 305-5 Emissions DOE Better Buildings Better Plants Challenge Case Study - Glendale Corporate Headquarters</p> <p>Johnson Controls Advances Environmental Sustainability with low GWP refrigerants. 2019 Awards Dow Jones Sustainability Index</p>		
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305-6	Emissions of ozone-depleting substances (ODS)	<p>JCI Sustainability Report: 305-6 Emissions Johnson Controls Advances Environmental Sustainability with chiller platforms compatible with low GWP refrigerants</p> <p>Energy & Climate Position Making the Refrigerant Transition White Paper</p> <p>Human Rights & Sustainability Policy</p>	  	
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Disclosure Number	Description	Response	SDG	SASB
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*Emissions

305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	JCI Sustainability Report: 305-7 Emissions 2019 Verification Statement for JCI-GHG Emissions 2019 Stack & Fugitive Emissions		
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Effluents and Waste



GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	JCI Sustainability Report: Effluents and Waste		
103-2	The management approach and its components	Sustainability Materiality Assessment		
103-3	Evaluation of the management approach	JCI Sustainability Report: Explanation of the Material Topic and its Boundary Non-Financial Disclosure Report 2020		

GRI 306: Effluents and Waste 2016



306-1	Water discharge by quality and destination	JCI Sustainability Report: 306-1 Effluents and Waste 2019 Verification Statement for JCI-Water 2019 NOV, Permit Exceedances and Releases Code of Ethics Energy and Efficiency Services - Water Human Rights & Sustainability Policy		RT-EE-150a.1
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306-2	Waste by type and disposal method	JCI Sustainability Report: 306-2 Effluents and Waste 2019 Verification Statement for JCI-Waste Code of Ethics Human Rights & Sustainability Policy Non-Financial Disclosure Report 2020	 	
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306-3	Significant spills	JCI Sustainability Report: 306-3 Effluents and Waste 2019 NOV, Permit Exceedances and Releases 2018 NOV, Permit Exceedances and Releases 2017 NOV, Permit Exceedances and Releases 2019 Form 10-K, Environmental Matters, Page 111, AFFF Matters, page 113 - 116	 	RT-EE-150a.2
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Disclosure Number	Description	Response	SDG	SASB
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*GRI 306: Effluents and Waste 2016

306-4	Transport of hazardous waste	JCI Sustainability Report: 306-4 Effluents and Waste 2019 Verification Statement for JCI-Waste	 	
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306-5	Water bodies affected by water discharges and/or runoff	JCI Sustainability Report: 306-5 Effluents and Waste		
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Environmental Compliance
GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Code of Ethics Sustainability Materiality Assessment 2020 Annual Shareholders & Proxy Statement , Sustainability, Pages 2, 19, 30 - 33; Environmental Reserve, page 83; Environmental, Health & Safety Matters, page 95 and 136; Environmental Capital Expenditures, page 95; Risks, page 98 and 101 JCI Sustainability Report: Environmental Compliance		
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103-2	The management approach and its components	JCI Sustainability Report: Environmental Compliance		
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103-3	Evaluation of the management approach	JCI Sustainability Report: Environmental Compliance		
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***Environmental Compliance**
GRI 307: Environmental Compliance 2016

307-1	Non-compliance with environmental laws and regulations	JCI Sustainability Report: 307-1 Environmental Compliance 2019 NOV, Permit Exceedances and Releases 2018 NOV, Permit Exceedances and Releases 2017 NOV, Permit Exceedances and Releases 2019 Form 10-K , Environmental Matters Page 111		
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Disclosure Number	Description	Response	SDG	SASB
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Supplier Environmental Assessment

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Sustainability Materiality Assessment JCI Sustainability Report: Supplier Sustainability		
103-2	The management approach and its components	JCI Sustainability Report: Supplier Sustainability Code of Ethics Conflict Minerals Policy Slavery and Human Trafficking Policy Supplier Portal		
103-3	Evaluation of the management approach	JCI Sustainability Report: Supplier Sustainability Supplier Sustainability Rating Supplier Sustainability Rating survey – Johnson Controls Supplier Sustainability Rating Survey Letter		

*Supplier Environmental Assessment

GRI 308: Supplier Environmental Assessment 2016

308-1	New suppliers that were screened using environmental criteria	JCI Sustainability Report: 308-1 Supplier Environmental Assessment		
308-2	Negative environmental impacts in the supply chain and actions taken	JCI Sustainability Report: 308-2 Supplier Environmental Assessment Supplier Sustainability Rating survey Supplier Diversity Code of Ethics Supplier Portal		

Material Topics

Social

Disclosure Number	Description	Response	SDG	SASB
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Employment

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	2019 Form 10-K Sustainability Materiality Assessment JCI Sustainability Report: Social JCI Sustainability Report: Our Employees Non-Financial Disclosure Report 2020 EEO Employer		
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103-2	The management approach and its components	Tomorrow Needs You UN Global Compact FY2019 Communication on Progress Human Rights & Sustainability Policy Code of Ethics JCI Sustainability Report: Ethics and Integrity JCI Sustainability Report: Social Careers: Women and Military		
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103-3	Evaluation of the management approach	2018 Black Enterprise 50 Best Companies for Diversity 2019 Awards - Best of the Best for U.S. Veterans 2019 Awards - Top 50 Employers for Women Engineers 2019 Awards Corporate Responsibility Magazine names Johnson Controls to 100 Best Corporate Citizens List Johnson Controls named to 2019 World's Most Ethical Companies Integrity Helpline		
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GRI 401: Employment 2016

401-1	New employee hires and employee turnover	JCI Sustainability Report: 401-1 Our Employees		
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401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	JCI Sustainability Report: 401-2 Our Employees		
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401-3	Parental leave	As of 2018, we do not track parental leave separately from family medical leave or paid disability.		
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Disclosure Number	Description	Response	SDG	SASB
Labor/Management Relations				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	EEO Employer Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the Material Topic and its Boundary JCI Sustainability Report: Social		
103-2	The management approach and its components	Human Rights & Sustainability Policy JCI Sustainability Report: Ethics and Integrity JCI Sustainability Report: Social		
103-3	Evaluation of the management approach	UN Global Compact FY2019 Communication on Progress		
GRI 402: Labor/Management Relations 2016				
402-1	Minimum notice periods regarding operational changes	JCI Sustainability Report: 402-1 Continued Employability		
Occupational Health and Safety				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the Material Topic and its Boundary JCI Sustainability Report: Our Employees – Health and Safety Global Environment, Health & Safety (EHS) Policy		
103-2	The management approach and its components	JCI Sustainability Report: Our Employees – Health and Safety JCI Sustainability Report: Ethics and Integrity	 	
103-3	Evaluation of the management approach	Integrity Helpline JCI Sustainability Report: Our Employees – Health and Safety Global Environment, Health & Safety (EHS) Policy	 	

Disclosure Number	Description	Response	SDG	SASB
GRI 403: Occupational Health and Safety 2018				
403-1	Occupational health and safety management system	JCI Sustainability Report: 403-1 Health and Safety Global Environment, Health & Safety (EHS) Policy	 	
403-2	Hazard identification, risk assessment and incident investigation	JCI Sustainability Report: 403-2 Health and Safety Global Environment, Health & Safety (EHS) Policy	 	
403-3	Occupational health services	JCI Sustainability Report: 403-3 Health and Safety Global Environment, Health & Safety (EHS) Policy	 	
403-4	Worker participation, consultation and communication on occupational health and safety	JCI Sustainability Report: 403-4 Health and Safety Code of Ethics Global Environment, Health & Safety (EHS) Policy	 	
403-5	Worker training on occupational health and safety	JCI Sustainability Report: Health and Safety - Overview JCI Sustainability Report: Health and Safety - training JCI Sustainability Report: Employee Development Training and Education Global Environment, Health & Safety (EHS) Policy	 	
403-6	Promotion of worker health	JCI Sustainability Report: Health and Safety - Overview Global Environment, Health & Safety (EHS) Policy	 	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	JCI Sustainability Report: Health and Safety - Overview Global Environment, Health & Safety (EHS) Policy	 	
403-8	Workers covered by an occupational health and safety management system	JCI Sustainability Report: Health and Safety - Overview Global Environment, Health & Safety (EHS) Policy	 	
403-9	Work-related injuries	JCI Sustainability Report: 403-9 Health and Safety JCI Sustainability Report: Health and Safety - Overview Global Environment, Health & Safety (EHS) Policy	 	

Disclosure Number	Description	Response	SDG	SASB
403-10	Work-related ill health	JCI Sustainability Report: 403-10 Health and Safety JCI Sustainability Report: Health and Safety - Overview Global Environment, Health & Safety (EHS) Policy	 	
Training and Education				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the Material Topic and its Boundary JCI Sustainability Report: Our Employees - Employee Development	 	
103-2	The management approach and its components	JCI Sustainability Report: Our Employees - Employee Development Tomorrow Needs You Non-Financial Disclosure Report 2020	 	
103-3	Evaluation of the management approach	JCI Sustainability Report: Our Employees - Employee Development EEO Employer	 	
GRI 404: Training and Education 2016				
404-1	Average hours of training per year per employee	JCI Sustainability Report: 404-1 Our Employees - Employee Development	 	
404-2	Programs for upgrading employee skills and transition assistance programs	JCI Sustainability Report: 404-2 Our Employees - Employee Development JCI Sustainability Report: Employee Development Training and Education	 	
404-3	Percentage of employees receiving regular performance and career development reviews	JCI Sustainability Report: 404-3 Our Employees - Employee Development Tomorrow Needs You	 	
Diversity and Equal Opportunity				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Management approach includes Diversity, Equal Opportunity and Non Discrimination. JCI Sustainability Report: Our Employees - Diversity and Inclusion Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the Material Topic and its Boundary About Us - Diversity & Inclusion	 	

Disclosure Number	Description	Response	SDG	SASB
103-2	The management approach and its components	JCI Sustainability Report: Diversity and Inclusion Code of Ethics EEO Employer Human Rights & Sustainability Policy UN Global Compact FY2019 Communication on Progress Non-Financial Disclosure Report 2020 Careers: Women and Military	 	
103-3	Evaluation of the management approach	2019 Awards 2019 Awards - Top Employer in China 2019 Awards - 50 Best Companies for Diversity 2019 Awards - Best of the Best for U.S. Veterans 2019 Awards - Top 50 Employers for Women Engineers Johnson Controls named to 2019 World's Most Ethical Companies JCI Sustainability Report: Ethics and Integrity JCI Sustainability Report: Diversity and Inclusion Integrity Helpline Non-Financial Disclosure Report 2020	 	
GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	JCI Sustainability Report: 405-1 Our Employees 2020 Annual Shareholders & Proxy Statement, Pages 22 - 23, 27 - 29	 	
405-2	Ratio of basic salary and remuneration of women to men	JCI Sustainability Report: 405-2 Our Employees 2019 Awards Code of Ethics 2019 Awards - Top Employer in China 2019 Awards - 50 Best Companies for Diversity 2019 Awards - Best of the Best for U.S. Veterans 2019 Awards - Top 50 Employers for Women Engineers	 	

Disclosure Number	Description	Response	SDG	SASB
GRI 406: Non-Disrimination 2016				


406-1	Incidents of discrimination and corrective actions taken	JCI Sustainability Report: 406-1 Social Data JCI Sustainability Report: Our Employees – Diversity and Inclusion Code of Ethics EEO Employer Integrity Helpline		
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Freedom of Association and Collective Bargaining

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	JCI Sustainability Report: Human Rights Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the Material Topic and its Boundary		
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103-2	The management approach and its components	JCI Sustainability Report: Ethics and Integrity Human Rights & Sustainability Policy UN Global Compact FY2019 Communication on Progress Code of Ethics Ethics & Human Rights section of the Non-Financial Disclosure Report 2020		
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103-3	Evaluation of the management approach	UN Global Compact FY2019 Communication on Progress Code of Ethics Integrity Helpline		
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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	JCI Sustainability Report: 407-1 Human Rights Human Rights & Sustainability Policy Code of Ethics Integrity Helpline		
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Disclosure Number	Description	Response	SDG	SASB
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Child Labor

103-1	Explanation of the material topic and its Boundary	JCI Sustainability Report: Human Rights Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the material topic and its boundary		
103-2	The management approach and its components	JCI Sustainability Report: Human Rights Human Rights & Sustainability Policy JCI Sustainability Report: Ethics and Integrity Code of Ethics UN Global Compact FY2019 Communication on Progress Slavery and Human Trafficking Policy Slavery and Human Trafficking Statement Ethics & Human Rights section of the Non-Financial Disclosure Report 2020		
103-3	Evaluation of the management approach	Integrity Helpline Johnson Controls named to 2019 World's Most Ethical Companies		

GRI 408: CHILD LABOR 2016

408-1	Operations and suppliers at significant risk for incidents of child labor	JCI Sustainability Report: 408-1 Human Rights		
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Forced or Compulsory Labor

103-1	Explanation of the material topic and its Boundary	JCI Sustainability Report: Human Rights Sustainability Materiality Assessment UN Global Compact FY2019 Communication on Progress JCI Sustainability Report: Explanation of the material topic and its boundary Non-Financial Disclosure Report 2020		
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Disclosure Number	Description	Response	SDG	SASB
103-2	The management approach and its components	UN Global Compact FY2019 Communication on Progress JCI Sustainability Report: Ethics and Integrity Conflict Minerals Policy Slavery and Human Trafficking Policy Slavery and Human Trafficking Statement Human Rights & Sustainability Policy Code of Ethics		
103-3	Evaluation of the management approach	Integrity Helpline Johnson Controls named to 2019 World's Most Ethical Companies		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	JCI Sustainability Report: 409-1 Human Rights JCI Sustainability Report: Ethics and Integrity UN Global Compact FY2019 Communication on Progress Slavery and Human Trafficking Policy Human Rights & Sustainability Policy Code of Ethics		
Security Practices				
103-1	Explanation of the material topic and its Boundary	JCI Sustainability Report: Human Rights Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the material topic and its boundary		
103-2	The management approach and its components	JCI Sustainability Report: Ethics and Integrity UN Global Compact FY2019 Communication on Progress Code of Ethics		
103-3	Evaluation of the management approach	Integrity Helpline		
410-1	Security Personnel Trained in Human Rights Policies or Procedures	JCI Sustainability Report:: 410-1 Human Rights Integrity Helpline Code of Ethics		

Disclosure Number	Description	Response	SDG	SASB
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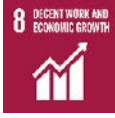



Rights of Indigenous Peoples

103-1	Explanation of the material topic and its Boundary	JCI Sustainability Report: Human Rights Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the material topic and its boundary		
103-2	The management approach and its components	UN Global Compact FY2019 Communication on Progress Human Rights & Sustainability Policy Code of Ethics JCI Sustainability Report: Ethics and Integrity Slavery and Human Trafficking Policy		
103-3	Evaluation of the management approach	EEO Employer Integrity Helpline		
411-1	Incidents of Violations Involving Rights of Indigenous Peoples	JCI Sustainability Report: 411-1 Human Rights JCI Sustainability Report: Ethics and Integrity		

Human Rights Assessment

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	JCI Sustainability Report: Human Rights Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the material topic and its boundary		
103-2	The management approach and its components	UN Global Compact FY2019 Communication on Progress Slavery and Human Trafficking Policy Human Rights & Sustainability Policy Code of Ethics JCI Sustainability Report: Human Rights JCI Sustainability Report: Ethics and Integrity JCI Sustainability Report: Our Employees - Health and Safety		

Disclosure Number	Description	Response	SDG	SASB
103-3	Evaluation of the management approach	Integrity Helpline Supplier Sustainability Rating Survey 2019 Awards Johnson Controls named to 2019 World's Most Ethical Companies Non-Financial Disclosure Report 2020		
GRI 412: Human Rights Assessment 2016				
412-1	Operations that have been subject to human rights reviews or impact assessments	JCI Sustainability Report: 412-1 Human Rights JCI Sustainability Report: Ethics and Integrity JCI Sustainability Report: Health and Safety		
412-2	Employee training on human rights policies or procedures	JCI Sustainability Report: 412-2 Human Rights Code of Ethics		
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	JCI Sustainability Report: 412-3 Human Rights Supplier Portal Human Rights & Sustainability Policy Code of Ethics Supplier Sustainability Ratings Slavery and Human Trafficking Policy		
Local Communities				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Corporate Social Responsibility Program Overviews Non-Financial Disclosure Report 2020 JCI Sustainability Report: Explanation of the material topic and its boundary JCI Sustainability Report: Community Engagement		
103-2	The management approach and its components	JCI Sustainability Report: Community Engagement Corporate Social Responsibility Program Overviews		
103-3	Evaluation of the management approach	Sustainability Awards and Recognition Non-Financial Disclosure Report 2020		

Disclosure Number	Description	Response	SDG	SASB
GRI 413: Local Communities 2016				
413-1	Operations with local community engagement, impact assessments, and development programs	JCI Sustainability Report: 413-1 Community Engagement Corporate Social Responsibility Program Overviews		
413-2	Operations with significant actual and potential negative impacts on local communities	JCI Sustainability Report: 413-2 Community Engagement Corporate Social Responsibility Program Overviews		
Supplier Social Assessment				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Supplier Portal Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the material topic and its boundary JCI Sustainability Report: Supplier Sustainability		
103-2	The management approach and its components	JCI Sustainability Report: Supplier Sustainability Assessment Supplier Sustainability Conflict Minerals Policy Code of Ethics Slavery and Human Trafficking Policy		
103-3	Evaluation of the management approach	JCI Sustainability Report: Supplier Sustainability Assessment Non-Financial Disclosure Report 2020		
GRI 414: Supplier Social Assessment 2016				
414-1	New suppliers that were screened using social criteria	JCI Sustainability Report: 414-1 Supplier Sustainability Assessment Supplier Portal Supplier Sustainability Rating		
414-2	Negative social impacts in the supply chain and actions taken	JCI Sustainability Report: 414-2 Supplier Sustainability Assessment		RT-EE-510a.1


















Disclosure Number	Description	Response	SDG	SASB
Public Policy				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Public Reporting Policies JCI Sustainability Report: Public Policy Code of Ethics 2019 Materiality Assessment JCI Sustainability Report: Explanation of the material topic and its boundary		
103-2	The management approach and its components	JCI Sustainability Report: Public Policy 2019 Sustainability Memberships Public Reporting Policies Political Contributions Policy Code of Ethics		
103-3	Evaluation of the management approach	Public Reporting Policies		
GRI 415: Public Policy 2016				
415-1	Political contributions	2017 PAC Contributions 2018 PAC Contributions 2019 PAC Contributions Political Contributions Policy Public Reporting Policies JCI Sustainability Report: 415-1 Political Contributions		
Customer Health and Safety, Marketing & Labeling				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	JCI Sustainability Report: Customer Health and Safety Health and Safety - Overview Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the material topic and its boundary Management approach includes Customer Health and Safety, Marketing & Labeling		
103-2	The management approach and its components	JCI Sustainability Report: Customer Health and Safety Global Environment, Health & Safety (EHS) Policy Health and Safety - Overview		
103-3	Evaluation of the management approach	Health and Safety - Overview JCI Sustainability Report: Customer Health and Safety		

Disclosure Number	Description	Response	SDG	SASB
GRI 416: Customer Health and Safety 2016				
416-1	Assessment of the health and safety impacts of product and service categories	JCI Sustainability Report: 416-1 Customer Health and Safety		RT-EE-250a.1
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	JCI Sustainability Report: 416-2 Customer Health and Safety		RT-EE-250a.2
GRI 417: Marketing and Labeling 2016				
417-1	Requirements for product and service information and labeling	JCI Sustainability Report: 417-1 Marketing and labeling		
417-2	Incidents of non-compliance concerning product and service information and labeling	JCI Sustainability Report: 417-2 Marketing and labeling		
417-3	Incidents of non-compliance concerning marketing communications	JCI Sustainability Report: 417-3 Marketing and labeling		
Customer Privacy				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	Sustainability Materiality Assessment JCI Sustainability Report: Explanation of the material topic and its boundary Privacy Notice and Binding Corporate Rules JCI Sustainability Report: Customer Privacy		
103-2	The management approach and its components	JCI Sustainability Report: Customer Privacy Privacy Notice and Binding Corporate Rules		
103-3	Evaluation of the management approach	Privacy Notice and Binding Corporate Rules		

Disclosure Number	Description	Response	SDG	SASB
GRI 418: Customer Privacy 2016				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	JCI Sustainability Report: 418-1 Customer Privacy Privacy Notice and Binding Corporate Rules		
Socioeconomic Compliance				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	UN Global Compact FY2019 Communication on Progress Code of Ethics Human Rights & Sustainability Policy JCI Sustainability Report: Explanation of the material topic and its boundary		
103-2	The management approach and its components	UN Global Compact FY2019 Communication on Progress Code of Ethics 2019 Form 10-K, Pages 5, 21, 46, and 111 - 117		
103-3	Evaluation of the management approach	Johnson Controls named to 2019 100 Best Corporate Citizens List Johnson Controls named to 2019 World's Most Ethical Companies		
GRI 419: Socioeconomic Compliance 2016				
419-1	Non-compliance with laws and regulations in the social and economic area	JCI Sustainability Report: 419-1 Compliance JCI Sustainability Report: Ethics and Integrity 2019 Form 10-K, Pages 5, 21, 46, and 111 - 117		

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We are honored to be recognized

<p>2019 World's Most Ethical Company Ethisphere Magazine</p>	<p>100 Best Corporate Citizens, 2019 Corporate Responsibility Magazine 14 selections since 2006</p>	<p>MSCI  AAA Rating</p>
<p>Carbon Clean 200 Corporate Knights and As You Sow Since 2016</p>	<p> DISCLOSURE INSIGHT ACTION</p>	<p>Corporate ESG Performance RATED BY ISS ESG  Prime</p>
<p>MEMBER OF Dow Jones Sustainability Indices In collaboration with  15 selections since 2005</p>	<p>Calvert  An Eaton Vance Company</p>	<p>Ecovadis Gold CSR Rating, 2019 </p>
<p> EURONEXT  Euronext Vigeo Eiris World 120 and U.S. 50</p>	<p>STOXX Global ESG Leaders</p>	<p>FTSE4Good Index Series  FTSE Russell Environment Opportunities 100 Index</p>
<p> Most Efficient 2020 ENERGY STAR www.energystar.gov</p>	<p>Since 2004, Johnson Controls has been committed to the UN Global Compact and its principles of human rights, labor, the environment and anti-corruption.  WE SUPPORT</p>	<p> </p>
<p>Derwent Top 100 Global Innovators 5 time winner </p>	<p>Sustainability Product of the Year </p>	<p>Forbes Best Corporate Citizens List 2019</p>
<p>Five honors in the 2019 Brandon Hall Group Human Capital Management Excellence Awards</p>	<p>Top Employers - China 2019 </p>	<p>Top Veteran-Friendly Companies, 2019 </p>

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