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Letter from George Oliver, Chairman and CEO, and Katie McGinty, Vice President and Chief Sustainability and External Relations Officer. At Johnson Controls, our purpose is to build smart, safe, healthy and sustainable tomorrows. Sustainability is not just an environmental imperative but a powerful business strategy unlocking new areas of growth and allowing customers to preserve capital.

Imagine a world where buildings, which account for nearly 40% of global carbon emissions, become the heroes of our climate story.

By leveraging the trifecta of efficiency, electrification and digitalization, we significantly reduce carbon emissions and operational costs. In fact, putting technology to work in buildings should be the star of an emission reductions show because cash drops to the bottom line even as carbon drops out of your operations.

Putting data to work supercharges this carbon-cash double bottom line win. OpenBlue, our digital smart buildings platform, processes millions of data points to optimize energy use – demonstrating the power of digitalization in achieving sustainability goals.

As an example, Standard Chartered Bank across Asia Pacific reduced energy by 10%-12% and reported more than \$250,000 in cost savings in just six months using OpenBlue.

At the 2024 Paris Olympics, our advanced building automation systems, HVAC and fire suppression technologies significantly contributed to reducing the event's carbon footprint by 54.6% compared to previous Games. This achievement underscores our commitment and ability to setting new standards for world-class energy-efficient and sustainable buildings.

#### The business case for sustainability

Our approach to sustainability is about being green both ways — good for the bottom line and the planet. In 2024, we reported 59% sustainable revenue and 88% of new product research and development was allocated to climate-related innovation of sustainable products and services. These figures highlight the intersection of sustainability and our value proposition.

Achieving sustainability goals requires not only the will but also the means. That's why we have developed multiple financing mechanisms to make sustainability projects accessible to our customers. By electrifying operations and optimizing energy efficiency through our digital platforms, we help customers save on costs while accelerating climate action.

We are partners in this journey with our customers, and to date we've delivered for them nearly \$9 billion in energy and operational savings as well as some 41 million metric tons of avoided  $CO_2e$ .

#### **Celebrating 140 years of innovation**

This year marks the 140th anniversary of Johnson Controls. Our journey has been one of continuous innovation and leadership in sustainability. From our early days to the present digital era, we have consistently shaped and reshaped the industry. Our legacy of innovation has not only driven our success but also made a significant impact on the world. We are proud to have achieved and exceeded our 2025 sustainability commitments, including a 56% reduction in greenhouse gas intensity and a 28% reduction in energy intensity since 2017. We have reduced Scope 1 and 2 emissions 48% and Scope 3 emissions from the use of sold products by 20%, putting us solidly on a path to meet and exceed our 2030 goals. As we celebrate these milestones, we remain committed to leading the next era of sustainability with practical, cost-saving solutions for both our Johnson Controls operations and those of our customers.

We invite you to explore this report and join us in our mission to create a sustainable future. With data and state-of-the-art technology, we can turn buildings from one of the greatest climate challenges into one of the biggest climate solutions. We are truly on the cusp of a new era where strategic sustainability drives commercial and competitive advantage as well. We'll show that the future is bright for our communities, for companies and commerce, and for our climate.

#### **George Oliver**

Chairman and CEO

#### **Katie McGinty**

Vice President and Chief Sustainability and External Relations Officer

























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#### 2024 sustainability performance

We exceeded our 2025 goals

2017 baseline year, results as of the end of fiscal year 2024. This is the final year of reporting our 2025 targets.

#### Sustainable **GHG** emissions, **High-performance** Scope 1 and 2 culture products and solutions 56% 28% 48% 84% 39% 20% **2**m reduction in of volunteer hours reduction in Scope 3 reduction in reduction in two million reduction in recordable safety aligned to the emissions from the GHG intensity at energy intensity at absolute Scope 1 volunteer hours at Results **UN Sustainable** incident rates at use of sold products the end of 2024 the end of 2024 and 2 emissions the end of 2024 **Development Goals** the end of 2024 25% 25% 55% 25% 80% 16% **2**m of volunteer reduction in reduction of reduction in two million absolute Scope 1 reduction of energy recordable safety Scope 3 emissions reduction of GHG hours aligned to the employee volunteer **Targets** from the use of sold intensity by 2025 intensity by 2025 and 2 emissions **UN Sustainable** incident rates hours by 2025 products in 2030 by 2025 **Development Goals** in 2030

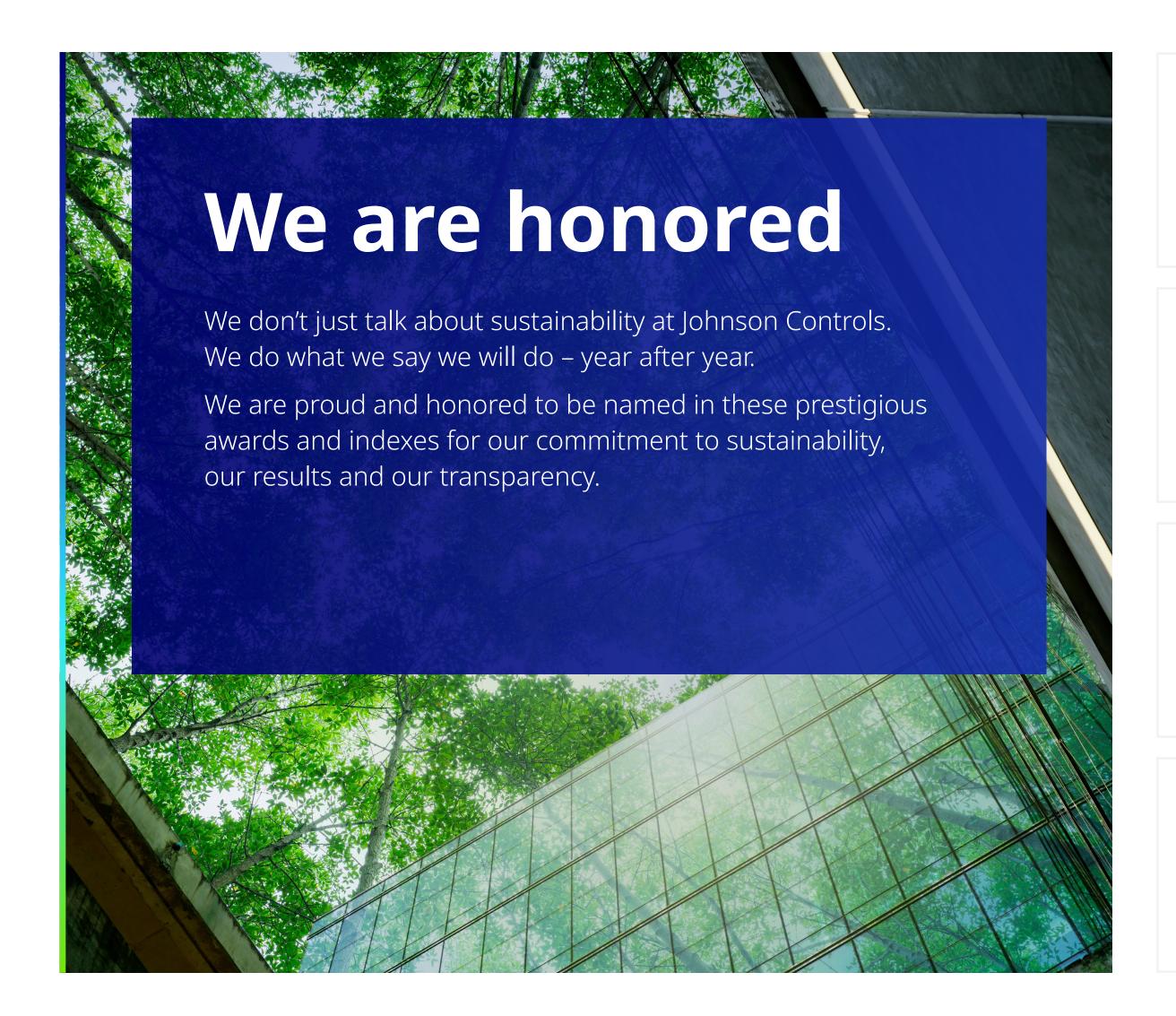
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#### 2024 CDP Climate Change A List

For leadership in environmental transparency and performance on climate change.



#### 2024 World's Most Ethical Companies | Ethisphere

One of just 11 companies worldwide to receive this honor 17 times.



#### ISS ESG Prime Corporate Rating

Awarded to companies with a sustainability performance above the sector-specific Prime threshold, which means they fulfill ambitious, absolute targets.



#### MSCI ESG Ratings AA

Recognized as a leader in managing environmental, social and governance risks and opportunities.



## **Sustainalytics Top Rated 2025 List**

Designated as an industry leader in ESG management by Sustainalytics



#### EcoVadis – GOLD 2024

Top 4% of more than 130,000 companies assessed across environment, labor and human rights, ethics and supply chain sustainability.



#### Terra Carta Seal | Sustainable Markets Initiative

One of the first 45 companies globally to receive the Terra Carta Seal for creating "genuinely sustainable markets."



## Corporate Knights' The CLEAN 200® List

Honored 10 years in a row in 2025. Recognizes the top 200 companies leading the transition to a sustainable global economy.

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# TIME's World's Best Companies 2024 List

Companies across the globe chosen based on employee satisfaction, revenue growth, and sustainability.



#### FTSE4Good

Included for our corporate ethical standards and performance in environmental and social responsibility.



# Financial Times European Climate Leaders 2024 List

Included as one of the leading companies in Europe in showing a reduction in energy intensity.



# Sustainability Magazine's Top 250 Companies 2024 List

Recognizes top global companies driving change in their sectors, thus acting as beacons of inspiration, demonstrating that profitability and sustainability can go hand in hand.



#### Forbes America's Best Employers for Women 2024



#### TIME Best Companies for Future Leaders 2025

Companies that foster a culture of talent development and make investments in leadership development.



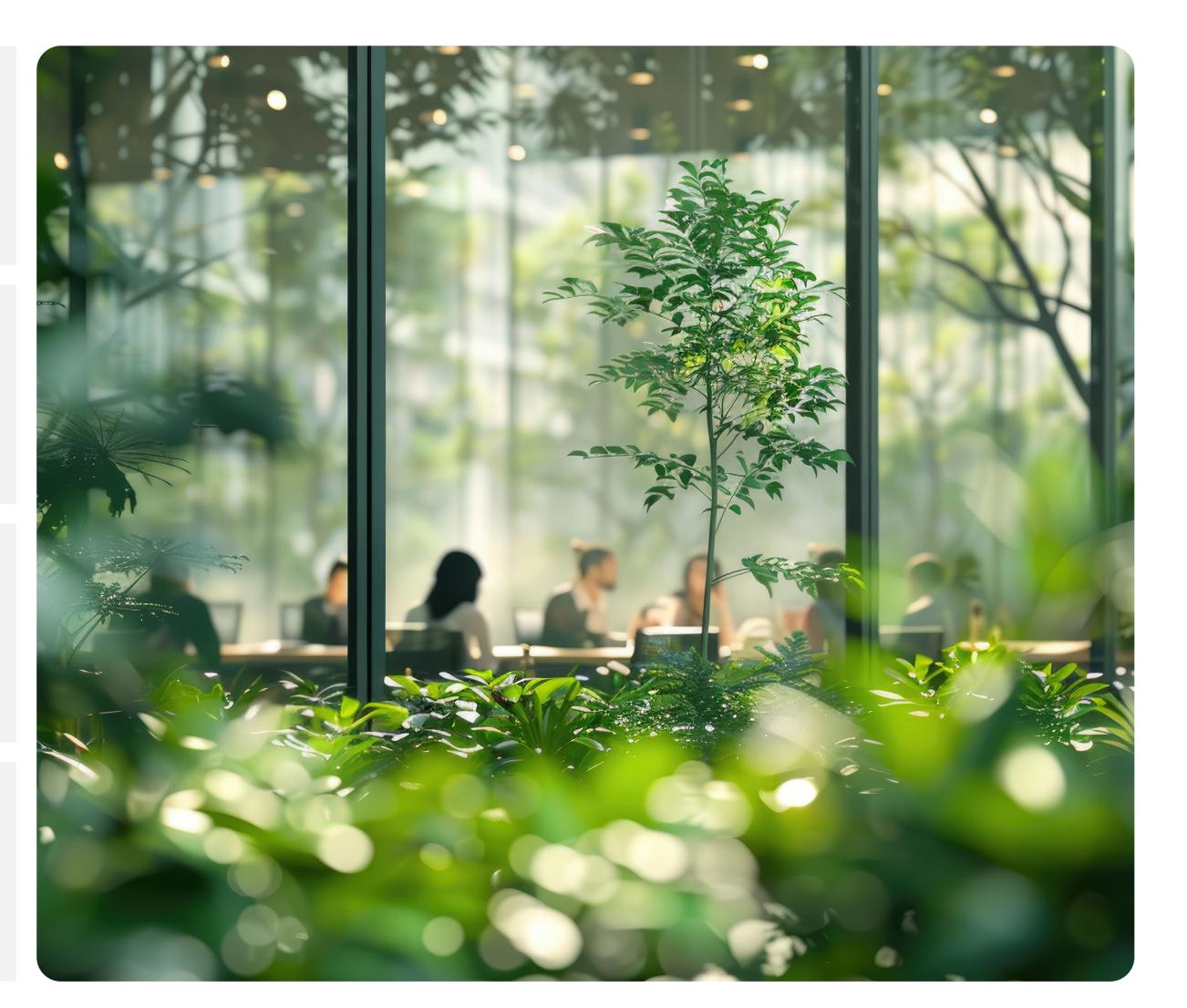
# STOXX® Global ESG Leaders

Recognized as one of the leading global companies in terms of sustainability criteria.



#### **BuiltWorlds**

Johnson Controls named in BuiltWorlds 2024 Global Innovators List



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# Materiality

Using sustainability materiality assessment to inform our strategy.

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#### **Disclaimer:**

The term 'material' used in this report refers to the 'material topic' definition of the Global Reporting Initiative. It is used to refer to relevant topics, which potentially merit inclusion and can reasonably be considered important for reflecting the organization's economic, environmental and social impacts or influencing the decisions of stakeholders. This concept of materiality does not correspond with, and should not be confused with, concepts of materiality utilized for securities, financial or regulatory purposes.



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#### **Materiality**

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In January 2023, we conducted a materiality assessment to understand the most impactful sustainability topics for our business and to ensure we are building robust strategies to manage our strategic impacts, risks and opportunities.

The materiality assessment was conducted using the following process:



Identified 25 topics related to governance, human and social capital, environment, and business model and innovation.



Surveyed over 100 internal Johnson Controls leaders and 50 external stakeholders, including customers, suppliers, partners, NGOs and trade associations.



Evaluated topics on quantitative ratings and qualitative assessments within the context of our business activities.



Identified and grouped the most impactful areas under three material topics.

#### **Sustainability material topics**

#### **HIGHEST PRIORITY**



- 1. Sustainable products and solutions
- Net zero buildings
- Energy-efficient products and services
- Product GHG emissions
- Digital transformation
- Net Zero Buildings-as-a-Service/Performance Contracting
- Supplier environmental impact

- 2. Greenhouse gas emissions (Scope 1 and 2)
- 3. High-performance culture
- Talent attraction and development
- Employee health, safety and well-being

#### **HIGH PRIORITY**



- Air quality and air emissions
- Climate policy and engagement leadership
- Cybersecurity
- Ethics and compliance
- Employee recruitment, engagement and development
- Human rights
- Increased use of renewable energy in our operations

#### **PRIORITY**



- · Board oversight of sustainability
- Circular economy
- Climate risk and resilience
- Community investment
- Management of sustainability laws and regulations
- Waste management
- Water management
- Supply chain social responsibility

#### Management of our material topics

2-12 | 2-13 | 2-14 | 2-24



Our sustainability material topics are managed under our **Enterprise Sustainability Governance Program, which includes** four levels of oversight (see Governance).

#### **Enterprise sustainability** governance

#### **Board of Directors and board committees**

The Board of Directors oversees the implementation of our mission, vision and values across our company. It reviews our sustainability material topics, strategy, commitments and performance, including sustainability, employee health and safety and human capital management. The Governance and Sustainability Committee of our Board of Directors has been delegated primary oversight over the sustainability and health and safety matters impacting our company and is briefed each quarter on our progress. The Compensation and Talent Development Committee has been delegated primary oversight over human capital matters and employee experience.

#### **Executive Committee**

The authority for day-to-day oversight and management of sustainability topics is delegated to the Executive Committee, which is chaired by our Chairman and Chief Executive Officer and comprises the senior executives responsible for all our major corporate functions. The Executive Committee also includes our Chief Sustainability and External Relations Officer.

#### **Sustainability Leadership Committee**

The Sustainability Leadership Committee is chaired by our Vice President of Global Sustainability and Regulatory Affairs and reports to the Chief Sustainability and External Relations Officer.

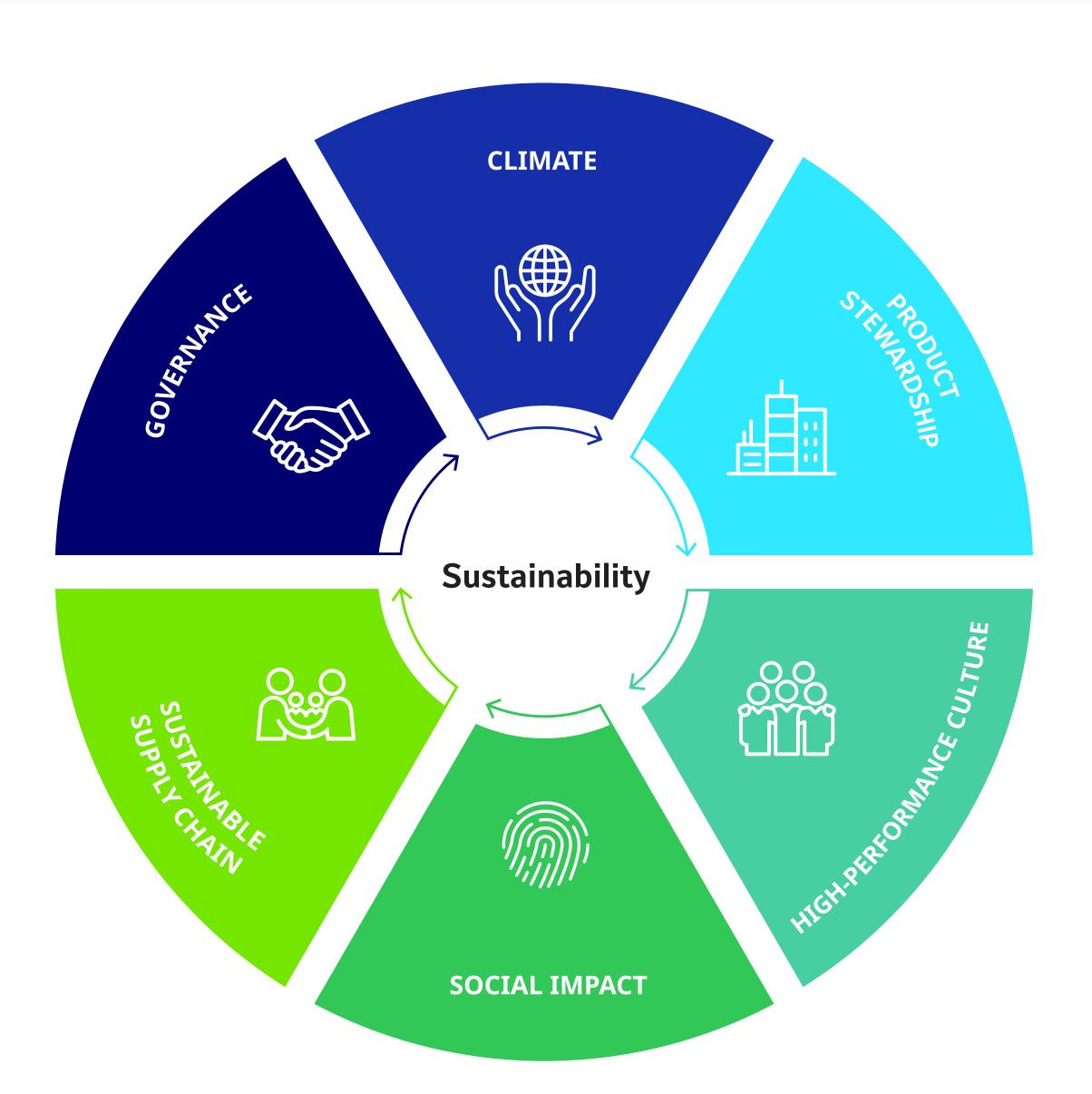
Its members consist of senior leaders across our businesses, functions and regions. The Sustainability Leadership Committee organizes sustainability and corporate responsibility topics, along with their associated targets, metrics and strategies, into one of six Enterprise Sustainability Councils: climate, product stewardship, sustainable value chain, high-performance culture, social impact and governance.

#### **Enterprise Sustainability Councils**

Our Enterprise Sustainability Councils are formed as cross-functional teams responsible for the execution of annual targets and for establishing long-term strategies to meet our sustainability commitments. Our Sustainability Leadership Committee oversees these sustainability councils.

Our Governance Council ensures internal alignment and consistency with the development and execution of our sustainability strategy and reporting, including alignment with our Executive Committee and Board of Directors, as well as our sustainability disclosures.

In this report, we focus on the management of the highest priority topics as identified in our 2023 Sustainability Materiality Assessment, as well as additional topics important to Johnson Controls. All issues are treated in conformity with GRI Standards and SASB Standards.



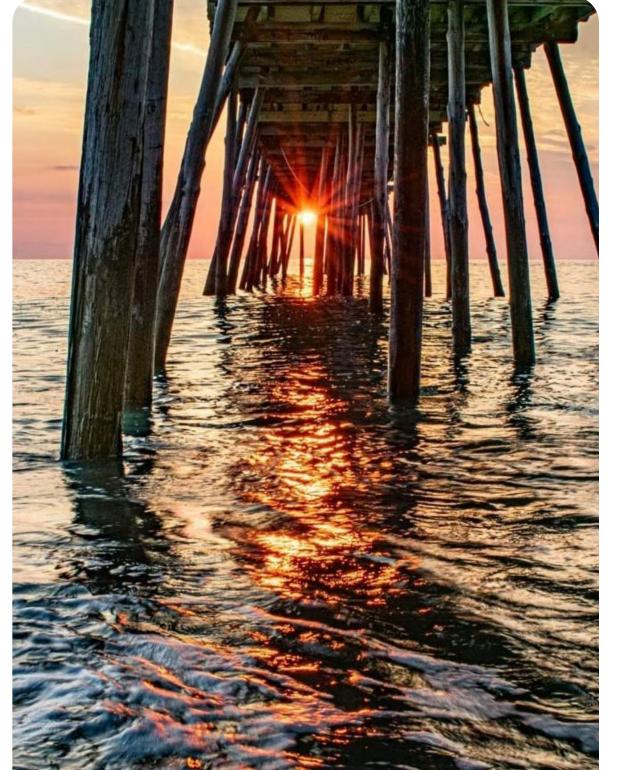




















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# Sustainable products and solutions

Delivering sustainable products and solutions is core to our business and our growth as a global leader in smart, safe, healthy and sustainable buildings.



### **Material topic 1:**

Sustainable products and solutions

Delivering sustainable products and solutions is core to our business and our growth as a global leader in smart, safe, healthy and sustainable buildings.

#### Our approach

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#### **Priority topics:**

Net zero buildings, energy-efficient products and services, product GHG emissions, digital transformation, Net Zero Buildings-as-a-Service and Performance Contracting offerings.

As we work to help our customers manage their carbon transition and enable deep decarbonization of their facility footprints, we employ a three-part strategy.

- 1. Reduce our Scope 3 emissions by developing low-carbon, energy-efficient products.
- 2. Accelerate customer decarbonization through the deployment of heat pumps, digital solutions and sustainable infrastructure projects.
- 3. Weigh sustainability equally with other metrics in supplier performance evaluations.

# This strategy helps our customers save emissions and costs and drives Scope 3 reductions to deliver on our science-based target:

• 16% reduction in Scope 3 emissions from the use of sold products by 2030 from our 2017 baseline

#### **Additional key performance indicators:**

- Invest at least 75% of new product research and development (R&D) in climate-related innovation to develop sustainable products and services annually
- Drive green revenue from sustainable products and solutions

# We demonstrate our commitment to sustainable products and solutions by:

- Helping customers reduce carbon emissions and operating costs
- Driving demand for low-carbon steel, including by sourcing at least
   70% of our North American steel with low-carbon options

#### **TARGET**

Reduce Scope 3 emissions from the use of sold products by 16% by 2030 from our 2017 baseline.

The use of sold products represents approximately 95% of our Scope 3 emissions.

**16%** Scope 3 reduction goal

20% Scope 3 reduced to date

#### **PROGRESS**

We have reduced Scope 3 emissions from the use of sold products by 20% compared to our 2017 baseline.

By consistently enhancing product energy efficiency, transitioning to lower GWP refrigerants and implementing digital solutions, we anticipate maintaining or exceeding our target of a16% reduction in Scope 3 emissions from the use of sold products through the 2030 target date.

#### **Metric:**

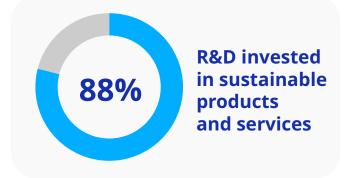
Invest at least 75% of new product R&D in climate-related innovation to develop sustainable products and services.

#### **Progress:**

In fiscal year 2024, 88% of new product R&D was allocated to climate-related innovation of sustainable products and services. Sustainability key performance indicators are incorporated into product design during the stage gate review of the innovation process.

#### **Our climate-related innovation includes:**

- Improvements to product energy efficiency
- Transitioning to low- and ultra-low GWP refrigerants
- Expanding the breadth and application of our heat pumps
- Expanding our portfolio of solutions to improve indoor air quality
- Enabling connected controls and smart building infrastructure
- Enabling material substitutions for more environmentally friendly products



#### **Metric:**

Green revenue from sustainable products and solutions.

#### **Progress:**

Sustainable revenue in 2024 was 59% of total company revenues. Revenue from sustainable products and services continues to increase as a percentage of our total revenue. We follow the Corporate Knights Sustainable Economy Taxonomy standard for defining sustainable products and calculating sustainable revenue, with modifications used where necessary to align with specific Johnson Controls solution definitions.

#### The sustainable revenue definition includes:

- Products that enable beneficial electrification of heating
- Products that exceed minimum energy efficiency regulations for cooling or heating
- Products that use low-GWP refrigerants
- Products that enable greater energy efficiency in buildings, including energy recovery, building control and automation systems and other connected products
- Digital solutions, such as OpenBlue, our complete ecosystem of connected technologies, expertise and services
- Products that are manufactured with recycled or reground materials
- Revenue from the installation, maintenance and service attributable to the products listed above



Our definition of sustainable revenue follows the methodology established by Corporate Knights, and the 2024 metric will be submitted to Corporate Knights for verification in September, 2025.

#### Develop low-carbon and energy-efficient products

Approximately 95% of our Scope 3 emissions are influenced by the use of sold products, which is driven by the design and operation of our products. At Johnson Controls, we are leading the carbon transition by focusing on three strategic areas where we can reduce our value chain emissions: energy efficiency, low-GWP and embodied carbon.



#### **Energy efficiency**

Why:

Building heating, cooling and ventilation operation is responsible for over 50% of energy consumption in residential and commercial buildings, representing a significant share of the nearly 40% of global GHG emissions attributable to the built environment. Improving the energy efficiency of these products will reduce energy-related emissions and operational expenses, while enabling a smoother transition to a zero-carbon energy system.

What:

Johnson Controls offers a market-leading portfolio of energy-efficient HVAC products, many of which exceed regulatory and market requirements by 30% or more. We remain committed to enhancing the energy efficiency of our products through continued improvements to existing models and the launch of new, innovative products that achieve significant efficiency gains. Additionally, we assist our customers in selecting the most suitable products for their specific applications and year-on-year see increasing revenues of higher efficiency models in our sales portfolio.

#### Spotlight:

40%

YORK® YMC2 Magnetic-Bearing Centrifugal Chillers typical efficiencies can exceed ASHRAE 90.1 requirements by as much as 40%.





#### **Low-GWP** refrigerants

Why:

Conventional refrigerants used in today's HVAC products are hydrofluorocarbons (HFCs), fluids that do not harm the ozone layer but can have high GWP. According to the European Union Directorate for Climate Action, phasing out these HFC emissions globally could reduce the global temperature rise by 0.5°C by 2050.

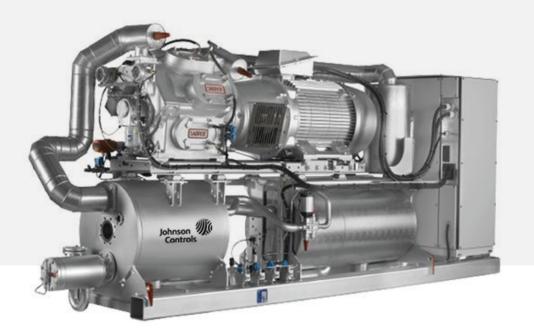
**Nhat:** 

Johnson Controls has been a leader in the global effort to phase out the use of HFCs in accordance with the Kigali Amendment to the Montreal Protocol. We are currently transitioning our HVAC portfolio to low-GWP refrigerants and already offer options that can reduce GWP by more than 78%. We continue to invest significantly in solutions that will further these reductions while ensuring product safety and performance.

#### **Spotlight:**

# Zero GWP

Sabroe industrial refrigeration chillers and heat pumps use ammonia as a refrigerant, which has a GWP of zero.



#### **Develop low-carbon and energy-efficient products**



#### **Embodied carbon**

Why:

Embodied carbon represents the carbon emissions released during the lifecycle of materials, including extraction, manufacturing, transport, construction and disposal. Embodied carbon is responsible for approximately 25% of a building's carbon footprint. This share is expected to rise as we continue to make strides in product energy efficiency and the deployment of zero-carbon energy.

What:

In 2022, our product teams adopted the Chartered Institution of Building Services Engineers (CIBSE) TM65 methodology to estimate the embodied carbon in our materials. Now, we can estimate the carbon emissions of nearly any product at every stage of its life, from production to disposal.

#### Spotlight:

44%

The embodied carbon of our YORK YVAM Air-Cooled Magnetic-Bearing Centrifugal Chiller is 44% lower than a conventional chiller.





#### Help customers decarbonize

Enhance our digital solutions to help our customers further decarbonize operations.



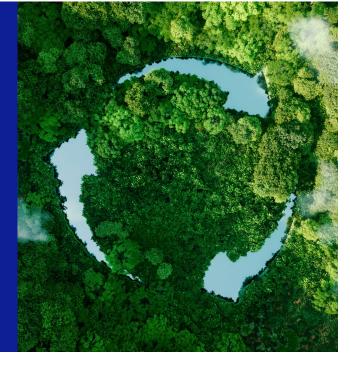
#### **Beneficial electrification**

Most of today's thermal heating relies on burning fossil fuels, and while electrification will eliminate on-site emissions, conventional electric heating will add unsustainable loads to the grid. To decarbonize buildings, and maintain grid reliability, heat pumps are a critical technology solution. Heat pumps use a third of the energy of traditional systems and run on electricity, aiding the clean energy transition. They also capture thermal energy, delivering multiple units of working energy for each unit consumed.

We offer one of the world's most comprehensive ranges of heat pumps, covering residential, commercial and industrial applications. We are expanding our portfolio to provide higher temperature heating, at colder outdoor conditions, across wider application types.

## 1.6m metric tons of CO<sub>2</sub>e

The applied commercial and industrial heat pumps manufactured by Johnson Controls in 2024 will save our customers approximately 1.6 million metric tons of CO<sub>2</sub>e emissions over the lifetime of the equipment.





#### 2. Digital solutions

Ongoing enhancements to product performance are crucial for reducing our carbon emissions. By digitizing operation, we can achieve even greater efficiency. This approach will ensure optimal performance at all times, utilize the cleanest available energy sources, and support a resilient, interconnected energy system.

Johnson Controls OpenBlue includes a portfolio of digital products to increase energy efficiency, reduce costs and provide real-time, autonomous improvements, including through AI-generated recommendations. With OpenBlue Enterprise Manager, customers have access to solutions including Equipment Performance Advisor, Net Zero Advisor, Central Utility Plant Optimization and more. These digitally enabled solutions enhance HVAC equipment and building subsystems for reduced energy use while maintaining performance. For example, our digital service for connected chillers is already helping customers improve cooling efficiencies by as much as 20%.

We are working to connect every commercial product to a digitally optimized system, using data to refine our solutions and understand their impact on operational carbon emissions. The use of digital solutions across our commercial products is a force multiplier for our Scope 3 emission reduction.

Cooling efficiencies improved by as much as 20%



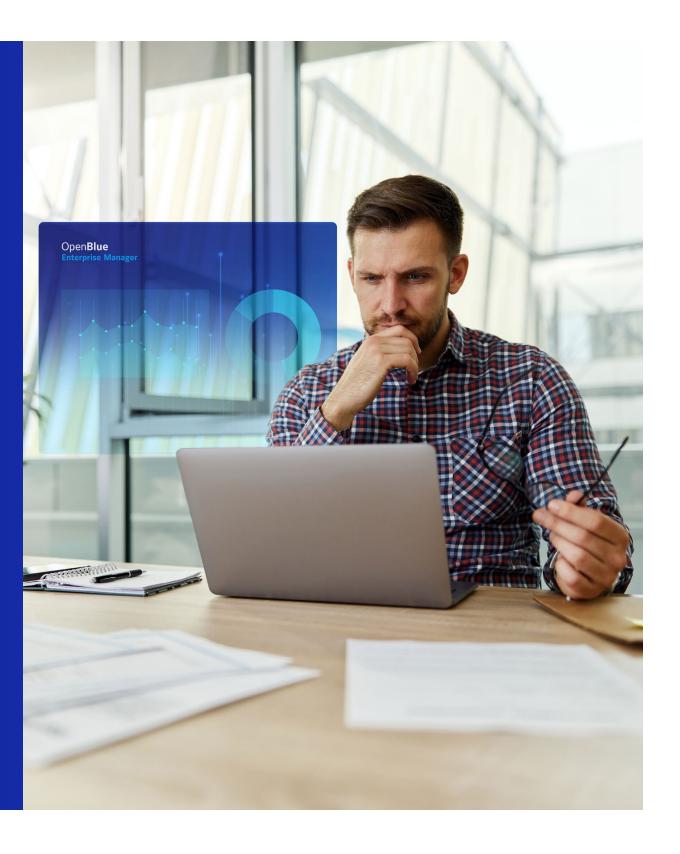
#### Reduce emissions. Reduce costs.

#### **OpenBlue avoided emissions**

In 2024, OpenBlue helped our customers avoid an estimated 72,000 metric tons of CO<sub>2</sub>e and reduce costs.



- In **India**, a global consulting company in Bangalore has uncovered potential energy savings of 17%. OpenBlue allowed the project to identify an annual cost saving potential of \$29,250 from just one tower's excess energy use.
- In the US, Children's of Alabama in Birmingham, Alabama, reduced their natural gas usage by 69% and achieved nearly \$610,000 in savings within one year through capital equipment and depreciation expense deductions, O&M cost savings and energy reduction.
- Across Asia Pacific, Standard Chartered Bank reduced energy usage by 10%–12% year-on-year and reported more than \$250,000 in cost savings in just six months.
- In the **United Kingdom**, despite an already highly efficient plant and multiple site-specific constraints, Central Utility Plant Optimization improved the electric efficiency of a high-capacity data center of a key global financial entity by approximately 8%, resulting in energy savings of more than 355,000 kWh and nearly \$50,000 in one year.



#### **Performance Contracting**

Creating environments that are safe, sustainable and intelligent begins with the modernization of existing infrastructure.

Johnson Controls Performance Contracting provides comprehensive solutions to assist customers in achieving their outcome-based energy and decarbonization objectives while meeting critical service needs. By utilizing financing combined with operational savings, we offer packages that include deep energy retrofits and on-site microgrids, converting customer expenses from significant capital expenditures to manageable operational expenditures.

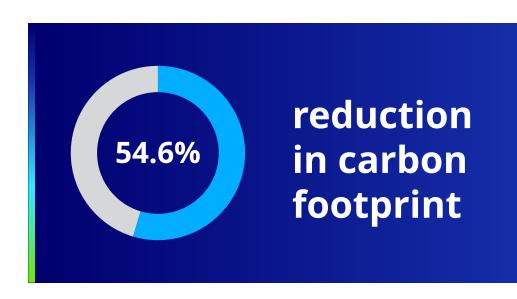


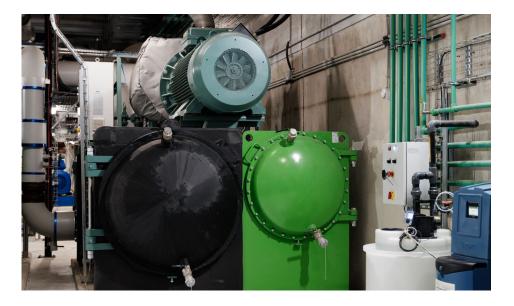
# \$8.9 billion for our customers

We have delivered nearly 41 million metric tons in avoided CO<sub>2</sub>e for our customers. These projects are set to save more than \$8.9 billion for our customers through energy and operational savings over the project terms.

#### **Paris Olympics**

During the 2024 Paris Olympics, millions of fans traveled to the French capital to attend one of the world's largest sporting events. Thanks to the cutting-edge technology provided by Johnson Controls, they enjoyed a more comfortable experience at some of the smartest and most energy-efficient stadiums on the continent. By incorporating advanced building automation systems, HVAC and fire suppression technologies across eight venues, Johnson Controls not only assisted the International Olympic Committee in prioritizing safety and operational efficiency but also significantly contributed to the Committee's ambitious goal of reducing the event's carbon footprint by 50% compared to previous Games. Paris 2024 achieved its goal, with the carbon footprint of the Olympic and Paralympic Games reduced by 54.6% compared with the average for London 2012 and Rio 2016.





#### La Chapelle plant

A notable innovation was the deployment of two YORK 3.3 MW industrial chillers at the new cooling production plant, the La Chapelle plant, located in the Adidas Arena sports and cultural complex. This equipment provided sustainable and energy-efficient cooling at one of the flagship sites of the Olympic Games. This new-generation facility delivers unprecedented energy efficiency, consuming three times less than a conventional arena.

Furthermore, the Johnson Controls Metasys® Building Automation System played a crucial role in a renowned tennis stadium by linking essential building equipment, including HVAC, lighting control and energy management. This system enabled facility managers to monitor performance in real-time, identify potential issues and ensure the stadium operated as efficiently and sustainably as possible. These efforts demonstrate our expertise in smart stadium solutions, reducing carbon emissions and setting new standards for future sporting events.

#### **Empire Technology Prize**

Johnson Controls was named a finalist in the Empire Technology Prize, a \$10 million competition aiming to advance building technologies for low-carbon heating system retrofits in New York State's tall commercial and multifamily buildings. The company's innovative heat pump solution, which utilizes our high-efficiency CYK with an ultra-low GWP refrigerant, and mechanical vapor recompression technology with a zero GWP refrigerant, promises to deliver significant emissions, energy and water savings compared to conventional systems.

This accomplishment underscores our ongoing R&D investments in transformative high-temperature, high-lift heat pumps for commercial and industrial applications. The solution will be developed by global teams and aims to be a game-changer in the effort to decarbonize existing infrastructure.



#### **West Plains Housing Authority**

The West Plains Housing Authority (WPHA) in Missouri embarked on a comprehensive modernization project with Johnson Controls, focusing on enhancing 273 low-income housing units. This project, requiring no initial capital investment and supported by multiple funding sources, aims to reduce carbon emissions by 32% and



water consumption by 40%. With projected savings nearing \$200,000 annually, the initiative highlights the significant cost benefits and environmental impact of energy efficiency upgrades. Johnson Controls solutions include the installation of heat pump heating and cooling systems, UV-reflecting window films, water-saving fixtures, low-flow toilets and LED lighting. The project also features infrastructure improvements such as floor-by-floor isolation valves to ease building maintenance, and new HVAC installations in homes without existing systems. This case study demonstrates how strategic energy efficiency upgrades can transform public housing, reduce costs and enhance living environments, benefiting residents and the broader community.

#### Supplier environmental impact

Engaging with our suppliers to build sustainable roadmaps for decarbonization

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## When we choose suppliers, sustainability is as important as cost, quality and delivery

Sustainability is weighted at 21% of preferred suppliers' global scorecards, making sustainability equal to cost, quality and delivery.

## 53% of our procurement spending, representing over 2,200 suppliers,

has undergone third-party independent sustainability performance assessments.

#### With external stakeholder focus on lowering emissions and increasing energy efficiency, our suppliers play a key role in accelerating our delivery of net zero buildings.

Since its launch in 2021, the Johnson Controls Supplier Sustainability Program has ensured our suppliers abide by the principles of our Code of Ethics through a detailed assessment covering environment, labor and human rights, ethics and sustainable procurement.

Currently, 53% of our enterprise procurement spend, accounting for over 2,200 suppliers, has been assessed in detail across each of these dimensions. Our target is to have detailed assessments of 60% of our supplier spend by the end of 2026 and 80% by the end of 2028. A full assessment is expected to be performed once every three years, provided there were no material changes related to the supplier, such as leadership, footprint or industry participation.

However, if a major change does take place, we will require a new assessment to be performed within 12 months of the change.

When a supplier scores poorly, the procurement lead initiates a business review with the supplier to understand the nature of the deficiencies and develop a corrective action plan. Suppliers identified as high-risk are brought to the attention of procurement leadership, where a decision is made to either engage in supplier development efforts or exit the business relationship.



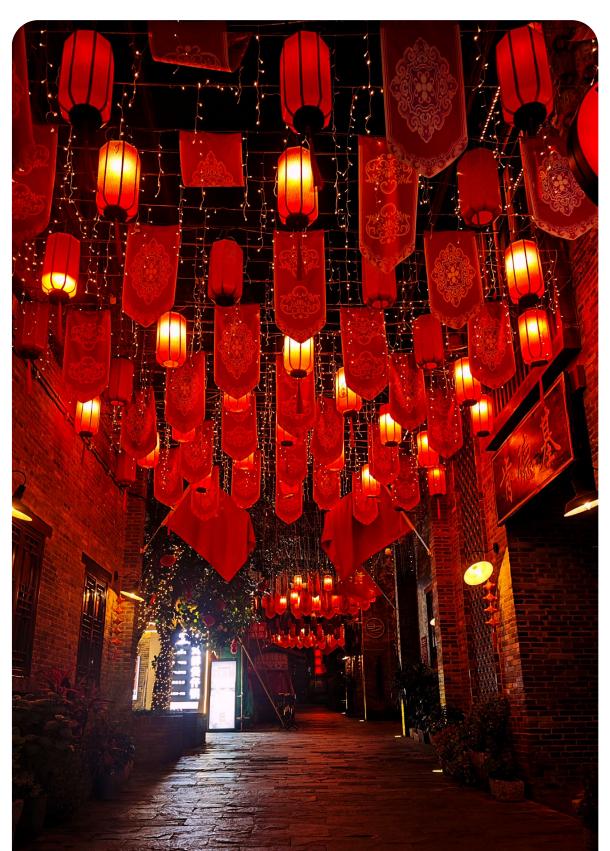
















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We are focused on emissions reduction across the enterprise. We work every day to increase our efficiency and reduce Scope 1 and 2 emissions.



Greenhouse gas emissions

# Johnson Controls is committed to reducing Scope 1 and 2 emissions

#### Our approach

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Reducing greenhouse gas emissions means increasing our resiliency, reducing costs and contributing to climate action. We are focused on emissions reduction across the enterprise and we work every day to increase our efficiency and reduce emissions.

#### **Targets from our 2017 baseline:**

- 25% reduction of energy intensity by 2025
- 25% reduction of greenhouse gas emissions intensity by 2025
- 55% reduction of absolute Scope 1 and 2 emissions in 2030, as approved by the Science-Based Targets Initiative (SBTi). Net zero Scope 1 and 2 emissions in 2040 in alignment with The Climate Pledge

#### Our four key strategies to reduce Scope 1 and 2 emissions:

- 1. Facility decarbonization
- 2. Refrigerant loss reduction in manufacturing
- 3. Fleet emission reduction through efficiency and electrification
- 4. Transition to renewable electricity

#### **Additional key performance indicator**

Percentage of electricity purchased globally met or matched with renewable energy.



#### 2024 progress from our 2017 baseline

Reduce greenhouse gas emissions intensity by 25% by 2025

**Progress:** 

56% reduction of GHG intensity

56%

of emissions intensity reduced

Reduce absolute Scope 1 and 2 emissions by 55% in 2030, as approved

by the Science-Based Target Initiative (SBTi).

Achieve net zero Scope 1 and 2 carbon emissions in alignment with The Climate Pledge in 2040.

**Progress:** 

48% reduction of absolute Scope 1 and 2 emissions

48%

of absolute Scope 1 and 2 emissions reduced

Reduce energy intensity by 25% by 2025

**Progress:** 

28% reduction of energy intensity

28%

of energy intensity reduced

Ensure that 100% of electricity globally will be met or matched with renewable energy in 2040

**Progress:** 

56% of electricity purchased globally is met or matched by renewable energy

56%

of electricity met or matched by renewables

#### Carbon transition: Scope 1 and 2 GHG emissions

This year signifies the achievement of our 2025 targets, marking the completion of the initial phase of our carbon transition plan. By surpassing the 25% reduction goals for both greenhouse gas emissions and energy intensity, we have demonstrated that with enterprise-wide engagement and dedication, achieving sustainability metrics is comparable to meeting any other business performance objectives.

Over the next five years, our carbon transition plan will prioritize absolute emissions reduction across our primary sources of Scope 1 and 2 emissions:

global facilities, vehicle fleet and refrigerant loss in manufacturing and research and development facilities. We are organized through two Climate Councils — one focusing on the decarbonization of our buildings and the other on the vehicle fleet within our in-field organizations.

These two Climate Councils are responsible for implementing our emission reduction actions and making investments according to a rolling three-year strategic planning timeline.

#### As of 2024, Scope 1 and 2 emissions have been reduced by 48% since 2017 and 56% of our electricity globally is met or matched by renewable sources of energy.



#### Facility decarbonization

Johnson Controls manages more than 1,000 facilities globally. We implement comprehensive plans for carbon reduction and energy efficiency to achieve our annual emissions reduction targets.

The Climate Council, comprised of leadership from global facilities, operations, environmental health and safety, real estate and finance, collaborates with our in-market subject matter experts from our Sustainability Infrastructure business to develop a comprehensive plan for achieving net zero. This strategy focuses on high-efficiency infrastructure, innovative software solutions, renewable energy options and ongoing operational efficiency. This methodology aligns with the approach we offer to our clients through our Net Zero Buildings as-a-Service and Performance Contracting offerings.

A major step in our journey started in 2023 with the 900,000ft<sup>2</sup> manufacturing plant in Norman, Oklahoma that also serves as a flagship research location and our Rooftop Center of Excellence. The groundbreaking project shows how we are leading by example in the race to net zero. We upgraded our manufacturing and testing facility with the latest building technology, from a revamped central utility plant to on-site solar-photovoltaic solution — all managed and monitored by our OpenBlue digital platform.

In 2024, one of our manufacturing plants in Frome, United Kingdom invested in energy sub-metering throughout the plant using the Johnson Controls OpenBlue Energy Manager and Net Zero Advisor digital solution. OpenBlue technology allows the plant's energy team to measure and manage energy use throughout the facility in real time and at a granular level. This is critical to understanding the factors influencing energy consumption and identifying opportunities for decarbonization. As a result, OpenBlue helped the team identify multiple opportunities with payback periods under five years. For example, optimizing the efficiency profiles of its electric arc furnaces saves 30% in energy consumption and an estimated £30,000 per furnace per year, while other opportunities to reduce waste heat, lighting control and compressors are also being investigated.

In 2024, we met or matched 56% of our electricity purchased globally with renewable energy. We have made investments worldwide to deliver renewable electricity directly to facilities through on-site generation, including new partnerships with Mexico's Federal Electricity Commission, additional on-site generation in North America and increased renewable sourcing in Europe. The Climate Council established a dedicated team to inventory renewable electricity options at major sites to expedite and implement ready-now renewable solutions, and to prepare for 2025 and 2026. The team uses on-site solar, power purchase agreements (PPA), virtual PPAs, Green Tariff Rate Agreements and other high-quality renewable energy credits (RECs), such as Green-e certified RECs, in each facility's analyses.

#### Sites with on-site renewable electricity:

- Glendale (US)
- Norman (US)
- Shanghai (China)
- Matamoros (Mexico)
- Puspokladany (Hungary)
- **Neuruppin** (Germany)
- Cologno (Italy)
- Corropoli (Italy)
- Kadi (India)
- Wuxi (China)

- **Guangzhou** (China)
- Taoyuan (Taiwan)
- Pune (India)
- Shimizu (Japan)
- Wuhu (China)

# 100% of our US electricity use is met or matched by renewable electricity

In addition to on-site renewables, we voluntarily purchase Green-e certified renewable energy certificates (RECs) to match 100% of the remaining electricity used across our US facility portfolio.









# New solar projects to power operations with renewable energy

As part of the decarbonization program in Norman, Oklahoma, we have designed and implemented a central utility plant and a 1.56-megawatt carport solar solution complete with vehicle charging stations.

This comprehensive system will be managed using OpenBlue Enterprise Manager, specifically Net Zero Advisor and OpenBlue Central Utility Plant Optimization digital solutions. These tools enable automated emissions reporting and data-driven decision-making for energy and facility operations.

As part of a multi-million upgrade project, the team installed the necessary inverters and transformers

to supply power to the building's stations and added 10 EV charging stations. The newly designed solar carport aims to supplement the power needs of our Norman facility. It is sized to contribute towards the facility's net zero goals and is an important first step in increasing on-site generation. The carport is expected to reduce the facility's carbon emissions and work in concert with other energy efficiency measures to reduce emissions at this facility by 43%. We conduct annual measurements of the facility's energy consumption and will monitor progress using the OpenBlue Enterprise Manager, the Net Zero Advisor app and the OpenBlue Central Utility Plant software. Additionally, this project enhances the amenities available to employees by providing EV charging stations powered by these solar panels for both personal and professional use.

# Refrigerant loss reduction in manufacturing and research and development

Our refrigerant decarbonization strategy includes both reducing refrigerant loss in our facilities and transitioning globally to products with low- and ultra-low-GWP.

Our team of environmental health and safety, operations and research and development professionals works collaboratively to build the transition plan for decarbonizing our refrigerants.

#### The Climate Council and facility teams focus on refrigerant loss through:

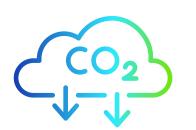
- Setting annual goals by facility
- Educating and optimizing management processes and protocols
- Investing in and sharing best practices, such as leak detection programs, digitization and monitoring



#### **Refrigerant transition to low GWP**

In 2024, we continued transitioning the refrigerants in our products to low GWP within our North America operations, a process begun in 2016. These changes will address policies targeting the phase-down of hydrofluorocarbons (HFCs), including the American Innovation and Manufacturing (AIM) Act of 2020, a landmark law supported by Johnson Controls that will drive innovation in cutting carbon, as well as operational costs.

In 2025, we expect to fully transition our US operations to low-GWP refrigerants and extend best practices to our global facilities.



#### Refrigerant loss reduction in our manufacturing plants

As a premier producer of chiller systems, Johnson Controls expertly manages refrigerants across multiple manufacturing sites. Since our baseline year of 2017, we have slashed refrigerant emissions. This achievement is the result of various innovative methods, including advanced leak detection, minimizing losses at the point of charge, and reducing waste through the cleaning and recycling of refrigerants for reuse on-site.

At our Stiva manufacturing plant, we have made significant strides by installing a cutting-edge refrigerant cleaning station. This facility enhances our ability to sustainably clean and reuse contaminated refrigerants on-site, processing up to eight tons per day. A similar installation at another US location further underscores our commitment to reducing waste and emissions while achieving cost savings.

Additionally, our fire suppression plant in Norfolk, UK has implemented advanced measurement systems, which enhance the accuracy of measurement and minimizes losses during the filling of fire extinguishers.



**Greenhouse gas emissions** 

High-performance culture

Global sustainability

How we work

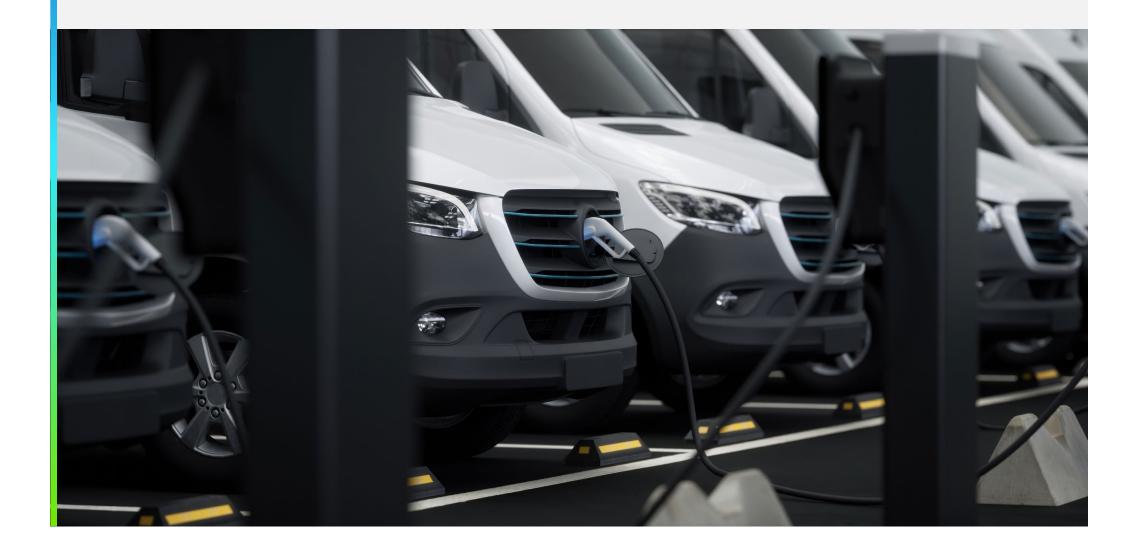
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#### Date

#### Fleet emissions reduction through efficiency and electrification

Johnson Controls global fleet includes both field service operations and management vehicles. In 2024, the global fleet contributed nearly 30% of our total Scope 1 and 2 emissions. Over 72% of these emissions originated in the US, 17% in Europe, the Middle East and Africa, with the remainder distributed across Canada, Mexico and the Asia Pacific region.

A Global Fleet Council was formed to align our sustainability, commercial and procurement teams on carbon reduction strategies. These include reducing idling, right-sizing our fleet, and using fuel-efficient vehicles, such as hybrid and electric cars. These strategies are then communicated and rolled out to leadership teams in North America, Europe and the United Kingdom.



#### The Global Fleet Council is responsible for:



Setting annual targets and key performance indicators



Prioritization of investments, pilots and change management



Review monthly scorecard, regional updates and investments

## Five workstreams were created to structure the fleet decarbonization workplan:

- Data analytics
- Vehicles: Capability, cost, emissions
- Charging infrastructure
- Company fleet policy
- Employee incentives and communication

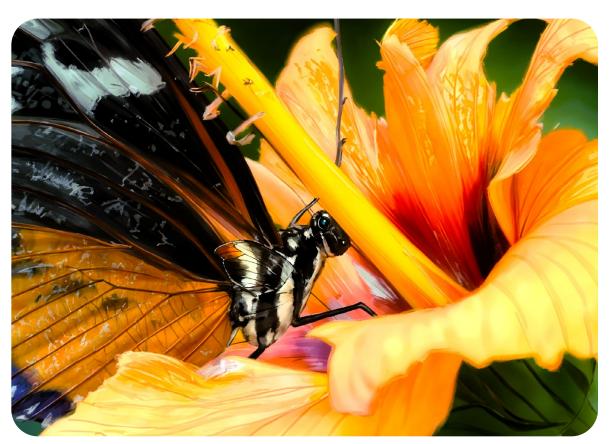


The regional fleet leadership teams have annual reduction commitments as well as three-year emission reduction and investment roadmaps for the continued decarbonization of our fleet. Monthly, we analyze fleet performance and emissions, including the use of telematics to understand trends and driving patterns. We systematically bring in fuel-efficient vehicles and right-size the equipment needed on our field service operations to decrease weight and increase load factors.



















Greenhouse gas emissions

High-performance culture

Global sustainability

How we work

# Highperformance culture

Our people are our greatest resource.



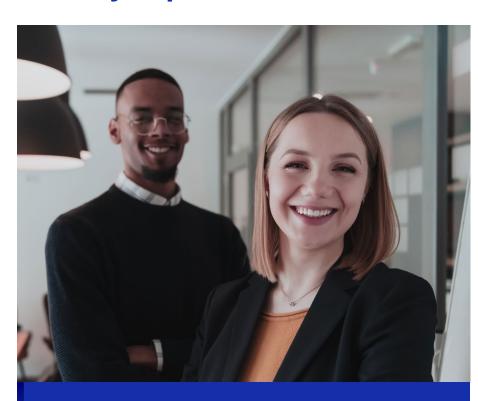
## **Material topic 3:**

High-performance culture

#### Our approach

Our people are our greatest resource, enabling us to achieve and maintain high standards. We encourage employees to bring their unique perspectives, talents and skills to work, adding value, fostering creativity and inspiring change. We have strong policies and strategies that support our high-performance culture.

#### **Priority topics**



**Employee health, safety** and well-being



Talent attraction and development

#### **Strategies**

- 1. Recruit and develop the industry's best talent to enable business growth and cultivate next-generation leadership.
- 2. Establish and deliver a compelling employee value proposition to drive engagement and retention.
- 3. Enable high-performance through clear expectations.

#### 2024 progress

Reduce recordable safety incident rates by 25% by 2025 from our 2017 baseline.

**Progress:** 

We have achieved a 39% reduction in recordable safety incident rate since 2017 as part of our Zero Harm vision, achieving our 2025 goal. Moving forward, we will use a goal of 3% reduction over the average total recordable incident rates (TRIR) of the previous three years.



Volunteer two million hours and align 80% of volunteer activities with the United Nations Sustainable Development Goals (UN SDGs) by 2025.

**Progress:** 

Johnson Controls employees logged 72,507 volunteer hours in 2024, the most volunteer hours recorded in one year since 2017. Our employees have volunteered and recorded more than two million accumulated hours, with 84% of those hours aligned to the UN SDGs.



# Recruit and develop the industry's best talent to enable business growth and cultivate next-generation leadership

Johnson Controls provides career advancement opportunities for employees, with over half of the management positions filled by internal candidates. The areas of focus to attract and develop talent include:

- Talent acquisition
- Talent development, training and education

#### **Talent acquisition**

Building a high-performance culture requires navigating market trends and best practices for hiring managers.

We prioritize promoting from within and attracting top talent to stay innovative in a changing business landscape. The talent acquisition team focuses on three key recruitment principles:

- 1. Talent Workshops
- 2. Technical School Partnership Programs
- 3. Future Leaders Internships



#### Talent Workshops

In fiscal year 2024, our Building Services North America (BSNA) Human Resources team launched an interactive workshop for hiring managers to attract the best and brightest talent into Johnson Controls. Six workshops were held across the US and Canada, with over 1,200 participants learning about how to attract top talent, Johnson Controls products and solutions, and market trends. Hiring managers learned to create compelling job descriptions that stand out in competitive markets and clearly outline job requirements.

A key focus was on candidate search and selection. Participants assessed their ability to identify transferable skills, discussed strategies to eliminate bias, and emphasized structured interviews and consistent assessment methods to ensure fairness and objectivity.



# Technical School Partnership Programs

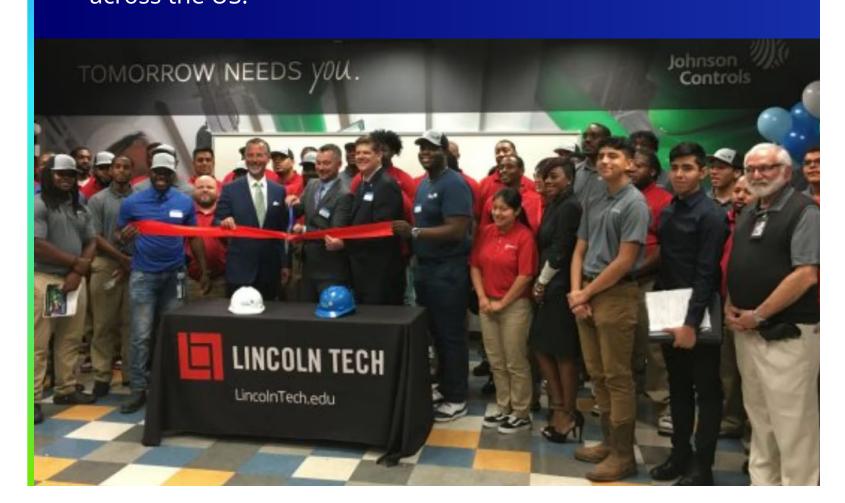
Johnson Controls invests in training skilled building technicians worldwide. Through various programs like the Community College Partnership Program, Lincoln Tech Johnson Controls Academy, STEM 101 and HVAC learning labs, the company funds schools to develop future building experts, promoting local and national economic growth.



#### **Spotlight**

In 2024, the Lincoln Tech/Johnson Controls Academy, a prominent national workforce development initiative aimed at addressing the shortage of skilled building systems technicians, doubled its capacity.

This expansion, developed in collaboration with Lincoln Tech (under the parent company Lincoln Educational Services), is intended to meet the increasing demand for skilled technicians in the installation, service and maintenance of building systems. Graduates of this program will be placed into service technician roles across the US.



#### **Future Leaders Internship Program**

The Johnson Controls Future Leaders Internship Program delivers a global experience that challenges and empowers interns through:

- Leader-led professional development sessions
- Networking across Johnson Controls and volunteering within local communities
- Leadership and participation in an innovation challenge

The program facilitates both professional and personal growth through direct access to senior leadership, including our Chief Executive Officer. In fiscal year 2024, the program welcomed 338 interns globally, with 262 participating in the innovation challenge, a 77% participation rate. Each participant completes their internship equipped with enhanced skills, strengthened professional competencies and a robust network of connections to support their career growth.

**338** interns in 2024

#### Talent development, training and education

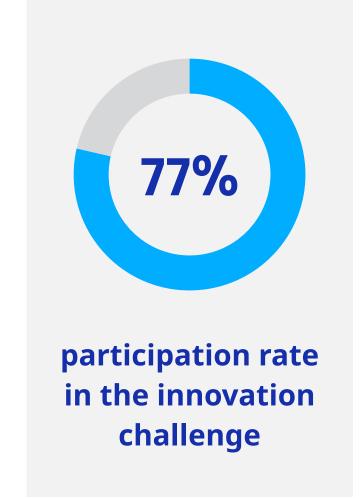
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We are dedicated to finding and developing talent at all levels, enabling people to be reaching their highest potential and making their biggest and best contribution to our success.

#### **Leadership Development Programs**

By developing tools and resources that prioritize and support employee growth at all levels of the company, we enable the mindsets and behaviors that foster our culture of continuous learning.

We offer various leadership development programs designed to enhance leadership skills and prepare employees for higher roles.



#### **Fundamentals**

# Designed to equip newly promoted leaders with leadership and management skills

#### • Leadership Fundamentals 1:

A four-month program for first-time managers focusing on team building, communication and decision-making.

#### • Leadership Fundamentals 2:

A four-month program for managers of managers, enhancing skills in team leadership, talent development and strategic thinking.

#### • Leadership Fundamentals 3:

A six-month virtual program for newly promoted VPs, concentrating on inspiring leadership, business operations and global strategy awareness.

#### **Elect**

# Designed to help employees develop core skills through over 5,000 self-paced online learning modules.

#### • Exploring Leadership:

For individual contributors considering a management role, helping identify strengths and development opportunities.

#### • Achieving Your Leadership Potential:

Focuses on early career frontline managers, building and leading effective teams, and coaching for performance.

#### • Leadership Master Class:

For senior leaders to translate enterprise strategy into actions and drive operational improvements.

#### • Executive Coaching:

Personalized coaching to enhance leadership capabilities and drive career growth.

#### Select

# These nomination-based programs aim to accelerate leadership readiness.

#### • Emerging Leaders:

For high-potential individual contributors, focusing on business acumen, strategic thinking and networking.

#### • Rocket Leadership Development Program:

Targets high-potential managers for director roles, enhancing business acumen, strategic thinking and networking through leader-led and experiential learning.

#### • Johnson Controls Leadership Edge (JCLE):

For high-potential directors preparing for VP roles, involving leader-led sessions, business simulations and networking to develop strategic decision-making.

#### • Extreme Learning Program (XLP):

For senior leaders, focusing on translating strategy into actions, driving operational improvements and creating growth platforms to cultivate high-performance culture and leadership through ambiguity.

In fiscal year 2024, we offered over **225,000** activities, including videos, courses, e-learning, documentation, articles and books. There were **4,140** active learning courses available. During this time, **81,160** employees completed **1.17 million** activities, totaling **1.58 million** hours of learning — averaging nearly **19** hours per employee. We aligned our professional and leadership development learning with our enterprise leadership competency model, launched in 2020, to ensure our employees have the skills for current and future success.





Our Talent Acquisition teams put immense effort into identifying, attracting and recruiting talent around the globe. They are committed to providing our businesses with a qualified and robust candidate slate during the recruitment process and implementing workforce development strategies that open new hiring channels.

# Some of these new hiring channels and development strategies include:

- Engaging across our Enterprise Leadership Teams and Business Resource Groups for employee referrals
- Partnering with leading organizations that serve the specific disciplines needed
- Instituting business-led hiring councils

Our career opportunities are shared via a variety of external job boards and organizations, helping us reach a more expansive talent pool.





At Johnson Controls, our objective is to be the employer of choice in every market where we operate. Our employee value proposition (EVP) enables us to retain and attract top talent. We provide our employees with development plans, learning resources, mentorship and career growth opportunities. We strive to ensure that every employee feels supported both personally and professionally. Therefore, we prioritize the employee experience and foster an employee-driven culture that values and celebrates talent.

The **Your Voice** program is an intelligent, modern listening initiative designed to foster an environment of candid, anonymous feedback, creating a culture where feedback fuels positive, timely change.

Brief, quarterly surveys provide a simple and effective way to gauge our employees' ongoing engagement with the organization. Due to the survey's brevity and ease of completion, employees can participate on their schedule without taking too much time from their day. This accessibility has led to comprehensive insights and organizational improvements. Participation is not mandatory but strongly encouraged, and responses are private and confidential.

Focus areas include feedback on the EVP, employee engagement, employee health and well-being, inclusion, and transformation. Real-time access to manager dashboards results in real-time improvements and transparency.

### **Pillars of the Johnson Controls EVP**













### **Total Well-Being Program**

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Our Total Well-Being Program promotes and encourages a harmonious work-life balance and a positive, healthy lifestyle.

The program was designed to align with our Zero Harm and Power of Prevention strategies to protect our employees' safety, health and wellness.

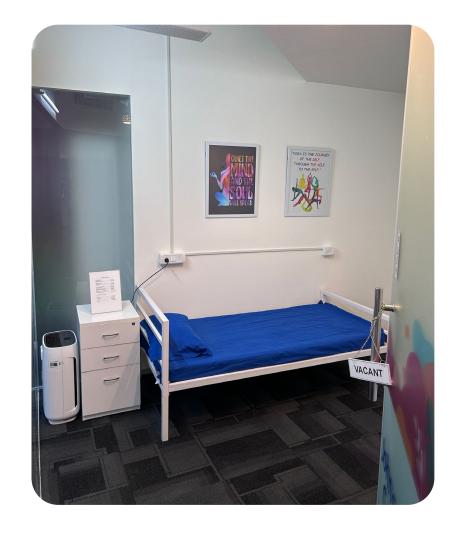
The pillars of the program ensure wellness is intrinsically tied to the work we do, not only at an individual level, but across the enterprise. With that in mind, health and wellness programs seek to improve employee well-being both inside and outside the workplace through the establishment of fitness centers, running and walking tracks, weight-loss programs, vaccinations, smoking cessation programs and many other health improvement and disease prevention programs.

These well-being initiatives are facilitated by regional well-being councils in Asia, North America, Latin America, Europe, the Middle East and Africa as they implement and sustain our Total Well-Being Program at a regional and local level in line with our Zero Harm vision.

# Introducing wellness rooms in Pune and Gurgaon for total well-being

Wellness rooms have been established in Pune and Gurgaon to support employee well-being. These spaces include resources such as pulse meters, thermometers, first aid kits and refrigerated storage for medicines. Additionally, the wellness rooms provide an environment suitable for new mothers, reflecting a commitment to creating a supportive workplace.







202-2 | 203-2 | 413-1 | 413-2

Health and safety is critical to our success. We are committed to our Zero Harm vision to create a safe and healthy work environment for our employees, our vendors and contractors, our visitors and our communities.

We have achieved a 39% reduction in recordable safety incident rates (TRIR) since 2017 as part of our Zero Harm vision, achieving our 2025 goal. Moving ahead, we will use a goal of 3% reduction over the average TRIR of the previous three years.

During fiscal year 2024, we validated that 99% of active contractor companies met the new environmental, health and safety qualification criteria established in 2023.

Contractor vetting statistics are kept centrally in our environmental, health and safety (EHS) information system, and supporting documentation for this validation is kept within regions or sites.

In 2024, we also continued the transformation of the global EHS network from a business unit-centric organization to a region-centric organization, ensuring that employees and site EHS leads have better access to above-site EHS expertise that is closer and understands the locally applicable regulatory and industry environmental health and safety requirements.

New in 2024, we launched the new Johnson Controls Life Saving Rules Program during our annual Zero Harm Week in June. The Life Saving Rules Program focuses on setting clear expectations around six critical risks that exist at our workplaces (see graphic).





#### **Volunteer network**

202-2 | 203-2 | 413-1 | 413-2

Johnson Controls achieves 2025 commitment of two million volunteer hours.

As part of our commitment to sustainability and community enrichment, we have exceeded our target of two million volunteer hours. This achievement highlights the dedication of our employees to positive social impact and community engagement.

In fiscal year 2024, our team collectively contributed **72,507 volunteer hours, reflecting a 17% increase** over the previous year's record. This increase in volunteerism has set a new company benchmark for the second consecutive year, demonstrating the culture of service at Johnson Controls. Of these volunteer hours, 84% aligned to the UN Sustainable Development Goals (SDGs), with the top SDGs supported being: Sustainable Communities and Cities, Quality Education and Life on Land.

# Inclusion and non-discrimination

405 | 406

Our mission, vision and roadmap inform our strategies and drive business objectives, further enabling our culture of inclusion to succeed.

#### **Our mission:**

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

#### **Our vision:**

Employees will bring their authentic selves to work each day. Our rich culture of inclusion will lead to inclusive mindsets and behaviors, unlock engagement, accelerate productivity and foster innovation – leading to exceptional customer outcomes.

#### **Culture of inclusion:**

We lead with integrity and purpose, focusing on the future and aligning with our customers' visions for success. Our high-performance culture ensures that we have the best talent, always highly engaged and eager to innovate.

# **Business Resource Groups**

A rich culture of inclusion relies upon an engaged and productive employee population that feels not only empowered, but excited to drive outcomes that matter for the communities we serve.

A Business Resource Group is a voluntary consortium of employees who share common interests and experiences. They aim to enhance company culture and overall employee value proposition, promote community involvement, and drive business objectives. Business Resource Groups are open to all employees, whether an employee identifies with a specific group, wants to participate as a supporter or simply wants to expand their cultural awareness. Proposals for new Business Resource Groups are submitted to the Office of Human Resources and reviewed real-time to establish the mission and purpose of the organization.























We held our first Global Volunteer Month in June 2024. During this period, **our employees logged 21,217 volunteer hours, setting a record** for the most hours volunteered in a single month in our history. This achievement underscores our efforts to encourage collective action and volunteerism across our global workforce.

The impact of these volunteer hours extends beyond time contribution; they have resulted in substantial financial support. Through the MyGiving program, the volunteer hours recorded in fiscal year 2024 led to \$402,000 being donated to over 2,200 causes in 42 countries. This financial support has bolstered our efforts to drive positive change and support a variety of community initiatives worldwide.

Every hour logged results in \$10 donated to causes important to our employees. This ongoing commitment to volunteerism reflects our dedication to social responsibility and sustainable development.

# **Enable high-performance through clear expectations**

One of our strategic drivers is to build a high-performance culture through a robust and standardized performance management program with clear expectations, behaviors, capabilities, operating models, empowerment and differentiated pay for performance.

Non-production employees across the globe set goals aligned to both business and functional objectives and the company's strategic plan, inclusive of the desired capabilities defined in our Enterprise Leadership Competencies and Company Values.

Employees are expected to 'strive for five' by having a minimum of five goals, with at least one being development focused. Employees participate in quarterly goal progress review meetings with their managers and have dedicated time for development conversations and activities to ensure the continued focus on career growth. Employees have several resources to utilize when researching and planning career development, including access to an individual development plan and online learning platform.

Employees also complete an online annual review process that includes active participation through both a self-review and a manager review to ensure the evaluation is comprehensive and includes the full year's accomplishments. This review balances both achievement of performance metrics and behavioral expectations.

Employees and managers are encouraged to seek feedback from others to include in their review and utilize recognition received through Bravo, our recognition platform. Each year, management participates in calibration sessions to ensure the performance management process is applied consistently across teams and functions in the organization. Of the eligible non-production employee population, 99% of employees received a fiscal year 2024 annual review.

This standardization of performance management enables strong feedback to employees on their performance, robust career development planning, informed pay and rewards investment, detailed reporting and analysis. We also maintain intranet sites dedicated to human resource professionals, employees and managers for desktop access to key human resource-related information that has been translated for global use.

It also provides ongoing training throughout the year to ensure that employees understand the purpose and benefits of the process.























Greenhouse gas emissions

High-performance culture

**Global sustainability** 

How we work

Data



# Climate policy and engagement leadership

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In 2024, we further established Johnson Controls as a leader in climate action and driving policy for building decarbonization through our strategic engagements with global policymakers, industry partners, and key stakeholders in the United States, European Union, Latin America and Asia.



#### **Climate Week NYC**

Johnson Controls recognizes the importance of engaging with stakeholders at all levels and brings our top leadership to the table. Several members of our leadership team, led by our Chairman and Chief Executive Officer, took an active role in Climate Week in New York City. At the event, the message was clear – the buildings sector is critical to meeting our world's decarbonization goals.

- In collaboration with Turner Construction and Ceres, Johnson Controls organized an event focused on public-private partnerships within the built environment. This dialogue gathered leaders from the private sector; federal, state, and local governments; and non-governmental organizations. The event underscored the critical role of public-private partnerships and provided valuable insights into successful decarbonization initiatives in New York and the Northeast region.
- Johnson Controls, in collaboration with partners Prologis, Bloom Energy, and C3.ai, hosted an event at Amazon's Climate Pledge Hub focused on power-positive data centers. Given the increasing number of data centers, this sector plays a critical role in global decarbonization. The interactive session provided attendees with insights into the key design criteria for building net zero data centers and highlighted the importance of artificial intelligence in optimizing data center operations.
- Johnson Controls, along with Microsoft, KPMG and Prologis,
  hosted a half-day event, bringing together thought leaders on
  decarbonization in the built environment to talk about the impact
  of data and AI, energy transition strategies, embodied carbon
  reduction efforts, and financing. The event concluded with a
  C-level fireside chat featuring executives from Johnson Controls,
  Microsoft and Ecolab.





Greenhouse gas emissions

High-performance culture

**Global sustainability** 

How we work

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#### **Greenhouse Gas (GHG) Protocol Steering Committee**

Katie McGinty was appointed to the GHG Protocol's new Steering Committee. The GHG Protocol establishes comprehensive global frameworks to measure and manage GHG emissions. It is the world's most widely used GHG accounting standard. The new Steering Committee will serve as the primary governing body, providing strategic guidance and ensuring adherence to standard development and revision procedures. With the constitution of the Steering Committee, the GHG Protocol is taking critical steps towards strengthened governance, ensuring transparency and accountability for its stakeholders.

#### The Sustainable Markets Initiative's Sustainable Buildings Task Force

Johnson Controls is honored to participate in the work of the Sustainable Markets Initiative (SMI), which was founded by His Majesty King Charles in 2021 at the World Economic Forum annual meeting in Davos.

George Oliver is a member of the SMI board and leads the Sustainable Buildings Task Force (SBTF). The task force, chaired by Mr Oliver, unites global CEOs to promote net zero buildings by addressing carbon emissions from heating, cooling and the building value chain, and establishing partnerships and incentives.

In 2024, Johnson Controls and the Sustainable Buildings Task Force organized a building tour during Climate Week NYC. Senior executives from various organizations within SMI witnessed advanced building technologies that not only reduce carbon emissions but also lower costs and promote healthier environments for building occupants.

#### **Net Zero Buildings Initiative**

Johnson Controls and the Mahindra Group announce a pioneering Net Zero Buildings Initiative aimed at decarbonizing India's commercial, urban residential and public buildings. This initiative will provide organizations with key information and resources to embark on their net zero buildings journeys.

The partnership leverages Johnson Controls expertise in smart building technology and Mahindra's multi-industry reach to inspire a movement towards a sustainable built environment in India and beyond. The initiative includes a cost-free toolkit and training to help building owners implement sustainable practices, assess building parameters and understand regulations and incentives in India. Shri Hardeep Singh Puri, Union Minister for Housing and Urban Affairs, praised the collaboration for supporting India's low-carbon development pathway.

# **Foundation for Energy Security and Innovation**

Katie McGinty was appointed to the US Department of Energy's (DOE) inaugural Board of Directors for its first-ever agency-related foundation, the Foundation for Energy Security and Innovation (FESI). FESI is an independent non-profit entity chartered by a bipartisan coalition of legislators as part of the USCHIPS Act that supports DOE's mission to ensure America's security and prosperity through transformative science and technology solutions addressing energy and environmental challenges.



It aims to accelerate the commercialization of new and existing energy technologies by raising and investing funds through engagements with the private sector and philanthropic communities.

#### **Thought leadership - 2024 Forrester Consulting study**

Johnson Controls commissioned a study in collaboration with Forrester Consulting that surveyed more than 300 smart building decision-makers for data centers. The study found that data center leaders are focused on enabling smart buildings to optimize energy consumption, reduce carbon emission and improve the safety and security of their buildings. However, they lack data integration and the right partners, which is preventing cross-functional stakeholders from achieving these goals. The right technical and strategic partners are needed to help data center leaders advance their initiatives.

#### **Key findings include:**

- Only 7% of data center leaders say their building systems and equipment are fully integrated, and it is costing them time, people and money. This lack of data and insights is causing decreased operating efficiencies (65%), decreased customer loyalty (64%) and increased regulatory penalties (60%).
- Smart buildings solutions providers unite data from all systems and equipment, automatically alerting and adjusting environments for safety and efficiency. These solutions make it easier for leaders to leverage captured insights to guide decisions and recommendations.

Download the full study results here: Cracking The Smart Buildings Code: A Spotlight On Data Centers

#### Philanthropy and community engagement

202-2 | 203-2 | 413-1 | 413-2

We aim to enhance individual lives and strengthen communities through employee volunteerism, financial support for organizations and supporting smart, safe, healthy and sustainable tomorrows.

**Smart:** We support organizations and programs that increase access to education, especially

in the areas of science, technology, engineering, the arts and math (STEAM).

**Healthy:** We support organizations and programs in the areas of economic mobility, safety,

housing and homeownership and health.

Sustainable: We support organizations and programs that help communities become more

sustainable, including those that preserve and protect the environment and relief efforts following natural disasters such as floods, fires, hurricanes and earthquakes.



We promote a culture of community involvement across the enterprise that drives employee engagement globally to make a positive impact in communities across the globe. We seek to provide a wide variety of opportunities for employees to engage throughout the year and make a difference by supporting causes important to them.

In 2024, our giving helped move forward numerous initiatives and programs aligned with supporting smart, healthy and more sustainable communities. Our efforts led to a total combined giving of \$12 million from Johnson Controls and the Johnson Controls Foundation. In addition, our employees gave \$2.4 million.

Furthermore, we contribute to the communities where we operate through our long-standing support of United Way, helping to advance initiatives in education, economic mobility and health through our giving and volunteerism. Annually, our employees come together for a giving campaign in support of United Way, where many of our employees donate generously and volunteer for their local United Way, as well as other organizations supported by United Way in their communities. Our employees, including our CEO and Executive Committee members, participated in numerous volunteer opportunities this year, such as packing backpacks with essential school supplies for children, ensuring parents have access to diapers and packing hygiene kits for those in need. Last year, our campaign led to nearly \$3.8 million in contributions to critical United Way organizations.

## \$12 million

in contributions from Johnson Controls and the Johnson Controls Foundation

### \$2.4 million

in contributions from our employees

## \$3.8 million

in contributions through our United Way campaign

#### **Community engagement**

202-2 | 203-2 | 413-1 | 413-2

# Aligned with our company vision and values, we aim to be a responsible neighbor and community partner.

We view community involvement and engagement as a privilege and pleasure, enabling us to give back to those who welcome us and support us, many of whom become cherished colleagues.

#### As part of our community engagement efforts, we:

- Focus on organizations that serve locations where we have a significant presence and those with a national or global reach
- Prioritize communities where we are privileged to be located and our colleagues call home
- Align with UN Sustainable Development Goals
- Help through financial and in-kind contributions, as well as volunteer support

We encourage our employees to engage with their local communities and support causes that are important to them, recognizing the rewarding experience of giving back and building community connections.

Additionally, we promote the formation of volunteer teams among employees to collaborate with local non-profit organizations in fostering smart, safe, healthy and sustainable communities.

Johnson Controls acknowledges employee volunteer time by contributing \$10 per logged volunteer hour to the non-profit organizations they support. Similarly, donations made by employees to eligible non-profit organizations are matched dollar for dollar, in accordance with the guidelines of our gift-matching program.



#### **Johnson Controls Foundation**

To ensure robust philanthropic support for communities, Johnson Controls makes financial contributions to the Johnson Controls Foundation, a separate entity from Johnson Controls with its own charter and board of directors. The Johnson Controls Foundation supports smart, healthy and sustainable tomorrows through its philanthropic giving, including direct grants to non-profit organizations as well as matching contributions for individual employee and retiree gifts to eligible non-profit organizations.

To learn more about the Johnson Controls Foundation, click here

#### Johnson Controls Community College Partnership Program is now in 30 community colleges

The Johnson Controls Community College Partnership Program (CCPP) has impacted educational pathways for students across North America by providing financial support and industry mentorship. Since its inception in 2021, the program aims to donate up to \$15 million by the end of 2026 to enhance access to educational programs in HVAC, fire, security and digital disciplines. Through renewable grants of up to \$100,000, Johnson Controls collaborates with community colleges to expand educational programs, equipping students with skills needed for careers. In 2024, CCPP has highlighted the importance of mentorship to foster relationships between students and industry professionals.

Johnson Controls has also provided lab equipment, including systems and controllers, giving students practical experience in their field and guiding them toward practical applications of their studies.

These mentorship relationships offer insights beyond

textbooks, as mentors share real-world experiences, industry knowledge and career advice, bridging the gap between academic learning and professional readiness.

Across North America, over 200 students in 30 colleges have engaged with Johnson Controls mentors and received personalized guidance as they prepare for their careers. Employees recorded 428 mentorship hours for CCPP, with mentors either meeting students locally or connecting virtually. These connections create a pathway to family-supporting careers and empower students to achieve their goals and build bright futures.

The CCPP has seen notable results: 3,868 students enrolled in educational programs and 655 scholarships awarded. Additionally, Johnson Controls employee engagement, media recognition and reputation for corporate citizenship highlight the program's effectiveness. With each mentorship and scholarship, Johnson Controls demonstrates its commitment to developing the next generation of skilled professionals.

#### **Habitat for Humanity**

In 2024, Johnson Controls deepened its commitment to community building through meaningful collaborations with Habitat for Humanity, impacting lives and neighborhoods across the US. Together, our dedicated employees contributed over 800 hours to Habitat projects with local affiliates, reinforcing our mission to create sustainable and resilient communities.

Our volunteer engagements included team builds in cities such as Birmingham, AL; Indianapolis, IN; Kansas City, MO; Aurora, CO; Charlotte, NC; Broward County, FL; and Milwaukee, WI, where our employees worked alongside Habitat homeowners to lay the groundwork for safe and affordable housing.

These projects went beyond construction – they embodied new beginnings and brighter futures for individuals and families in need.

By joining hands with Habitat for Humanity, Johnson Controls remains committed to empowering communities and building a legacy of hope and resilience. Through our efforts, we aim to pave the way for sustainable development and demonstrate the power of purposedriven partnerships.

#### **American Red Cross**

Johnson Controls proudly partners with American Red Cross in alignment to creating safe, healthy and sustainable communities. This partnership enhances resilience and emergency preparedness across the nation. Through this collaboration, communities in need receive vital support and resources, particularly in the wake of disasters.

# In fiscal year 2024, Johnson Controls was recognized for our exceptional Blood Program Initiatives.

This recognition highlights our commitment to service. Johnson Controls achieved a remarkable 76% growth in blood collection coming in third place for the highest year-over-year growth rate among corporate partners. Additionally, Johnson Controls received special recognition for our success in recruiting first-time blood donors. With an astounding 84% of donors being new donors, Johnson Controls continues to significantly contribute to American Red Cross efforts in keeping the blood supply strong. With blood drives hosted across the US in Milwaukee and Marinette, Wisconsin, Wichita, Kansas, New Cumberland, Pennsylvania and Cypress, California, together, Johnson Controls is committed to saving lives.

Through combined efforts, Johnson Controls and American Red Cross are paving the way for a smarter, healthier and more sustainable future.

#### **Volunteerism across APAC**

In recognition of outstanding volunteerism across the APAC region, Johnson Controls celebrates the commitment of our employees in China and beyond, whose dedication has positively impacted communities and advanced our sustainability goals. The journey began in December with a three-week volunteer initiative led by the Guangzhou Plant, where 584 employees contributed 991.5 hours across various activities, demonstrating their dedication to making a difference.



Environmental protection was a major focus, with 346 volunteers dedicating 566 hours to clean rivers and reservoirs around Guangzhou, including the Fangniudong Reservoir and Aotou River. These efforts not only restored natural spaces but also highlighted the importance of environmental stewardship. Additionally, 139 volunteers dedicated 280.5 hours to support elderly residents in nearby villages, helping with household chores, garden care, and providing companionship.

The spirit of giving continued with a blood donation drive, resulting in 7,700 ml of blood donated, and clothing and essentials for orphans and impoverished students. Volunteers raised 1,610 CNY to buy winter necessities for 10 families, bringing comfort and support to vulnerable community members.

In April, APAC employees continued their commitment during Earth Month with a series of wellness and environmental challenges. Over 1,500 employees from 13 markets participated in the APAC Walk Initiative, logging an impressive 158 million steps — equivalent to 2.81 rounds around the globe. The APAC Climate Action Challenge saw 85% participation, with over 3,800 sustainable actions shared on social media, reflecting a 61% increase from the previous year.

In June, APAC employees joined the global celebration of the official Global Volunteer Month at Johnson Controls, demonstrating sustained dedication through a wide range of service activities. Across APAC, employees recorded a remarkable 4,204 volunteer hours from January to June, setting a benchmark for meaningful engagement and reinforcing Johnson Controls commitment to building healthier, more sustainable communities worldwide.

Greenhouse gas emissions

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Two million volunteer hours achieved



Third in the nation for blood collection in partnership with American Red Cross



72,507 volunteer hours, most in one year since 2017













#### **Global Volunteer Month**

In June 2024, Johnson Controls launched its first-ever Global Volunteer Month, inspiring employees worldwide to create healthier, smarter and more sustainable communities. With a goal of 10,000 volunteer hours, we encouraged our teams to give back locally, contributing to our target of two million volunteer hours by 2025.

The response was extraordinary, with more than 2,400 employees across 34 countries contributing over 21,217 hours – more than doubling our goal and setting a record for the highest volunteer hours logged in a single campaign at Johnson Controls. This participation allowed us to donate over \$140,000 globally from volunteer hours contributed in June 2024, supporting causes aligned with our commitment to social and environmental progress. A standout story came from our Cork office, which organized a day of hiking in County Kerry to support the Mercy Hospital Cancer Care Centre. The team tackled trails in Lickeen Woods and ascended Strickeen Mountain, logging 371 volunteer hours and raising over \$6,000. Guided by local experts, the team completed the challenging climbs and celebrated with a dinner at the historic Kate Kearney's Cottage.

To celebrate the remarkable dedication of our employees, we honored our top volunteers through the Volunteer Network Contest. First place went to Nayive Reyna Lopez from Mexico, who led 256 volunteers and logged 940 hours supporting food banks and reforestation projects. In second place, Ian Hennessy from Ireland mobilized 99 volunteers in initiatives like blood drives and beach cleanups, securing a total of \$8,863 in donations. Third place was awarded to Brigitte Solis from Costa Rica, who coordinated 86 volunteers for local food bank support.

The company's Business Resource Groups were also challenged to rally their members to volunteer and UnLimited BRG came out on top. With nearly 1,600 volunteer hours logged, and each member averaging over two hours of service, UnLimited exemplified the spirit of Global Volunteer Month and earned well-deserved recognition.

Global Volunteer Month demonstrated the dedication of Johnson Controls employees, setting a powerful foundation for future service and making a lasting impact on communities worldwide.

#### **Nature**

We understand and assess naturerelated risks and opportunities to mitigate our impact on nature and nature's impact on our business. Our focus on nature includes upstream, direct and downstream impacts and opportunities from:



#### **Climate change:**

Greenhouse gas emissions



#### **Pollution:**

Land, air and soil



#### Waste:

Hazardous and non-hazardous



#### Water:

Conservation and wastewater-management



# Biodiversity and ecosystem use change:

Terrestrial and aquatic

We have board oversight of our sustainability program and have established cross-functional workstreams to focus on the following:

# **Drive conservation across nature domains:**

Reduce GHG emissions, pollutants, water withdrawals, waste and biological disruption



Deliver products and services that improve air quality, reduce emissions and minimize the impact on nature

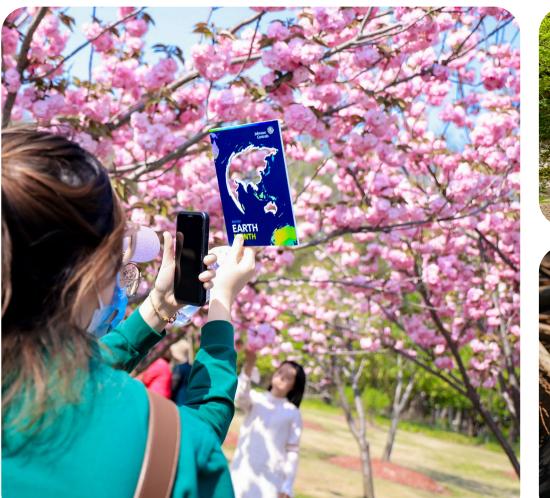
# Engage suppliers across our value chain:

Track progress and alignment with our nature commitments and plans through tools like EcoVadis













# Taskforce on Nature-Related Financial Disclosure (TNFD) and Science-Based Targets Network (SBTN)

We engaged with the Taskforce on Nature-Related Financial Disclosure (TNFD) and are proud to have helped guide the built environment pilot program as a partner and member.

In addition, we are also engaged with the Science-Based Targets Network (SBTN) as we continue to create targets and strategies across nature-based topics.

We actively reduce our impact on nature through several initiatives. We use the Locate, Evaluate, Assess and Prepare (LEAP) framework to align our strategy and look for new ways to reduce our impact on nature, while maximizing its beneficial impacts.

To that end, we have identified dependencies and impacts, both material and immaterial, that interface with nature and are aligned with the five categories of nature.



#### Locate

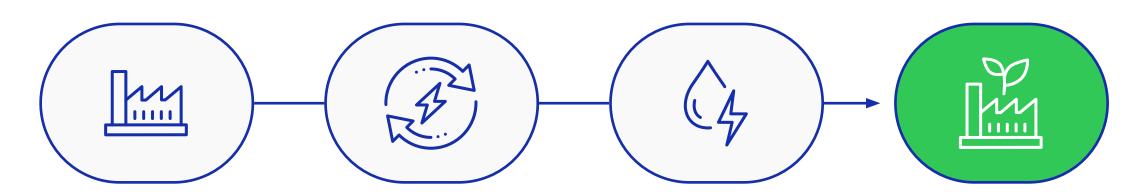
Johnson Controls performs its location assessments across facilities in the following countries:

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

#### **Evaluate**

Johnson Controls maps relevant environmental assets, ecosystem services, and impact drivers to business activities and assessment locations.

Johnson Controls product value chain interfaces with nature in several ways. Inputs to our product manufacturing include metals, chemicals (primarily heat transfer fluids such as refrigerants), water and energy. In operation, our products improve air quality discharge and water consumption, and displace high GHG emission equipment.



#### **TNFD-aligned dependency matrix**

TNFD identified sector	Dependence	Johnson Controls actions
Manufacturing inputs	<ul><li>Metals and mining inputs</li><li>Ground water</li><li>Surface water</li><li>Heat transfer fluids</li></ul>	See Waste and Circular Economy See Water See Water See Climate Change
Manufacturing processes	<ul><li>Energy supply</li><li>Water flow maintenance</li><li>Dilution by atmosphere and ecosystems</li></ul>	See Climate Change See Water See Pollution and Water
Digital solutions dependencies	<ul><li>Metals and mining inputs</li><li>Energy supply</li></ul>	See Waste and Circular Economy See Climate Change



### **Assess**

Johnson Controls prides itself on early recognition of the connections between environmental sustainability and enterprise risk-management (ERM).

Climate change and other environmental aspects are embedded in our ERM process. As a global multi-industrial company, we face a wide range of risks (see enterprise risk management). However, our ERM process provides us with a common framework and terminology to ensure consistency in the identification and management of key risks. It also informs the strategic planning process and includes formal processes to identify and document the key risks to Johnson Controls as perceived by a variety of stakeholders within the company.

The Governance and Sustainability Committee of the Board of Directors oversees the ERM process, and we have implemented a bottoms-up approach to capture risk perceptions from regional and functional leaders throughout the organization. This approach employs our quarterly Regional Compliance Committees to discuss survey results, define priorities, and design risk action plans. Additionally, we actively participate in various functional steering committees to closely monitor key priorities and top risks, including climate and environmental topics, identified by support areas, thereby enhancing visibility and agency. We also have key teams in place to oversee and advise on our sustainability risks and opportunities, including the Board's Governance and Sustainability Committee, the Executive Committee and the Sustainability Leadership Committee. These committees review tracked data, including water withdrawals globally, as well as data collected centrally for our manufacturing locations, three headquarters locations and significant research and development facilities.

# **Prepare**

# Our nature-related goals ensure we remain on track to contribute positively to the natural environment.

We report goals to the Board and assess each target quarterly through our sustainability governance program (see Governance). As we meet specific targets, we review opportunities to increase both ambition and scope.

Dependency/impact	Locate	Evaluate	Assess	Prepare
Climate change	Upstream: Material procurement and associated emissions from transportation of goods  Direct: Scope 1 and 2 emissions from facilities  Downstream: Emissions from use of sold products	Upstream: GHG emissions evaluation of suppliers  Direct: GHG emissions evaluation of facilities  Downstream: GHG emissions evaluation of use of sold products	Upstream: Risk assessment of suppliers from EcoVadis or other supplier evaluation  Direct: Risk and opportunity assessment analysis of facilities  Downstream: Risk and opportunity assessment analysis of use of sold products	Upstream: Assessment of 60% of supplier spend by 2026 and 80% by 2028 through EcoVadis or other supplier assessment tool  Direct: Reduce Scope 1 and 2 GHG emissions intensity and energy intensity by 25% by 2025, reduce absolute emissions by 55% by 2030 and achieve net zero emissions by 2040  Downstream: Reduce Scope 3 emissions from use of sold products by 16% by 2030
Pollution	Upstream: Material procurement and associated emissions from transportation of goods  Direct: Criteria air pollutants from facilities  Downstream: Indoor air quality (IAQ) improvements from use of sold products	Upstream: Evaluation of supplier non-GHG air pollution, soil pollution and disturbances  Direct: Evaluation of facility non-GHG air pollution, soil pollution and disturbances  Downstream: Evaluation of Indoor Air Quality (IAQ) improvements from use of sold products	Upstream: Risk assessment of suppliers from EcoVadis evaluation or other supplier evaluation tool  Direct: Risk and opportunity assessment analysis of facilities  Downstream: Risk and opportunity assessment analysis of use of sold products	Upstream: Assessment of 65% of supplier spend by 2026 and 80% by 2028 through EcoVadis or other supplier assessment tool  Direct: Design for sustainability  Direct: Design for sustainability

Greenhouse gas emissions

High-performance culture

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# **Climate change**

Our history of climate change mitigation and adaptation remains unparalleled.

Our nature-related goals strengthen our fight against climate change.

See Material **topic 1:** Sustainable products and solutions, and Material **topic 2:** Greenhouse gas emissions, in this report for details on how we reduce our upstream, direct and downstream GHG emissions.

## Air quality and air emissions

Johnson Controls delivers nature-positive contributions to the built environment by optimizing for air quality and other critical outcomes, including decarbonization.

We view indoor air quality (IAQ) as a priority, particularly considering that the average person takes approximately 20,000 breaths per day, according to the American Lung Association. By delivering optimal IAQ, we can ensure that building occupants are healthy, productive and engaged.

Johnson Controls experts are at the leading edge of research, development, education and advocacy when it comes to the relationship between IAQ, health, decarbonization and efficient space utilization.

We are committed to leveraging our expertise to make a positive, lasting impact on the health of indoor environments, and we are following through on that commitment by acting in our own buildings, as well as in our customers' buildings.



#### These actions have included:

- Certifying our global headquarters buildings in Glendale, Wisconsin and Shanghai, China, to the WELL Health Safety Rating from the International WELL Building Institute (IWBI).
- In alignment with Johnson Controls dedication to sustainability, the new Glendale facility incorporates low-impact development practices including technologies focused on efficiency and enhanced air filtration.
- Launching a multi-year commitment to certify additional buildings in our portfolio to the WELL Building Standard from IWBI.
- Earning IWBI's WELL Enterprise Provider (EP) designation to better assist our customers on their healthy building journeys.
- Developing and advocating for enhanced standards and codes that govern good IAQ, including the new ASHRAE Standard 241 Control of Infectious Aerosols, a groundbreaking standard released in July 2023 to help curb the spread of infectious diseases in buildings.
- Implementing our IAQ solutions, including our portfolio of IAQ services for existing buildings and our IAQ monitoring, filtration and UV-C disinfection products, for dozens of customers globally as they invest in unlocking valuable outcomes for their businesses and their stakeholders.
- Research that has led to peer-reviewed articles and white papers that are accelerating the base of knowledge on IAQ, including the financial justifications for IAQ investments and the key links between IAQ and decarbonization.

Our vision is a built environment where enhanced IAQ is standard, from construction to service and replacement, and the links between IAQ, decarbonization, and efficient space use are realized.

<u>Learn more</u> about Johnson Controls IAQ solutions.

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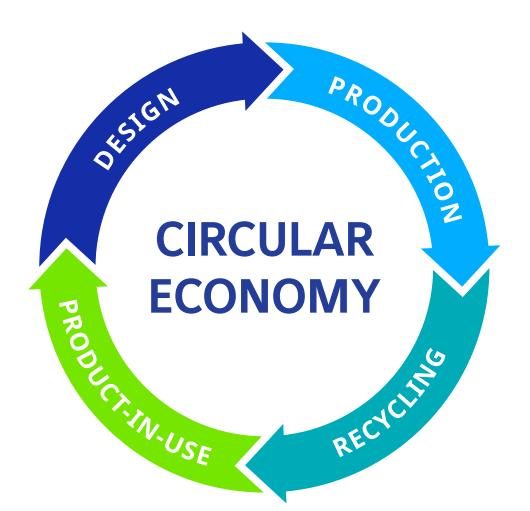
We make positive contributions to the natural environment through circular economy and waste elimination in our operations and across the value chain.

To drive and engage circular thinking, we include sustainability and circularity principles throughout our stage gate review process for innovation and new product development.



## **Design products for circularity**

We are integrating sustainability principles into our Rapid Closed Loop product development process, including through key performance indicators to track opportunities to reduce overall product weight. Additionally, we continue to pursue opportunities for circularity in the use of input materials, such as our partnership with Nucor Steel to recycle scrap from our own manufacturing processes.



#### Key components to our circular economy strategy:

1

Design products for circularity, including material reduction and use of recycled content

2

Reduce waste within our operations

(3)

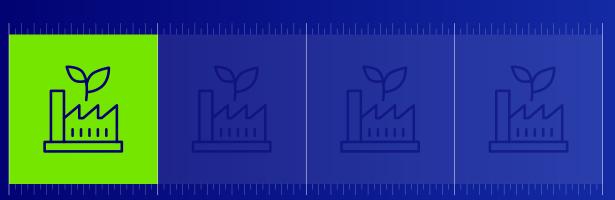
Design and use sustainable packaging



# Reduce waste within our operations

#### **Metric:**

25% of manufacturing locations landfill-free by 2025



Twenty-three locations recognized as landfill-free
In 2024, 23 manufacturing locations, representing
25% of our total manufacturing locations, had a 100%
diversion rate and were recognized as zero landfill.

As a result, we have met our 2025 goal of having 25%
of our manufacturing locations landfill-free.

To add to this, a further 10 non-manufacturing locations are landfill-free, for a total of 33 landfill-free locations throughout the company.

We have a variety of programs and activities aimed at achieving zero landfill, as well as reducing, reusing, recycling, and composting. Some of our current initiatives include:

- Operating a corporate-level workgroup focused specifically on waste reduction and assisting plants in reaching their zero-landfill objectives.
- Establishing and monitoring the progress of our zero-landfill initiatives, including having our waste metrics audited and assured through third-party limited assurance.
- Continuously seeking ways to adhere to the waste hierarchy throughout our business lifecycle by eliminating unnecessary materials, reusing and recycling, and utilizing compostable materials in our cafeterias.
- Promoting and encouraging recycling among our customers and supporting take-back programs and retrofit options.

To be recognized as zero landfill, a site must demonstrate to the senior Environmental Health and Safety (EHS) leadership team that its generated waste is either recycled, reused or converted to energy. Each location that has achieved landfill-free status began this journey several years prior to completing the recognition process. A significant portion of their success can be attributed to the dedicated focus and personal commitment of the employees at each site. Their support has been instrumental in ensuring that we positively impact the environment by reducing the amount of waste directed to landfills.

#### Faciltities that have met our zero landfill milestone to date are:

- . **FSP Frome, UK** (July 2015)
- **2. FSP Luneburg, Germany** (September 2015)
- 3. BMS Rajecko, Czech Republic (September 2015)
- **4. BMS Sungnam, Korea** (February 2016)
- 5. Distribution Echt, Netherlands (March 2016)
- Distribution Enschede, Netherlands (March 2016)
- 7. **FSP Port Arthur, Texas** (April 2016)
- **3. FSP Stockport, UK** (September 2016)
- **P. FSP Lammhult, Sweden** (September 2016)
- **10. BMS Toronto, Canada** (March 2017)
- **11. FSP Neuruppin, Germany** (January 2018)
- **I2. Distribution Letchworth, UK** (May 2018)
- **13.** BMS Corropoli, Italy (June 2018)
- **14. JCH Barcelona, Spain** (June 2018)
- 15. IR Nantes, France (July 2018)
- **16. SP Great Yarmouth, UK** (August 2018)
- 17. IR Holme, Denmark (August 2018)
- **18. JCH Shimizu Works, Japan** (May 2019)
- **19. JCH Taoyuan Works, Taiwan** (July 2020)
- **20. FSP Lubbock, Texas** (August 2020)
- **21. IREF Finland, Finland** (November 2020)
- **22. JCH Guangzhou, China** (April 2021)
- 23. JCH Guangzhou Works, China (April 2021)
- **24. APAC Singapore**, **Singapore** (July 2021)
- 25. EMEALA Sunbury-On-Thames, UK (October 2021)
- 26. Distribution Singapore, Singapore (April 2022)
- **27. JCH Kadi, India** (April 2022)
- 28. JCH Tochigi, Japan (May 2022)
- **29. EMEALA Gateshead, UK** (July 2022)
- **30. One Albert Quay, Ireland** (September 2022)
- **31. JCH Sao Jose, Brazil** (December 2022)
- 32. AHU East York, Pennsylvania (September 2023).
- 33. Sorocaba, Brazil (September 2024).

Greenhouse gas emissions

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# **Spotlight: Brazil**

In Sorocaba, Brazil, a significant milestone has been achieved with the elimination of waste to landfill at one of our global industrial refrigeration facilities.

In 2024, the 47,000ft<sup>2</sup> facility is officially a zero waste to landfill facility through several initiatives, including:

- Selective waste collection and recycling
- Waste reuse
- Reduced waste generation
- Increased waste sorting
- Energy recovery

The Sorocaba facility's initiatives saved 125.3 MWh of energy, reduced CO<sub>2</sub>e emissions by 25.3 tons, preserved 320 trees, avoided 249 cubic meters of landfill volume and achieved \$24,600 in direct savings. This success will be a template for all Johnson Controls facilities worldwide.

The initiatives have transformed the local community's views on waste. Staff are highly engaged through regular training, management lectures and volunteer activities. Fabricio Camargo, EHS Manager, stated, "We help reduce landfill degradation, a significant issue for the community."

#### Non-industrial waste

Sorocaba plant – selective collection



- Minimize the company's environmental footprint
- Reduce our products' environmental impact
- Champion zero landfill strategies and activities

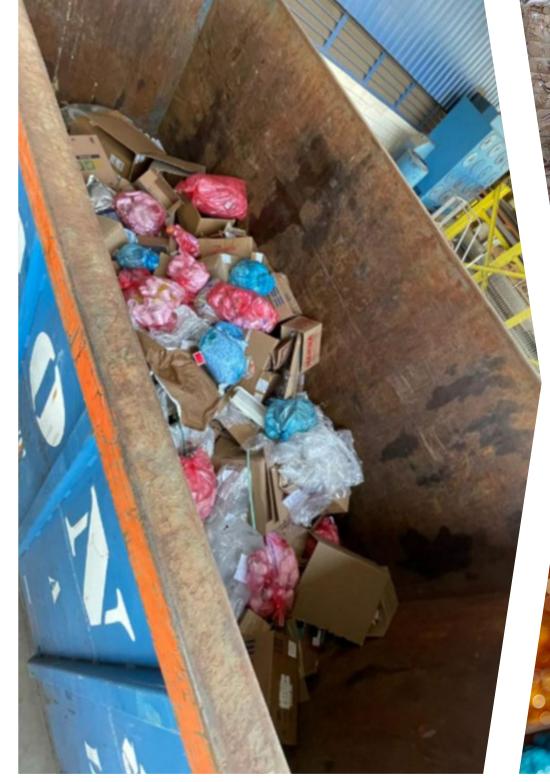
Selective collection (non-industrial)

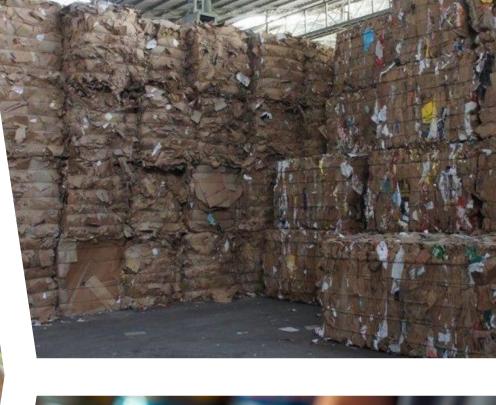
General plant paper, cardboard, plastic

**Sent from recycling to Salmeron** 











301-1 | 301-2 | 301-3

At Johnson Controls, we aspire to sustainably package our products without compromising on quality.

We are committed to increasing recycled content in all paper-based packaging and reducing overall packaging use, including eliminating single-use plastics in manufacturing and shipping of our products.

#### **Principles of our Sustainable Packaging Program**

Remove	Eliminate or reduce non-essential packaging materials and components
Replace	Replace unsustainable packaging with more sustainable alternatives
Reuse	Implement returnable packaging solutions or repurpose single-use packaging
Recycle	Prioritize packaging material that is biodegradable or recyclable by our end users
Reclaim	Source packaging materials that contain reclaimed, recycled or reused content

We are committed to reducing our overall packaging material use and eliminating the use of single-use plastics.

#### 2024 packaging sustainability results:

In just one year, we eliminated 429,250 pounds of overall material from existing packaging, promoting eco-friendly solutions and reinforcing Johnson Controls commitment to sustainability. This included the elimination of 42,350 pounds of single-use plastic, equivalent to the plastic in two million water bottles and removal of 386,900 pounds of materials from landfills, significantly reducing waste.

#### Reduce:

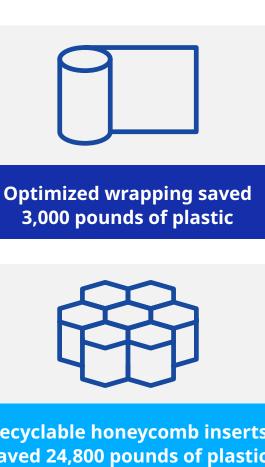
We minimized the use of single-use plastic for stretch-wrapping and shipping products by optimizing the stretch-film material and wrap pattern. This initiative resulted in an estimated annual reduction of 3,000 pounds of single-use plastic.

#### Replace and recycle:

We switched from single-use EPS plastic inserts to recyclable paper-based honeycomb inserts, cutting 24,800 pounds of single-use plastic each year.

#### Remove and reclaim:

Material usage was reduced by optimizing wood crate designs. This resulted in a cost-effective and simplified solution that eliminated 245,300 pounds of wood material from existing packaging.



**Recyclable honeycomb inserts** saved 24,800 pounds of plastic



**Optimized crates saved** 245,300 pounds of wood

#### **Employee engagement to reduce single-use plastics**

The Nottingham, UK site conducts an annual single-use plastics survey for employees and provides communications on reducing or eliminating single-use plastic, including suggestions for

alternatives. This has resulted in purchasing improved stationery items, such as envelopes without plastic windows and recycled paper, as well as replacing plastic plates and cutlery with reusable crockery for kitchens and conference rooms.

Greenhouse gas emissions

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#### Water

Conservation and wastewater management 301-1 | 301-2 | 301-3

Significant initiatives in Mexico, India and China have led to substantial advancements in our water stewardship.

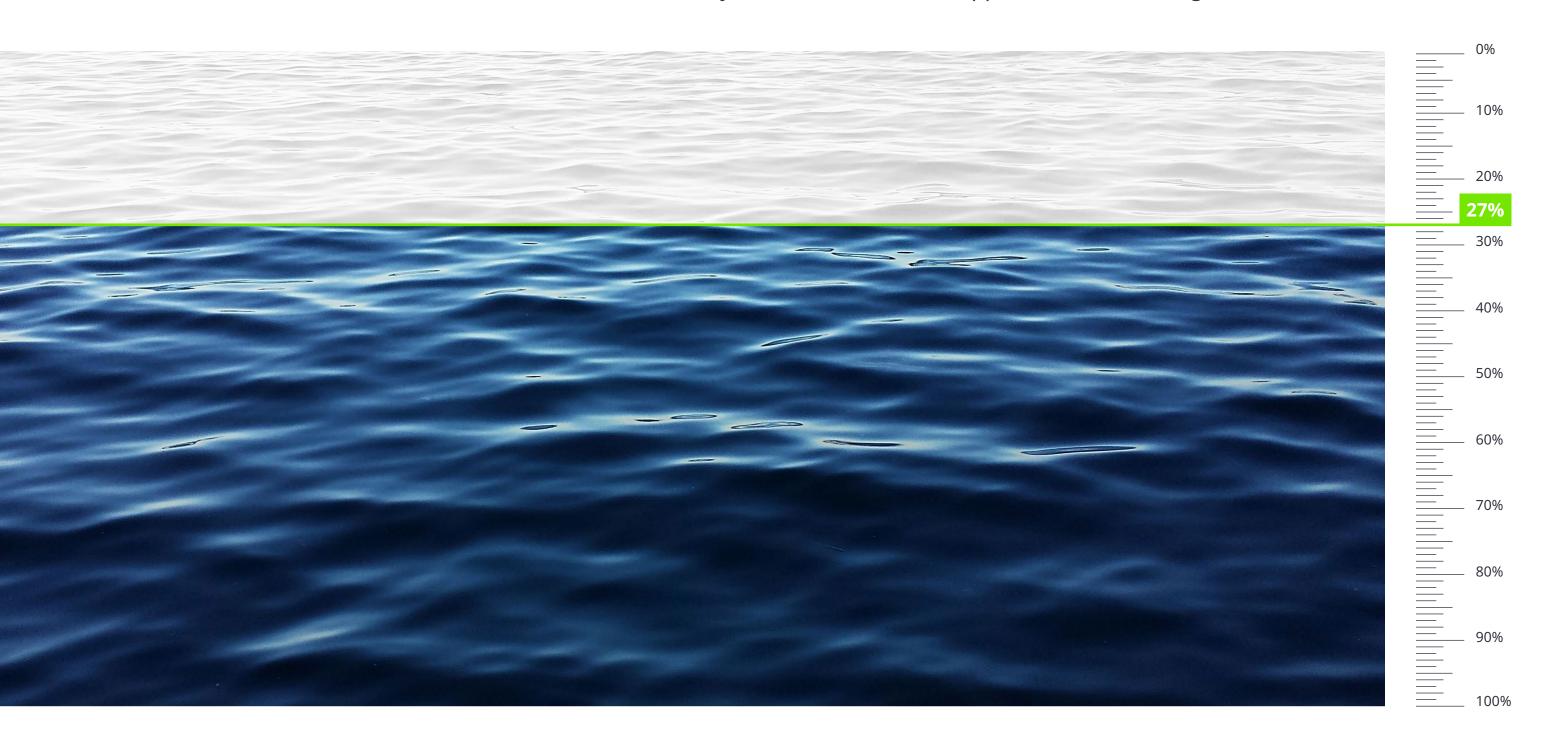
One of our key insights from this year is the necessity to comprehend the complete scope of water impacts, including withdrawals, discharge and consumption. Consequently, we have obtained limited assurance on our water discharge and consumption data to enhance our understanding of our overall water impact and performance. In addition, our approach to the siting and management of our facilities also remains consistent with our commitments as a signatory to the United Nations Global Compact, our Code of Ethics and our environmental health and safety standards, as well as applicable laws and regulations.

### **Metric:**

Reduce water use by 10% at water-stressed locations by 2025 versus 2017

We surpassed our 2025 metric of reducing water withdrawals at water-stressed facilities achieving **27% reduction since 2017.** 

In 2021, we updated our water-stressed locations in alignment with WRI Aqueduct 3.0. As a result, in 2024, we determined that we had 12 manufacturing and R&D facilities in water-stressed locations, driving us to continue our focused effort on water reduction.



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### **Spotlight: Mexico**

In Mexico, several measures were implemented to improve water conservation and reduce water withdrawals at facilities. During the year, two separate plants saved water by recycling it for restrooms, accounting for 30% of water withdrawals at these sites. At one location in Cienega, Mexico, water withdrawals decreased by 26% compared to the previous year. Progress continues in Mexico, with collaboration with local governments to install water meters on discharge points and educate Johnson Controls staff about the importance of water through Water Kaizen events at each facility.

We measure consumption from facilities in our operational control of our manufacturing and office buildings, as well as detecting and repairing water leaks, recalibrating flow meters and deploying water-saving technologies. Since 2018, we have implemented projects globally to reduce water consumption and promote recycling and reuse processes, further enhancing circular processes throughout our global network of facilities. To complement this, our recycling processes also enable the proper discharge of water through wastewater treatment processes to prevent discharge to the natural, freshwater environment.

Our team facilitates a focused, global effort to reduce water consumption at our updated list of water-stressed locations worldwide. As such, our global program for water reduction, reuse and recycling propagates the best practices implemented in each of our water-stressed locations. This systematic approach to water conservation will be added to our Johnson Controls Manufacturing System (JCMS) for application throughout our global facility network.

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

#### **Looking beyond 2025**

Johnson Controls is committed to leading in water stewardship and is dedicated to continually enhancing our interactions with water.

In alignment with the UN Sustainable Development Goal of Clean Water and Sanitation, Johnson Controls is now finding opportunities to:

- Maintain the water withdrawal savings delivered in water stressed locations and align the scope of site coverage to the World Resource Institute (WRI)'s Aqueduct Tool.
- Track discharge, consumption and water intensity across our facilities.
- Regularly survey our facilities for water use and treatment data.

#### Our solutions in action

#### **Wastewater efforts**

Recognizing the energy and GHG impact of water pumping and treatment, in 2024 our commercial team has completed 19 wastewater management projects, saving customers over \$3.5 million. Our initiatives reduce grid energy use and generate renewable energy.

#### **Spotlight**

Our water conservation upgrades helped deliver over two billion gallons of water and sewer savings through a housing project.

#### Water conservation with local and state governments

Through our work with local and state governments, we address the issues of water scarcity, aging water infrastructure and clean water and sanitation. In 2024 alone, we delivered nearly 70 projects in water metering and leak detection, providing over \$12 million in water savings as a result.



304

We take active measures to ensure we minimize our impact on biodiversity and ecosystem use. Through the use of the WRI Aqueduct tool and consultation with resources like the IUCN Red List, we take precautions in locations where biodiversity and ecosystem use impacts could occur.

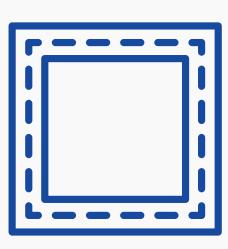


As part of our efforts to fulfill this commitment, we review facility siting to fully understand the climate, land-use change, biodiversity and nature implications associated with development. To that end, we prioritize retrofit opportunities

and minimize greenfield development opportunities whenever possible. In fact, site-selection management begins with optimizing current locations to mitigate greenfield development to the greatest extent practicable.

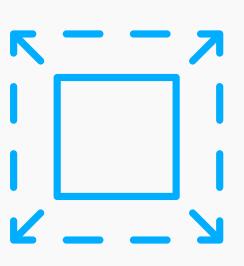
We follow a three-point plan to minimize the impact of development and to ensure that development mitigates emissions and impacts on nature. In priority order, this includes:

1



Finding development opportunities that retrofit and transform existing floorspace.

7



Finding development opportunities that add floorspace to existing sites.

3



Finding development opportunities that add floorspace to new sites best suited to minimizing the emissions and nature impacts of that development.

# **Supplier sustainability**

We expect suppliers to behave ethically and to maintain open and honest communication.

Johnson Controls expects 100% of our suppliers to abide by the principles outlined in 'Values First, the Johnson Controls Code of Ethics', which covers issues such as labor, human rights and environmental stewardship. We maintain policies and procedures in our business for removing unethical suppliers from our approved vendor lists if they do not or will not comply with our expectations.

EcoVadis, a globally recognized environmental, social and governance assessment ratings agency, provides third-party evaluation of our supply chain as part of our Supplier Sustainability Program. Currently, 53% of our enterprise spending, accounting for over 2,200 suppliers, has been assessed in detail across each of these dimensions. Our target is to have third-party assessments of 60% of our supplier spend by the end of 2026 and 80% by the end of 2028. Our supplier scorecards weigh sustainability equal to quality, cost, and delivery in supplier performance evaluations.

#### **Supplier Sustainability Program spending**



# **Global supplier scorecard harmonized metrics** (100%)

#### Quality

- Year-over-year improvements (7%)
- Reject rates (7%)
- Responsiveness (7%)

#### Cost

- Net savings (7%)
- Payment terms (7%)
- Engagement platforms (7%)

### Supplier resilience

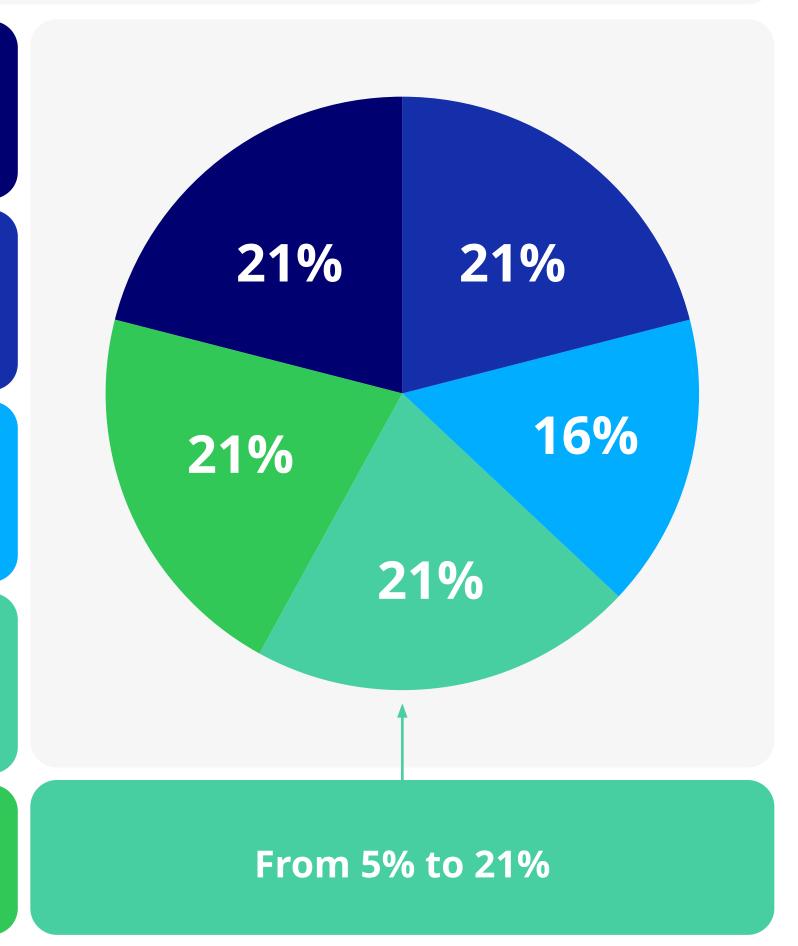
- Financial assessments (6%)
- Supplier profiles (6%)
- Business continuity 4%

### **Delivery**

- To promise dates (10%)
- To request dates (6%)
- Number of delivery disruptions (5%)

### Sustainability

Environment, human rights,
 ethics, sustainable procurement (21%)



Through our EcoVadis program, we assess our suppliers and create transparency on four key pillars:

# Environment, labor and human rights, ethics and sustainable procurement.

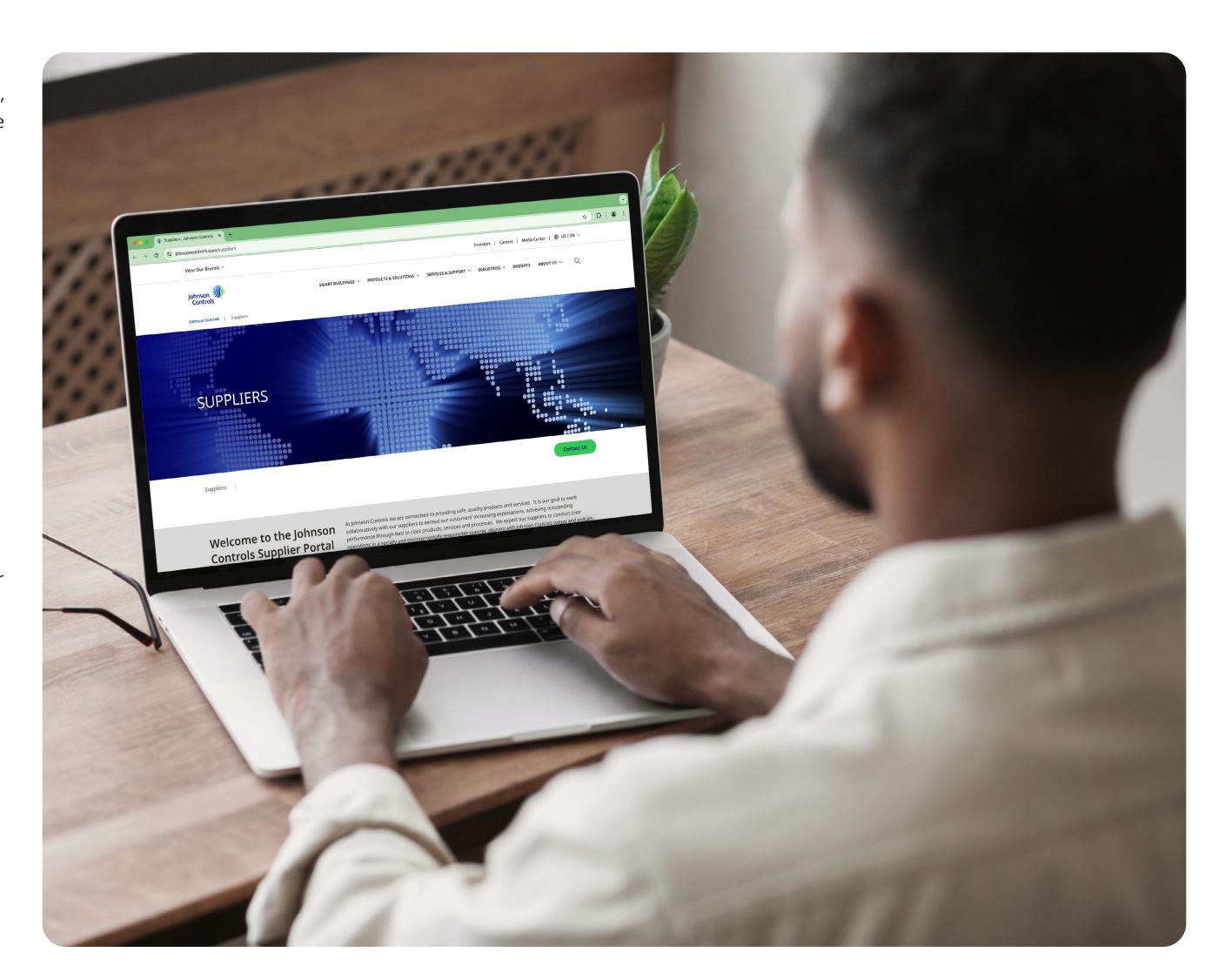
Our sourcing board conducts a thorough review of the supplier scorecard and specific sustainability ratings, as part of an evaluation led by our category managers. Suppliers identified as high-risk are required to implement an improvement plan. If a supplier receives a poor score, we expect all issues to be promptly addressed by the supplier or escalated by the category manager to procurement leadership for immediate risk mitigation. Failure to rectify the issues may result in the termination of the business relationship.

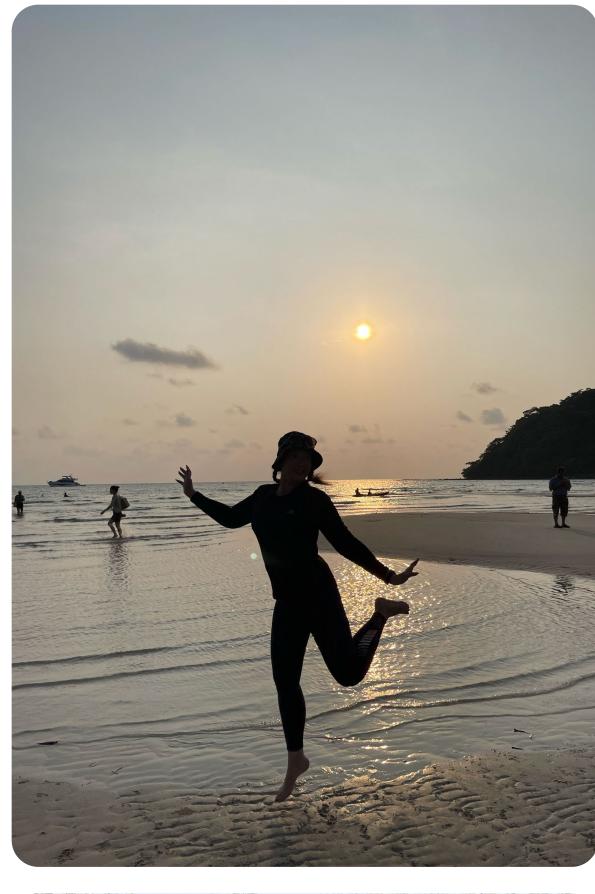
We rely on local, state, and federal agencies to ensure suppliers comply with environmental and labor laws.
We frequently engage directly with regulatory bodies to review a supplier's compliance record and conduct site audits of selected suppliers to verify

that proper environmental and social processes are documented, implemented, and effective. Additional oversight may be initiated in response to negative reports regarding a supplier's environmental and social conditions. The falsification of data is treated with utmost seriousness, and appropriate follow-up actions, including potential contract termination, are taken whenever data accuracy is in question.

To date, no significant social or environmental performance issues have been identified with any of our suppliers, nor has any supplier been terminated because of social or environmental performance issues. Since 2018, we have completed 2,111 supplier assessments. These assessments resulted in 15,828 corrective action items where the supplier had to make required changes to their systems and processes to remain within the Johnson Controls extended supply chain network.

See our <u>supplier portal</u> for more information.



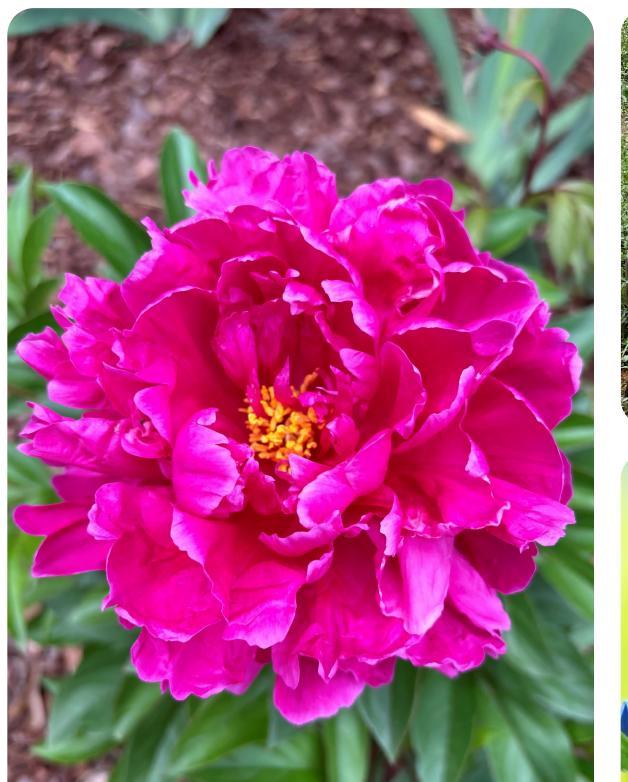




















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#### **Governance principle:**

Link sustainability goals to executive compensation to drive accountability

#### **Progress:**

Sustainability performance goals that deliver our business strategy are required for the top leaders of our company, including our CEO and executive team. These goals are included as part of the holistic individual contribution modifier of +10% to -25% applied to their annual incentive award calculation, which assesses an individual's contributions and actions towards our business and operational goals, as well as driving sustainability, health and safety, employee engagement and leadership in furtherance of our business strategy and objectives.

#### This includes:

**Sustainability:** Progress toward our emissions reduction goals and achievement of top-tier sustainability ratings.

**Health and safety:** Realizing our Zero Harm vision by championing health and safety initiatives that result in improved employee well-being and safety outcomes.

**High-performance culture:** Continued progress toward our mission to attract and retain the

**Employee and external engagement:** Fostering a culture of inclusion and an enhanced employee experience that engages and attracts people who want to make a difference.

#### **Governance principle:**

Ensure a strong, effective board with unique insights, experience and backgrounds

#### **Progress:**

The Governance and Sustainability Committee aims to establish a Board with strong collective knowledge. This includes a diverse range of skills, backgrounds and experiences to ensure excellence in vision, strategy, management and leadership, business operations, judgment, crisis management, risk assessment, industry expertise, accounting and finance, corporate governance and global markets.

The Governance and Sustainability Committee evaluates whether the Board possesses a suitable mix of professional experience, background, skills, global market exposure and subject matter expertise in relation to Johnson Controls current and anticipated future requirements. The Governance and Sustainability Committee regularly discusses Board succession and refreshment, including evaluating the current composition of the Board and assessing the expertise and experience of potential director candidates to ensure they complement those of other directors.

See our current Board members <u>here</u>

#### **Governance principle:**

Drive sustainability oversight by the Board of Directors

#### **Progress:**

The Board reviews and discusses sustainability goals and achievements, as well as matters important to our strategy, including reviewing our sustainability strategy and performance annually at a minimum. The Governance and Sustainability Committee of the Board receives quarterly progress briefings on sustainability programs and goals. (see 'Sustainability governance').

#### **Governance principle:**

Align reporting of climaterelated financial risks with International Sustainability Standards Board (ISSB) Standards, including IFRS S2 Climate-Related Disclosures

#### **Progress:**

We disclose our climate-related financial risks consistent with ISSB standards in the Climate Change Disclosure (CDP). We have been named to the CDP Climate Change A List for our disclosure and transparency. In 2024, we updated our climate-related risk and opportunity scenario analysis consistent with IFRS S2 Climate-Related Disclosures. As we prepare to report under the EU's

Corporate Sustainability Reporting Directive, we are developing our double materiality framework to enhance our insights into the most significant risks and opportunities we face as a company.

We use that analysis to identify the most critical climate-related risks and opportunities and to develop management strategies for mitigating risks and capitalizing on opportunities. We also integrated climate-related risks into our formal enterprise risk-management process to ensure the use of a consistent risk framework across the enterprise and to create accountability and visibility up-to-and-including the Board (see 'Enterprise risk-management').

We report in alignment with GRI Standards, report to ISSB topic disclosures as a SASB Reporter, now part of IFRS, and provide voluntary and mandatory sustainability reports for our customers, investors and jurisdictions globally.

# **Company leadership**

2-9 | 2-17 | 2-24 | 3-1

The Johnson Controls Board of Directors is guided by our corporate governance guidelines, committee charters, Code of Ethics and articles of association, all of which are publicly available in the corporate governance section of our corporate website. Detailed information about our executive leadership and governance structure, as well as our Board of Directors and its committees, are also publicly available in our 2025 proxy statement, our annual report on form 10-K and on the leadership page of our website.

We believe good governance requires not only an effective set of specific practices, but also a culture of responsibility and accountability throughout the company. Governance at Johnson Controls is intended to foster and promote both. In line with this, we are also committed to recruiting and retaining directors and officers of proven leadership ability and personal integrity.

# Responsibility for economic, environmental and social topics

2-12 | 2-13 | 2-14

The mission of our Board of Directors is to promote the long-term value and health of Johnson Controls in the interests of our shareholders and to set an ethical tone at the top. All corporate authority is exercised by our Board of Directors, except for those matters reserved for our shareholders. The management of Johnson Controls is responsible for developing and executing our mission and strategic plan on an enterprise and business level. Our Board of Directors retains oversight authority, defining and overseeing the implementation of, and compliance with, standards of accountability, while monitoring the effectiveness of management policies and decisions to ensure the company is managed in such a way to achieve its objectives.

# **Board of Directors and board committees**

Our Board of Directors approves and oversees the implementation of the company's mission, strategic plan and business strategies, while providing advisory support to management. Its vision and values incorporate our company values of being Integrity First, Purpose Led, Customer Driven, Future Focused and One Team.

The full Board of Directors oversees strategy and strategic risk through robust and constructive engagement with management, taking into consideration our key priorities, global trends impacting our business, regulatory developments and disruptors in our businesses. The full board provides oversight for processes established to identify and manage the company's impacts on the economy, environment and people. This includes reviewing the results of management's enterprise risk-management process, which identifies the company's top risks. The Board uses this information to understand the key internal and

external risks faced by the company and to ensure that these risks are effectively managed.

The Board also receives updates from management on business, sustainability, health and safety, human capital management and other topics to better inform its understanding of how our business and strategy impacts internal and external stakeholders.

In line with this, the Board reviews and discusses sustainability strategies, goals and performance at least annually. The Governance and Sustainability Committee of our Board of Directors has been delegated primary oversight for the sustainability and health and safety matters impacting our company and is briefed each quarter on our progress. The full board also receives periodic briefings during the year on sustainability matters, ranging from our sustainability initiatives and progress to the intersection of sustainability and our business strategy. The Governance and Sustainability Committee, together with the full board, provides oversight for our progress toward, and achievement of, the sustainability strategies and goals established by management and reviews and provides input on the Company's sustainability material topics identified by management.

Our Compensation and Talent Development Committee has been delegated primary oversight of our talent development and human capital management efforts, though our full Board of Directors is also briefed on these matters periodically during the year. The committee is regularly briefed on our initiatives to foster, develop and maintain a high-performance culture. It reviews the results of management's initiatives to engage with employees to understand how the company's policies and practices impact the workforce and the overall employee experience. The committee provides advice and feedback to management based on the results of these efforts to help guide management's strategy to improve the employee experience and to drive a high-performance culture.

#### **Executive Committee**

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 environmental and societal aspects include the Executive Vice President, General Counsel; Executive Vice President and Chief Human Resources Officer; Vice President, Chief Sustainability and External Relations Officer; and Vice President and Chief Procurement Officer. Review and approval of the organization's annual sustainability report and material topics is delegated to the Sustainability Disclosure Steering Committee. The EC reviews and provides input on the Company's Sustainability Report and sustainability material topics.

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The EC further delegates relevant authority for economic, environmental and social topics, including all the material aspects discussed in this sustainability report, to the Sustainability Leadership Committee (see Sustainability governance).

#### **Shareholder engagement**

Our outreach efforts are generally led by management representing a wide variety of functions, including corporate governance, sustainability, human resources and investor relations. The feedback we receive through biannual engagement efforts is an important factor in discussions regarding our governance and business practices. The outcomes of these discussions are reported to our Board of Directors by management. In addition, the Governance and Sustainability Committee regularly reviews relevant shareholder and stakeholder correspondence addressed to the Board of Directors. These methods of engagement provide our board with valuable insights into the views of our shareholders and other stakeholders.

## **Ethics and integrity**

2-16 | 2-23 | 2-24 | 2-25 | 2-26 | 2-27 | 3-3 | 205-2 | 205-3 410-1 RT-EE-510a.1

We are proud to have been named one of the World's Most Ethical Companies® for the 17th time in 2024, joining just 11 companies worldwide who have received this honor 17 times.

Our company's ongoing success stems from our deeply engrained culture of integrity, guided by our Code of Ethics and the principles in our **Human** Rights and Sustainability policy. Acting with integrity allows us to meet the high expectations of our customers, partners and communities, giving us a competitive advantage in the process.

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

#### **Code of Ethics**

Our Code of Ethics applies to everyone at Johnson Controls, including the Board of Directors, company officers, employees, agents and contract workers. It is available in 33 languages and provides specific guidance on the behaviors that drive a global culture of ethics and integrity, updated periodically to reflect changes in laws, regulations and company policies. Compliance with our Code of Ethics and our **Anti-Corruption Policy** is a condition of employment.

#### All employees receive training and communications on our Code of Ethics in the following ways:

- All new employees are required to attend training on our Code of Ethics and attest that they have read, understood and will comply with it as a condition of employment.
- Every two years, all online employees must complete an ethics certification that requires completion of the ethics training module and a review of the Code of Ethics.
- · The Code of Ethics is regularly addressed by our managers in employee meetings.
- The Code of Ethics is reinforced and referenced via tone-at-the-top communications and messaging to employees throughout the year (employee portal, in-person meetings, web casts, emails to employees, etc.).

#### **Training**

205 -2 | 410 -1

In addition to Code of Ethics training, we train our employees and Board of Directors on a variety of anti-corruption, competition and privacy-related matters.

Employees who work in functions at elevated risk receive our periodic Vital Values online training, covering specific ethics and compliance topics, such as anti-corruption, conflicts of interest, fair competition and privacy. Twice per year, all managers in the company also conduct

Values in Action sessions, which are scenariobased ethics discussions with their teams. These trainings included employee training on topics of discrimination and harassment. In fiscal year 2024, we achieved 99% completion of these trainings.

Furthermore, as part of our Third-Party Program approval process, we require all high-risk business partners to complete mandatory anti-corruption training prior to their engagement with Johnson Controls.

#### **Board oversight**

The Board of Directors has overall oversight responsibility for ethics and compliance at Johnson Controls. The Chief Ethics and Compliance Officer provides quarterly updates to the Audit Committee of the Board on significant investigations, integrity helpline metrics, compliance training and communication and program highlights. The Audit Committee also has oversight responsibility for the contents of the Code of Ethics.

### **Integrity helpline**

2-16 | 2-25 | 2-26 | 205-3

At Johnson Controls, we value an environment where everyone is empowered to question any possible wrongdoing. Anyone who is concerned about potential violations of our Code of Ethics, company policy or the law is expected to speak up. With that in mind, a 24-hour integrity helpline managed by our Ethics and Compliance team is available to anyone who wishes to raise an ethics or compliance concern with the company.

Available in 47 languages, the integrity helpline is operated by an independent third-party vendor and allows callers to log concerns anonymously.

Employees, suppliers, customers and third parties can raise concerns by phone or through the webbased integrity helpline portal. Concerns raised via the integrity helpline are triaged and routed to the appropriate function for review and investigation. Statistics are produced regularly and are reviewed by senior executives and the Audit Committee of the Board of Directors.

However, the integrity helpline is only one of several communication vehicles that employees can use to raise ethics-related concerns. Often, employees discuss such issues directly with their manager, while they are also encouraged to reach out to their human resources representative, legal department, compliance team or integrity champions with any questions or concerns. Alternatively, employees can contact the compliance team directly by using the Ask Compliance mailbox. Queries sent to this mailbox are reviewed and sent to the appropriate compliance contact.

#### We strictly prohibit retaliation against anyone for reporting concerns or cooperating with a company investigation.

In fiscal year 2024, there were no incidents of corruption that would have a material impact on our company or our stakeholders. All reported issues of alleged corruption are documented, investigated and remediated until resolution.

# **Sustainability in** executive compensation

2-19 | 2-20

Sustainability performance goals that deliver our business strategy are required for the top leaders of our company, including our CEO and executive team.

These goals are included as part of the holistic individual contribution modifier of +10% to -25% applied to their annual incentive award calculation, which assesses an individual's contributions and actions towards our business and operational goals, as well as driving sustainability, health and safety, employee engagement and leadership in furtherance of our business strategy and objectives.

#### This includes:

**Sustainability:** Progress toward our emissions reduction goals and achievement of top-tier sustainability ratings.

Health and safety: Realizing our Zero Harm vision by championing health and safety initiatives that result in improved employee well-being and safety outcomes.

**High-performance culture:** Continued progress toward our mission to attract and retain the best talent.

**Employee and external engagement:** Fostering a culture of inclusion and an enhanced employee experience that engages and attracts people who want to make a difference.

Our CEO prepares a scorecard showing our performance against annual business and sustainability targets, which is reviewed with the full Board of Directors at each regular quarterly meeting.

Integrating sustainability into the goals of our executive team and linking them to compensation ensures sustainability is embedded in our products, services and culture.

For 2024, more than 20,874 employees have tied their annual goals to sustainability, enabling us to deliver for customers in integrating sustainability leadership in all our products, services and operations.

## **Enterprise risk-management**

2-12 | 2-23 | 2-24 | 201-2 | 205-1

We incorporate sustainability into our enterprise risk-management (ERM) process and integration continues to evolve.

As a global industrial company, we face a range of risks, including general economic, credit and capital market conditions risks, geopolitical risks, regulatory risks, global climate change risks and several other risks that are described in more detail in our Annual Report on Form 10-K.

With this in mind, we have a comprehensive ERM Program that engages a variety of stakeholders across the enterprise to identify our top internal and external risks. As part of this, our board is primarily responsible for overall risk oversight, including the company's risk profile and management controls. More detailed information on the risk oversight role of the Board of Directors is disclosed our 2025 Proxy Statement.

Due to the importance of climate-related issues, we also engage in a focused risks and opportunities process specific to climate-related risks and opportunities, which is aligned with our overall ERM framework. We do this every other year. In the interim years, risks identified through this process are reviewed and updated as appropriate.

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

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

The Board performs its risk oversight role both directly and through its standing committees. Throughout the year, the Board and each of these committees spend a portion of their time reviewing and discussing specific risk topics. Board meetings regularly include strategic overviews by our CEO and other members of senior management that describe the most significant issues, including risks affecting us. On an annual basis, the Chief Ethics and Compliance Officer and other members of senior management report on our top enterprise risks, as well as the steps management has taken or will take to mitigate these risks.

In addition to this, the Board regularly receives updates covering specific risk topics from business leaders, the General Counsel, Chief Information Officer, Chief Sustainability and External Relations Officer and other functional leaders. It also reviews the risks associated with our financial forecasts, business plan and operations, which are identified and managed through our ERM process.

Our ERM process provides a common framework and terminology to ensure consistency in identifying, reporting, analyzing and managing

key risks. It is also linked to the strategic planning process, compliance and internal audits, 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. To add to this, by leveraging the ERM framework, we have implemented a bottoms-up approach to capture risk perceptions from regional and functional leaders throughout the organization. This approach employs our quarterly Regional Compliance Committees to discuss survey results, define priorities and design risk action plans. Additionally, we actively participate in various functional steering committees to closely monitor key priorities and top risks identified by support areas, thereby enhancing visibility and agency. This risk-management model encompasses all levels within the organization, ensuring accountability and communication across the Executive Committee, the Board and senior business and functional leaders.

To complement this process, we also have key teams in place to oversee and advise on our sustainability risks and opportunities, including our Executive Committee, Executive Leadership Team, the Sustainability Leadership Committee and specialized committees and management groups. The results of enterprise risk-management activity are presented to the Board at least annually.

# Operations assessed for risks related to corruption

205-1 | 412-1

Our global risk assessment framework includes anti-corruption audits, the Third-Party Program and the Enterprise Risk-Management (ERM) Program. Each of these programs plays a role in addressing corruption risks for our company.

Our Third-Party Program is dedicated to performing anti-corruption due diligence for high-risk business partners of Johnson Controls prior to their engagement around the globe.

In fiscal year 2024, more than 1,500 Johnson Controls business partners in over 100 countries were screened by a team of dedicated due diligence specialists and approved for business through this program.

To complement this, our annual ERM process specifically covers bribery and corruption risks, with progress reported to the Board of Directors on an annual basis.

#### Fair competition

206-1

Our policies and practices support a free and competitive marketplace. Our fair competition program is built on several key elements, including our Code of Ethics, fair competition policies and competition law guidelines:

- Our Code of Ethics sets expectations, provides guidance and links to employee resources related to fair competition.
- Our <u>Global Antitrust and Fair Competition Policy</u> informs employees about the fundamental requirements of competition laws and their duty to comply with them.
- Our Competition Law Guidelines use real-life scenarios to help employees understand fair competition risks and make the right decisions.

In addition to these policies, Johnson Controls has a robust training framework to educate our global workforce and ensure compliance with expectations. As an added measure, employees in high-risk functions receive regular online training on fair competition and other topics. Our Values in Action sessions also often include fair competition elements and discussion questions.

See: 'Values First: the Johnson Controls
Code of Ethics and our Human Rights
and Sustainability Policy'.

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#### **Human rights**

2-7 | 2-8 | 2-16 | 2-23 | 2-26 | 411-1

In accordance with our Code of Ethics and Human Rights and Sustainability Policy, we are committed to providing safe and healthy workplaces and operating in such a manner that protects human rights, human health and environmental quality in our communities.

We expect our employees to act in a socially and environmentally responsible manner and require them to comply with applicable laws and regulations. We require our suppliers to operate in a similar manner and incorporate such language into our supplier contracts.

Our business requires the line management of each facility to ensure the implementation of the equal opportunity and no harassment policies in accordance with national, state or provincial law. Additionally, our Executive Vice President and Chief Human Resources Officer monitors the implementation of and compliance with these policies. Johnson Controls expects 100% of our suppliers to abide by the principles outlined in our Code of Ethics, which covers issues such as labor. human rights and the environment.

Employees, temporary workers, visitors and other non-employees are encouraged to immediately report situations of harassment committed by anyone, including visitors and other nonemployees. They are asked to report the matter to their department manager, plant or facility manager or local human resources manager. We want to know of any allegation of harassment or unfair practice so that appropriate action can be taken following 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. As such, we track, analyze and communicate performance outcomes quarterly.

#### **UN Global Compact**

2-23

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

Our progress in meeting each of the UN Global Compact Principles is reported publicly on the United Nations Global Compact website.

#### **Child labor**

Our company takes active measures to prevent child labor through our policies. Both our Code of Ethics and <u>Human Rights and Sustainability policy</u> address child labor and are consistent with the UN Global Compact and ILO Convention.

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

### Forced or compulsory labor (Slavery and Human Trafficking Policy)

308-2 | 409-1

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

Our <u>Slavery and Human Trafficking Policy</u> complies with the Modern Slavery Act of 2015 and is updated annually. We are committed to taking steps to ensure that slavery and human trafficking are not taking place in any part of our supply chain or in any part of our business. We require our employees and suppliers to abide by our Code of Ethics, while 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 also take steps to ensure that slavery and human trafficking are not taking place in any part of our supply chain or in any part of our business. As an added measure, we utilize a third-party review to assess our suppliers and create transparency on four key pillars: environment, labor and human rights, ethics and sustainable procurement.

# Our vision: Zero Harm to people and the environment

403 | 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-6 | 403-7 | 403-8

We integrate our Zero Harm vision into operations worldwide, fostering a safe and healthy work environment for employees, vendors, contractors, visitors and communities.

Our health and safety programs focus on how employees work to create a safe environment by eliminating unsafe conditions and acts. Our management systems, programs, and policies apply to Johnson Controls employees and external contractors.

Our programs use a systems management approach for compliance and continuous improvement. The Johnson Controls Manufacturing System sets standards for all Johnson Controls operations on topics including environment, health and safety. We also share best practices across the enterprise to enhance our compliance processes.

Our health and safety programs are designed around global standards. 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.

# Our programs reach beyond regulatory compliance to influence our company's culture through employee engagement and leadership behavior.

Our aim is world-class safety performance across all operations. We ensure that everyone working at Johnson Controls understands our site-specific EHS programs and policies. We provide onboarding and training at our sites and assess contractors' EHS performance before hiring.

We have dedicated health and safety professionals globally, with each region having an EHS organization to support its efforts. The enterprise EHS COE team collaborates with regional leads on strategic initiatives. We set enterprise-wide standards and programs with business health and safety leaders and host quarterly global EHS events, training webinars and meetings.

#### Key standards and practices include:

- Using standard US Occupational Safety and Health Administration (US-OSHA) record-keeping rules to measure injury and illness rates globally based on consistent definitions to measure our performance and allow continuous improvement towards our Zero Harm vision.
- Using widely accepted standards for the most critical safety processes, including work at height, driving safety and contractor management.

- Measuring health and safety performance as a mix of leading and lagging indicators, with increasing focus on leading indicators, to drive reduction of risk of injury and illness.
- Using established management system techniques along with exploring innovative ways to further strengthen our safety culture.
- Verifying the accuracy of self-reported safety and health data, including during third-party auditor assessments.
- Deploying the Johnson Controls Manufacturing System (JCMS) maturity model and standards to implement the Johnson Controls way of manufacturing to attain world-class performance in our manufacturing operations across the globe.

#### **Distracted driving:**

We promote safe driving worldwide with our Distracted Driving Policy. Mobile phone use while driving is banned and we have programs to minimize other distractions like navigation system use, fatigue and vehicle interactions.

#### **Stop work:**

We implement safety culture and behavior-based safety initiatives across our business.

We ensure employee engagement by monitoring and supporting various safety efforts. A key policy is that all employees, regardless of rank or location, have the right to stop work if they have any safety concerns.

#### **Crisis management:**

We maintain a regularly updated Crisis

Management Plan designed to effectively manage
emergencies and reduce their impact on our
employees, communities, environment and
other stakeholders.

# Health and safety policies, standards and certifications

403

Our company has an <u>environmental health and</u> <u>safety policy</u> supported by local, regional, and site-specific programs. These policies align with our Zero Harm vision to protect employees and the environment while meeting regulatory and industry standards, such as those from the European Union, US-OSHA, and National Fire Protection Association. We review these policies annually for optimal performance.

For our health and safety management systems, we follow the principles of the internationally leading ISO 45001 standard or operate in compliance with the standard. However, we do not require external certifications for all operations. Given this, various locations maintain other key certifications, including ISO 9001, ISO 14001 and ISO 50001.

### **Training**

403-5

Training is essential to our health and safety programs, combining classroom and computer learning. New employees receive task-specific health and safety training relevant to their work environment.

Training occurs during initial orientation and continues regularly through on- and off-site sessions and toolbox talks. Our Learning Management Systems (LMS) track compliance, from onboarding to role-specific training requirements, both one-time and recurring.

# **Occupational health services**

403-3

Employees can access occupational health services, which may be internal, external or a combination, depending on local assessment of capabilities and needs for expert support.

Occupational health exposure monitoring results are confidential and shared only with the worker and necessary occupational health staff.

## **Audits and inspections**

Under ISO 45001 and other health and safety standards, our teams conduct regular safety audits to ensure effective policies, procedures, analysis and training. Audit data informs improvement and corrective action plans.

We also hire an independent third-party vendor to audit selected operations for compliance with our global health and safety standards, including ISO 9001, ISO 14001 and ISO 45001 certifications. This auditor addresses location-specific health and safety issues such as er-gonomics, industrial hygiene, machine guarding, OSHA recordkeeping, NFPA 70e live electrical and confined spaces. Timely completion of audit findings is a key performance indicator.

# **Health and safety committees**

403-4 | 403-6

As part of our global health and safety standards, we maintain health and safety committees at local, regional, business and corporate levels.

At local level, health and safety committees vary based on the business but have the same main function: to ensure and maintain regular communication about health and safety issues and information throughout the organization. This includes 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 internal and external audit results. Validated in March 2024, 92% of employees are, directly or indirectly, represented in local safety committees.

Health and safety meetings are regularly held, with topics specific to each location's needs.

Manufacturing committees operate at the location level due to facility size and employee concentration, while installation and service committees operate at branch or regional levels because of a dispersed workforce.

# Health and safety key performance indicators

403-2 | 403-9

We use a mixture of leading and lagging indicators to assess the health and safety performance of our operations.

Lagging indicators include the US OSHA total recordable incident rate (TRIR) based on the number of incidents per 100 employees (or per 200,000 work hours), significant incident frequency (SIF) based on the number of significant incidents per 1,000,000 work hours and motor vehicle injury rate (MVIR) based on the number of motor vehicle related injuries per 1,000,000 miles.

Though we continue to measure and report on lagging indicators, we view leading indicators as more relevant predictors of health and safety performance and outcomes.

Leading indicators include closing potential incidents, completing corrective actions, holding safety discussions, reporting motor vehicle calls, noting safety observations, completing safety

improvement events, conducting job safety analysis and performing leadership safety walks and self-audits.

In 2024, we revised our leading and lagging metrics to be more purposeful and drive reduction of the risk of significant injury. For instance, 50% of coaching sessions between a supervisor and a team member must address significant risk reduction.

Each business reports health and safety activities and outcomes monthly to senior leadership at monthly operational meetings. Our corporate environmental health and safety department produces a global Zero Harm Report with key performance indicators. This report is shared with the executive leadership team, including the CEO and the global health and safety leadership team. Each business also has standardized performance reports which are reviewed with business leaders monthly.

## **Technology and software**

We use the Environmental Health and Safety Information System (EHSIS) to support our global health and safety programs. Health and safety professionals, along with technicians, supervisors and team leaders, utilize EHSIS to fulfill their responsibilities.

This system enables users to track and manage work-related injuries, illnesses, near misses and unsafe acts or conditions. It also allows for safety

audits, workplace inspections, leadership safety walks, compliance measurement, health and safety training, standard reporting, risk assessments and tracking waste and energy metrics.

# Continued external employability 2-29 | 402-1

The competitive nature of the business requires us to occasionally restructure 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 the utmost respect for the people concerned. In accordance with local, state, federal and country requirements, we also ensure the collective bargaining unit (if applicable), state dislocated worker unit and appropriate local

# **Trade union health and safety**

2-30 | 403-4 | 407-1

government unit are advised.

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

In the European Union, our health and safety programs are subject to Works Council review and approval, and to collective bargaining agreements

in certain countries. We collaborate with trade unions and other employee representative organizations, as defined by local regulations, to improve workplace health and safety.

#### **Conflict minerals**

RT-EE-440a.1

We are a member of the Responsible Minerals
Initiative (RMI) and are committed to the
responsible sourcing of conflict minerals
throughout our supply chain. As such, we compare
the aggregation of smelter lists provided by our
suppliers with the official RMI list of smelters to
determine which smelters are potentially not
conflict-free. Our company works diligently on
the detailed identification of smelters that are not
conflict-free and their possible presence in our
supply chain, working to remove them from our
channels with the help of our suppliers.

The conflict minerals-related information provided by our suppliers further aids in conducting our own due diligence, including assessing reports for completeness and accuracy, which are subsequently shared with the required parties. Our due diligence processes also conform to the primary principles of the internationally recognized due diligence framework from the Organization for Economic Co-Operation and Development.

Our Conflict Minerals Policy and our annual Conflict Minerals Report are publicly available on our website.

# **Security personnel**

410-1

Our security mission is to protect our people, property and intellectual assets through the implementation of appropriate risk-based and business-minded security and loss prevention tactics.

In order to achieve this security mission, we have processes, activities and metrics in place to support enterprise security operations that include loss prevention, asset protection, executive protection, enterprise security risk-management, security investigations, travel security, crisis management and business continuity.

We employ 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, including our human rights policies and procedures.

## **Product safety**

403-7

This report recognizes companies advancing innovative solutions to today's challenges, while laying the intellectual property foundations for further breakthroughs. This is very much in line with our company values of being customer-driven and future-focused, which define our commitment to helping our customers win and to continuously improving our business.

Our business is committed to providing quality products and services that meet or exceed the expectations of our customers, with responsibility for monitoring customer satisfaction residing with the Board of Directors and business management. Deficiencies that threaten the physical well-being of any person or put the financial security of our company at risk are required to be immediately reported to management. Deficiencies may involve product quality, manufacturing or design, as well as safe installation, commissioning, operations, service or maintenance.

Our internal Johnson Controls Operating System (JCOS) defines and standardizes best practices across our corporate activities. This includes our Commercial Excellence and Engineering Excellence initiatives, which ensure the continuous improvement of solutions that advance health and safety for our customers. JCOS also ensures uniformity in dealing with customers and brings prompt, measurable quality improvements.

Our business is committed to providing quality products and services that meet or exceed the expectations of our customers.

#### **Product recalls**

RT-EE-250a.1 | RT-EE-250a.2

Our products, as designed, manufactured and sold by Johnson Controls, have not had involuntary recalls as required by regulatory agencies specific to non-compliance with regulatory safety standards.

# **Customer health** and safety

403-7 | 416-1 | 416-2

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

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

We follow a product development and launch procedure called the Rapid Closed Loop Process (RCLP), which identifies applicable product safety standards, codes and regulations and incorporates them into the product design. The RCLP procedure uses a process known as Failure Mode and Effect Analysis (FMEA) to address single-point failure modes in the product design and manufacturing processes. For new products and products in the field, we may also use risk assessments or Fault Tree Analysis (FTA) in the design to capture compounding effects leading to failures, as well as mitigation or prevention opportunities, after which

the countermeasures can be put back into the FMEAs as single-point failures.

Product safety requirements are defined under FMEAs with the highest severity ratings. Any identified non-compliance with applicable safety standards, codes and regulations is addressed through preventative means, or through our validation testing or in-process/end-of-line testing in our manufacturing facilities. In addition, a significant number of our new and current products are also evaluated and listed by either Nationally Recognized Test Labs (NRTL) or by qualified testing laboratories to applicable safety standards.

Our significant product and service categories are covered by, and assessed for compliance with, company procedures for assessing product or service health and safety impacts.

In line with this, we collect material due diligence information from nearly 10,000 active direct suppliers, covering over 500,000 parts in the form of IPC-1752A Class D Full Material Disclosures or simplified material declaration statements.

Our business takes potential product safety issues very seriously and routinely monitors consumer reports and other relevant information, including through www.saferproducts.gov. We also have a process for determining whether products in the field have non-conformities that might be the source of potential product safety concerns.

We regularly monitor field performance, as well as performance in the factory, to determine whether any non-conformities in our products could be the source of those types of concerns. If such circumstances exist where our product is sold to the end user, we determine the correct field actions, and in cases where we supply a component and not the entire product, we work with our customer to determine the correct field response for all parties. In doing so, we identify any requirements for reporting such actions promulgated by applicable regulatory agencies and report our actions consistent with those reporting requirements.

# **Product labeling and marketing**

Our product labels are routinely reviewed to ensure compliance with applicable regulatory requirements across the enterprise. As a result, our products are compliant with applicable regulations, codes and standards that require specific information to be placed on defined labels and warnings regarding safety. Many of our products are also listed by NRTLs, where these label and information requirements are verified. These label requirements include maximum voltages, phases, amperages and design working pressures, as well as refrigerant types, circuit protection and more as noted in the requirements of the standards and as verified by the NRTLs as part of our product listing.

By regulation, we also create supplementary labels as needed or as required for the markets in which we sell, including Department of Energy (DOE)-required efficiency, ENERGY STAR and performance ratings. In addition, all our product labels comply with recommended safety icons and language requirements as appropriate, consistent with national guidelines for safety labels. Our installation, operation and maintenance manuals, on the other hand, are provided to relay specific information regarding safe use of products, as well as applicable safety warnings regarding safe handling of chemical substances used by products, such as oils and refrigerants. These manuals also cover safe disassembly and end-of-life disposal of the product when required by regional regulations.

Our product installation, commissioning operation, and maintenance (ICOM) manuals are being evaluated and edited to reduce paper usage by incorporating QR codes for online access to specific sections. This approach allows for streamlined management of ICOM manual revisions, ensuring customers have access to the latest versions of these documents. Full paper versions of the manuals are still available upon request.







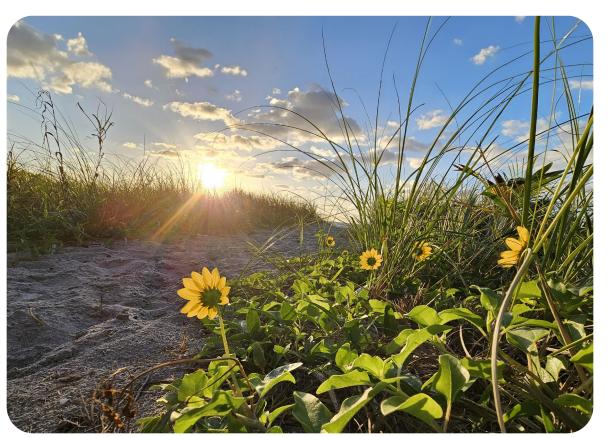
















# Data appendix



# **2025 Sustainability Report data About our reporting**

2-2 | 2-3 | 2-4 | 2-5

Johnson Controls recognizes the importance of transparency and so reports in accordance with recognized frameworks, including the Global Reporting Index (GRI), International Sustainability Standard Board (ISSB), Sustainable Accounting Standards Board (SASB) Standards, the UN Global Compact, European Union Non-Financial Disclosure and CDP.

This Sustainability Report is produced to provide greater detail on our sustainability activities and additional information material to our stakeholders.

Since 2003, we have reported sustainability data in accordance with the GRI guidelines. This report has been prepared in accordance with the GRI Standards for fiscal year 2024.

We follow International Sustainability Standard Board's (ISSB) recommendations for disclosing clear, comparable and consistent information about the risks and opportunities presented by climate change in accordance with the ISSB framework. More detail and information on our climate risks, opportunities and strategy can be found in our annual CDP Climate Change Response.

We are also a SASB reporter, now part of the IFRS Foundation, utilizing the SASB Standard for the Resource Transformation Sector – Electrical and Electronic Equipment in this report. In December 2023, the ISSB amended the SASB Standards in connection with the

International Applicability of SASB Standards project, and those most current standards are used in this report.

Since Johnson Controls first signed the United Nations Global Compact in 2004, we have remained committed to aligning our operations and strategies with the Compact's Ten Principles, which are universally accepted and cover human rights, labor, health and safety, the environment and anti-corruption. As part of our commitment to support the Compact's Ten Principles, we publish an annual Communication on Progress Report.

#### **Sustainability Disclosure Committee**

We have formed a multi-disciplinary steering committee focused on our sustainability reporting. The purpose of the steering committee is to oversee efforts designed to enhance our sustainability reporting in anticipation of legally mandated sustainability reporting requirements. The steering committee brings together leaders across a variety of functions to share knowledge on sustainability reporting regulations, trends, controls and procedures, identify key sustainability reporting issues and facilitate collaboration among functional groups in generating sustainability disclosure. The steering committee reviews and approves the annual Sustainability Report and leads the process to identify and approve the Company's sustainability material topics.

# **Accuracy and third-party assurance**

All information in this report is based on the best available data at the time of publication. We use 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 annual Form 10-K are audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm.

#### **Sustainability external assurance**

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

We use certified registrars to validate and certify our operations to various quality, environmental, Six Sigma and safety standards, such as ISO 9000, ISO 14001, OHSAS 18001. Additionally, filings with environmental, health and safety and other regulatory agencies are routinely checked internally and by the applicable regulatory agency.

2024 Verification Statement for Johnson Controls-GHG Emissions 2024 Verification Statement for Johnson Controls-Water 2024 Verification Statement for Johnson Controls – GHG Emissions Scope 1 and 3 Restatement

#### **Environmental health and safety external assurance**

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

Sustainable products and solutions

Greenhouse gas emissions

High-performance culture

Global sustainability

How we work

Data

#### Scope

2-2

This report focuses on operations within our control for the fiscal year 2024. Unless otherwise noted in the report section for a specific performance metric, this report includes data from business operations that were at least 51% under Johnson Controls operating control and financially consolidated during the reporting year in line with 'The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard (Revised Edition), Chapter 3, Setting Organizational Boundaries' control approach.

#### Rationale for choosing a base year

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

# **Energy and emissions key performance indicators**

Johnson Controls utilizes absolute and intensity metrics to assess the impact of its energy and emissions. Emissions and energy reported include facilities and fleet (entities) as defined under The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard (Revised Edition).

The following represent the operationally controlled entities included in the inventory:

- Wholly-owned entities.
- Leased locations: Leased entities where Johnson Controls can significantly modify operating policies for managing the facility through recognized leasing arrangements and other contractual requirements. More than 90% of our leased locations have leasing arrangements which allow us to manage our site operations, thus are included in the inventory.
- Joint venture entities greater than 50% equity control and financially consolidated.

Our GHG emissions inventory includes Scope 1, Scope 2 and the categories for Scope 3 that are relevant and significant to our company. Use of purchased electricity and steam are reported as indirect emission sources to avoid double counting by organizations or agencies interested in compiling national inventory data.

Scope 1 refrigerant losses are calculated using the Material Balance Method outlined in Greenhouse Gas Inventory Guidance and include losses from charging air conditioning products after we build them from all relevant manufacturing facilities, which are the facilities that use refrigerants in a production setting to mass produce HVAC equipment. Scope 1 mobile combustion includes corporate jet and our company-owned and -leased vehicles within our operational boundary. We record actual energy use from owned and leased manufacturing sites, our corporate offices and other large energy users within our boundary. For other buildings, including office space, this inventory considers and estimates direct and indirect emissions. For estimated energy and emissions, we use a Johnson Controls-specific

energy density value based on actual usage from a sample of facilities, with a regional usage factor for natural gas.

During fiscal year 2024, the company completed the divestiture of its Air Distribution Technologies ('ADTi') business, which was included within the Global Products segment. ADTi business is excluded from fiscal year 2024 environmental and social metrics. No changes were made to the fiscal year 2017 baseline metrics, and no changes were made to fiscal year 2022 and 2023 emissions due to non-material impact on overall emissions due to the divestiture.

During the fourth quarter of fiscal 2024, the Company entered into a definitive agreement to sell its Residential and Light Commercial ("R&LC") HVAC business to Robert Bosch GmbH ("Bosch"). The sale of the R&LC HVAC business is expected to be completed in the fourth quarter of fiscal 2025.

Johnson Controls continuously strives toward improving the data for emission calculations. In fiscal year 2024, more accurate data allowed us to separate out personal and commuter mileage from Scope 1 emissions and energy intensity and consider it in scope 3, per the GHG protocol. As a result, we have restated our fiscal year 2017 baseline, and fiscal year 2022 and 2023 Scope 1 emissions and energy intensity.

As the product-related emissions methodologies for Johnson Controls continue to be improved, Scope 3 emissions calculations have been updated to reflect a change in methodology based on the availability of more refined sales activity data and in alignment with industry best practices. Previous years have been updated to reflect this change. As a result, we have restated our fiscal year 2017 baseline, and fiscal year 2021 and 2022 Scope 3 emissions. Categories 1 and 2 (purchased goods

and services and capital goods) for the fiscal year 2017 baseline remain unchanged. Category 11 (use of sold products) includes the most substantive revisions. Category 11 considers emissions from finished HVACR products and the update expands the Company's boundaries to include our ducted systems, Johnson Controls-Hitachi, chillers (excluding absorption chillers), air handlers and industrial refrigeration business units. Product attributes used to estimate Category 11 emissions include heating and cooling capacity, heating and cooling efficiency, refrigerant charge and refrigerant GWP.

Greenhouse gas intensity is measured as total Scope 1 and 2 emissions divided by total net sales, excluding sales from ADTi business. Energy intensity is total energy divided by total net sales, excluding sales from ADTi. Total net sales values used in the denominator of these calculations may be adjusted from what is reported in Johnson Controls Form 10-K to ensure consistency with the operationally controlled facilities and fleet included in the energy and emissions values used in the numerator.

While we continue to measure and report on intensity metrics, Johnson Controls promotes the use of absolute emissions and renewable energy as more relevant in terms of reducing our impact on the climate. Thus, our longer-term KPIs are aligned to absolute emissions reductions and use of clean sources of energy.

Overview	Sustainable products	Greenhouse gas emissions	High-performance culture	Global sustainability	How we work	Data	_
	and solutions						

# Sustainability process data

Standards, methodologies, assumptions and 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
- Greenhouse Gas Inventory Guidance Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression and Industrial Gases
- The Climate Registry: General Reporting Protocol
- The Climate Registry: Electric Power Sector (EPS) Protocol
- US EPA Climate Leaders: Indirect Emissions from Purchases/Sales of Electricity and Steam
- US EPA Climate Leaders: Direct Emissions from Stationary Combustion
- US 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:
  - US EPA Emissions Factors for Greenhouse Gas Inventories, 2022 Scope 1 Stationary and Mobile Emissions
  - US EPA, eGRID 2022 US, market and location-based electricity
  - National Inventory Report 1990–2018 (Canada) Canada electricity
  - International Energy Agency (IEA) Emissions Factors 2022 rest of the world, market and location-based electricity
  - DEFRA Conversion Factors 2022 UK Scope 1 and 2 emissions
  - European Residual Mixes 2022, Association of Issuing Bodies Multiple European Countries, market-based electricity
  - Comparison of Particulate Emissions from Liquid-Fueled Pool Fires and Fire Whirls at Different Length Scales, UC Berkeley, March 2021 heptane
  - GWP values taken from: IPCC Fourth Assessment Report (AR4 100 years)

# **Environmental data**

#### Certifications

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

Company-wide 2024	ISO 14001	ISO 50001	ISO 45001
certified compliant	65%	4%	65%

#### Energy consumption within the organization

302-1 | RT-EE-130a.1

Consumption by energy type	Unit of measurement	2024	2023	2022	2017
Energy from renewable sources					
Biomass	GJ	35,683	34,543	38,908	59,131
Ethanol <sup>1</sup>	GJ	18,091	17,380	4,406	2,288
Electricity from renewable sources	GJ	1,274,872	1,043,152	1,064,417	0
Purchased steam from renewable sources	GJ	5,290	5,618	0	0
Purchase of carbon neutral natural gas	GJ	18,222	0	0	0
Subtotal	GJ	1,352,158	1,100,693	1,107,731	61,419
Energy from non-renewable sources					
Natural gas	GJ	1,297,938	1,510,143	1,744,368	1,606,183
Fuel distilled from crude oil and other fossil fuels <sup>2</sup>	GJ	2,431,080	2,520,320	2,295,159	2,887,098
Electricity	GJ	999,159	1,434,778	1,494,366	2,628,014
Purchased steam	GJ	29,414	10,774	20,343	10,641
Subtotal	GJ	4,757,591	5,476,015	5,554,037	7,131,936
Grand total	GJ	6,109,749	6,576,708	6,661,968	7,193,355
Total electricity	GJ	2,274,030	2,477,930	2,558,783	2,628,014
Percentage of total electricity from renewable sources <sup>3</sup>	%	56%	42.1%	41.6%	NA

- 1. Includes ethanol from our vehicle fleet in Brazil.
- 2. 'Fuel distilled from crude oil and other fossil fuels' category includes gasoline, diesel, propane, LPG, jet fuel and heavy fuel oil.
- 3. Percentage of total electricity from renewable sources represents the percentage from the row 'Electricity from renewable sources', which includes on-site electricity at our facilities, renewable energy credits and other purchased renewable electricity. It represents the percentage of purchased electricity met or matched by renewable sources.

#### 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. The percentage of total operational
  spending on energy (most recent reporting year) is more than 0% but less
  than 5%.
- 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.
- Energy from non-renewable sources represents total energy from
- fossil fuels. Johnson Controls does not use nuclear sources for energy consumption except for the electricity where countries use nuclear sources as the fuel mix for electricity generation (e.g. US, France, China, lapan, etc.).
- In fiscal year 2024, energy pertaining to personal and commute mileage has been excluded, and fiscal years 2017, 2022 and 2023 have been restated to align with the change in methodology.
- All estimates are based on the best available data at publication and may change over time.

#### **Energy intensity**

#### 302-3

Energy intensity	Unit of measurement	2024	2023	2022	2017
Numerator	GJ	6,109,749	6,576,708	6,661,968	7,193,355
Denominator	Million USD in total net sales	26,759	26,793	25,299	22,661
Energy intensity (ratio)	GJ per million USD in total net sales	228	245	263	317

#### Methodology notes:

- Scope includes what is under our company's operational control.
- Fiscal years 2017, 2022 and 2023 have been restated to reflect a change in methodology to exclude personal and commute mileage from energy calculations.
- Fiscal year 2024 total net sales exclude total net sales from ADTi business in order to ensure consistency with energy and emissions values reported.

#### Reduction of energy consumption

#### 302-4

	Unit of measurement	2024	2023	2022	2017
Total energy	GJ	6,109,749	6,576,708	6,661,968	7,193,355
Total energy reductions	GJ	1,083,606	616,647	531,387	NA

#### Methodology notes:

- Total energy reductions represent reductions against the baseline year of 2017.
- Year-to-year fluctuations are impacted by our efforts to reduce energy, which may be offset by necessary increases, including increased sales and temperature fluctuations.
- Fiscal years 2017, 2022 and 2023 have been restated to reflect a change in methodology to exclude personal and commute mileage from energy calculations.

#### Reductions in energy requirements of products and services

#### 302-5

Product and services	Unit of measurement: Gigajoules (GJ)	2024	2023	2022
Energy Savings Performance Contracting	GJ	18,133,807	18,143,989	18,119,041

#### Methodology notes:

- These values are guaranteed energy savings from our Energy Savings Performance Contracting project portfolio in the US and Canada, active during each reporting year.
- Our energy solutions team generates reports for our guaranteed energy savings active during each reporting year, which facilitates generating an annual aggregate total.
- This metric does not include reductions in energy use from products sold other than those specifically used in Energy Savings Performance Contracting projects. The reduction in use from products sold is reflected in our 'Scope 3: Use of products' reported in 'Results: Emissions'.

#### **Results: Emissions**

Direct (Scope 1), indirect (Scope 2) and other indirect (Scope 3) GHG emissions

305-1 | 305-2 | 305-3 | 305-4

Emissions - metric tons CO <sub>2</sub> e¹	2024	2023	2022	2017
Direct (Scope 1)				
CO <sub>2</sub>	228,419	246,593	244,930	265,520
$CH_4$	40	51	59	59
$N_20$	104	98	143	131
HFC <sup>2</sup>	148,883	116,246	125,288	355,691
Scope 1 <sup>3</sup>	377,446	362,988	370,420	621,401
Indirect (Scope 2)				
Market-based	152,181	201,455	213,336	396,612
Location-based	288,016	308,046	331,839	400,442
Scope 1, plus market-based Scope 2 <sup>4</sup>	529,627	564,443	583,756	1,018,013
Other indirect (Scope 3)⁵				
Purchased goods and services	2,571,000	3,164,000	3,515,000	3,826,000
Capital goods	467,000	680,000	694,000	1,891,000
Fuel and energy-related activities <sup>6</sup>	122,000	146,000	155,000	70,000
Upstream transportation and distribution <sup>7</sup>	1,014,000	173,000	236,000	460,000
Waste	12,000	15,000	15,000	14,000
Business travel	24,000	30,000	18,000	35,000
Employee commuting <sup>8</sup>	161,000	213,000	214,000	203,000
Use of products <sup>9</sup>	206,233,000	208,556,000	222,592,000	256,548,000
End-of-life <sup>9</sup>	7,536,000	2,495,000	2,974,000	4,276,000
Scope 3	218,140,000	215,355,000	230,291,000	267,265,000
Biogenic metric tons CO <sub>2</sub> e <sup>10</sup>	4,679	4,313	5,330	6,680
Grand total (Scope 1+2+3) metric tons CO <sub>2</sub> e	218,669,627	215,919,443	230,874,756	268,283,013
GHG intensity (tons Scope 1, market-based Scope 2 and Scope 3 CO <sub>2</sub> e per million USD in total net sales) <sup>11</sup>	8,172	8,059	9,126	11,839
GHG intensity (Scope 1 and market-based Scope 2 CO <sub>2</sub> e per million USD in total net sales) <sup>11</sup>	20	21	23	45

- 1. Johnson Controls continuously strives toward improving the data for emission calculations. In fiscal year 2024, more accurate data allowed us to separate out personal and commuter mileage from Scope 1 emissions and energy intensity, per the GHG protocol. The CO<sub>2</sub> emissions for fiscal year 2023, fiscal year 2022 and fiscal year 2017 have also been restated to reflect the updated methodology.
- 2. HFC includes manufacturing losses and losses from the use of air conditioning equipment in our real estate globally. For the use of air conditioning equipment in our real estate globally, loss intensity per square foot is calculated using actual data from our Building Solutions North America business and extrapolated globally. Fiscal year 2023 and fiscal year 2022 have been restated due to availability of new data.
- 3. Category considers stationary combustion, mobile combustion and fugitive emissions, including natural gas, propane, diesel, heavy fuel oil, gasoline, jet fuel, butane, wood pellets, heptane and refrigerant losses.
- 4. We compute both location- and market-based indirect emissions. We use market-based emissions to track our progress toward our reduction targets. Gases used to calculate Scope 2 include CO<sub>2</sub>,
- 5. Fiscal years 2017 and fiscal year 2022 data for category 11 is updated according to improved Scope 3 emissions methodologies implemented in fiscal year 2024.
- 6. In fiscal year 2024, IEA introduced a new set of emission factors 'Life Cycle Upstream Emission Factors 2023 (Pilot Edition)' for electricity consumption. We adopted these emission factors for 2022, 2023 and 2024. Prior years have been restated to align with the new calculation methodology and improved data for fuel.
- 7. We leverage third-party shipment data within North America to assess emissions. For other locations, we utilize emissions per dollar spent in North America and apply this to the global expenditure on logistics and distribution for the fiscal year. In 2024, previously unavailable data, including mileage and weight for certain shipment types, was used in North America, which resulted in a more comprehensive estimate. Prior years cannot be restated due to unavailability of this data.
- 8. To streamline the employee travel data, an 'Employee Commuting Survey' was conducted in fiscal year 2024 and the results from the survey were used to calculate emissions for fiscal year 2024
- 9. Category considers refrigerant emissions and material disposal at the end of equipment life for the products covered by Scope 3, Category 11. In 2024, increases in the sale of unitary HVAC products, which have a higher assumed leakage rate at the end of equipment life, was the primary driver of increased emissions for Scope 3, Category 12.
- 10. Emissions reported for informational purposes only, not included in Scope 1 subtotals or sectional grand totals. Considers only Scope 1 and 2 emissions but excludes biogenic emissions and considers the market-based emissions for Scope 2. 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.
- 11. GHG intensity is calculated as total of Scope 1, Scope 2 (market-based) and Scope 3 emissions divided by total net sales in million USD. Fiscal year 2024 total net sales excludes total net sales from ADTi business.

82

#### Reduction of GHG emissions from internal projects

305-5

	Unit of measurement	2024	2023	2022	2017
Total GHG emissions	Metric tons CO <sub>2</sub> e	529,627	564,443	583,755	1,018,013
Total GHG reductions	Metric tons CO <sub>2</sub> e	492,780	473,266	455,934	NA

#### Methodology notes:

- List of GHGs included: Carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) and hydrofluorocarbons (HFC).
- Total GHG reductions represent reductions against the baseline year of 2017.
- As part of the sustainability program, projects designed to reduce GHG emissions are implemented at a plant level globally.

#### Emissions of ozone-depleting substances (ODS)

305-6

	Unit of measurement	2024	2023	2022	
Purchase of ODS	Metric tons of CFC-11 equivalent	1.13	1.02	2.12	

#### Methodology notes:

- Data for fiscal year 2022 and fiscal year 2023 has been restated to include the updated ODS factor.
- This data was collected through our procurement teams accounting for the purchase and usage of the refrigerant 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 chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs) 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. Our heating, ventilation and air conditioning (HVAC) service technicians offer preventive maintenance and predictive diagnostics to prevent the release of ODS while servicing equipment containing refrigerants at customer facilities. Although we may use HCFCs when servicing some of our customers' equipment, we do not report that usage since we consider it part of our customers' activities. We are working on the phasing down of R22 and other CFCs and HCFCs in accordance with the Montreal Protocol, including seeking alternatives where possible.

#### Nitrogen oxides (NOx), sulfur oxides (SOx) and other air emissions

305-7

Emissions types	Unit of measurement	2024	2023	2022	2017
SOx emissions	Kg	9,972	6,228	7,485	9,097
SOx intensity	Kg per million USD in total net sales	0.37	0.23	0.30	0.40
NOx emissions	Kg	201,860	152,612	180,052	204,007
NOx intensity	Kg per million USD in total net sales	7.54	5.70	7.12	9.00
Particulate matter emissions (PM)	Kg	19,287	15,718	18,315	22,516
Hazardous air pollutants (HAP)	Kg	NA	717	63,152	70,861
Volatile organic compound (VOC) emissions	Kg	NA	4,104	20,954	78,462
VOC intensity	Kg per million USD in total net sales	NA	0.15	0.83	3.46

- Select items have been verified. Apex assured the energy consumption data that is used as primary data to estimate SOx, NOx, volatile organic compounds (VOCs) and PM emissions from combustion.
- Data reported for all emissions and years covers all operationally controlled facilities unless specifically noted.
- Global SOx emissions, NOx emissions and PM emissions are from the combustion of natural gas, propane/LPG, diesel, gasoline and biomass from stationary sources. Energy consumption data used for these calculations is compiled using our EHSIS reporting tool.

- The observed increase in emissions of nitrogen oxides (NOx) and sulfur oxides (SOx) during the reporting period has primarily been attributed to our ongoing expansion activities. While these emissions present a significant challenge, we are committed to mitigating their impact through targeted initiatives and investment in advanced pollution control technologies. Our goal remains to align with international sustainability standards and to continually reduce our environmental footprint. We are actively working on strategies to enhance efficiency and decrease emissions in the forthcoming periods.
- Hazardous air pollutants (HAPs) reported are from the Toxic Release Inventory (TRI) database maintained by the US Environmental Protection Agency and, therefore, include only releases in the US.
- HAPs and VOCs data are not yet available for 2024. Metrics are based on toxic release inventory (TRI) data, which is reported in July by the calendar year.
   The VOCs and HAP for fiscal year 2023 is reported as the TRI data is now available for fiscal year 2023. TRI data summary for calendar year 2023 does not include HAPs and VOCs data for ADTi sites.
- Emission factors from EPA AP-42, Fifth Edition, Volume I and the California Air Resources Board were used to estimate emissions from stationary combustion.
- Other annual emissions may include one or more of the following: antimony/antimony compounds; arsenic; chlorofluoromethane; chromium; cobalt; copper; 1,1-dichloro-1- fluor ethane; 2,2-dichloro-1,1,1-trifluoroethane; diethanolamine; diisocyanatos; ethylene glycol; lead/lead compounds; manganese; nickel; N-methyl-2-pyrrolidone; propylene; sulfuric acid (acid aerosols); toluene diisocyanate; xylene; and zinc compounds. Dust and persistent organic pollutant (POP) emissions are considered not significant based on our set of operations.

#### Water and effluent

303-1 | 303-2

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

#### Water withdrawal and discharge by source

303-3 | 303-4 | 303-5

Sources	Unit of measurement	2024	2023	2022
Municipal water supplies or other water utilities	Megaliters	4,186	3,196	3,322
Total water withdrawal	Megaliters	4,186	3,196	3,322
Municipal water discharge	Megaliters	2,722	1,439	1,214
Total water discharge	Megaliters	2,722	1,439	1,214
Water consumption	Megaliters	1,464	1,757	2,108

#### Methodology notes:

- Data for owned and leased manufacturing sites and corporate offices is sourced from direct measurements (invoices, metered data). Beginning in fiscal 2024, we calculated water withdrawal and water discharge for other buildings, including office space, distribution centers and warehouses, using water intensity per person per year based on the EPA Lean & Water toolkit. Prior years have not been restated to reflect this additional water consumption scope.
- Water withdrawal for our manufacturing sites in fiscal year 2024 is 3,118 megaliters, a 15% reduction compared to our baseline year 2017.
- Water discharge is taken from utility bills for manufacturing sites where process water is used. For manufacturing sites where process water is not used, for example, sanitary use only, it is assumed that 100% of water is discharged.
- Water consumption is defined as water withdrawals minus water discharges.
- Apex, an independent auditor recognized by CDP, audited our water withdrawal and water discharge data. The certificate for this most recent audit is attached to the GRI index.

#### Waste by type and disposal method

The primary contributor to our waste is global manufacturing 306-3 | 306-4 | 306-5 RT-EE-150a.1

In 2024, our overall landfill diversion rate was 92%, with every location encouraged to increase the reuse and recycling of materials. This landfill diversion rate includes documented reuse, recycling, composting and incineration with energy recovery and excludes landfill and incineration with no energy recovery.

Waste by type and disposal methods (metric tons)	2024	2023	2022	2017
Non-hazardous				
Reuse	456	357	331	310
Recycling	68,637	74,677	74,037	80,973
Recovery (including energy recovery)	1,091	1,122	956	847
Incineration	1,018	1,272	772	1,603
Landfill	5,176	9,217	9506	9,202
Subtotal (metric tons, non-hazardous waste)	76,379	86,645	85,602	93,084
Hazardous				
Reuse	124	56	117	27
Recycling	4,759	4,570	2,714	3,233
Recovery (including energy recovery)	212	332	945	1,001
Incineration	466	1,081	441	421
Landfill	135	455	866	1,416
Subtotal (metric tons, hazardous waste)	5,697	6,494	5,083	6,097
Total waste (metric tons)	82,076	93,140	90,685	99,181

#### Methodology notes:

- Our contracts with waste disposal contractors require them to provide the data and documentation of each pickup from our sites matched to the GRI categories. Site personnel enter this data at each location each month into our global environmental health and safety tracking system.
- Waste values represent waste from manufacturing sites, which is the majority of all waste generated by the company. All waste is considered as handled offsite.
- Recycling data includes materials recycled or composted.

# **Social data**

#### Employee benefits 201-3 | 401-2 | 403-6

The company ensures that all employee benefits are locally and globally compliant, as well as market relevant. As employee benefit plans vary significantly between countries due to different levels of social, tax and legal regulations, our benefits portfolio is primarily country driven.

Johnson Controls offers competitive benefits programs and evaluates our programs annually to ensure effectiveness and market competitiveness.

Based on the insights from our benefits study, we have implemented changes to improve our US benefit offerings. We also continue to explore ways to enhance our benefit programs based on this employee feedback.

#### Healthcare plans

- Medical, dental and vision coverage (employee and family)
- Prescription drug coverage
- Health savings account (HSA)
- Flexible spending account (FSA)
- Dependent care account

#### Health and wellness resources

- Employee assistance program
- Wellness/fitness program
- On-site fitness/recreation facilities
- Gym discounts
- Preventative healthcare programs
- Employee recognition programs

#### Financial benefits and resources

- Retirement savings plan 401(k)
- Defined contribution plan
- Retirement investment guidance
- Tuition reimbursement
- Matching gift program

#### Life and accident insurance

- Accidental death and dismemberment (AD&D)
- Life insurance (basic and supplemental)
- Short- and long-term disability

#### Education

- Tuition reimbursement
- Workforce training, skills and leadership development programs
- Mentoring program

#### Work, life and time away benefits

- Paid vacation and paid holidays
- Paid sick days
- Medical and family leaves of absence
- Bereavement leave
- Parental leave
- Paid time off for employee volunteers
- Flexible work schemes

#### Voluntary benefits

- Accident insurance
- Auto/home insurance
- Legal insurance
- Pet insurance
- ID theft insurance
- Critical illness cover

#### Parental leave

401-3

	2024	2023	2022
Number of male employees who took parental leave	999	927	674
Number of female employees who took maternity leave	177	156	183
Rate of female employees who returned to work after leave	100%	100%	96%
Rate of male employees who returned to work after leave	100%	100%	97%

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

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

#### Employee ratios

405-1

	2024	2023	2022
Total employees	94,091	99,095	99,000
Percentage of total employees by segment			
Male	77%	77%	76%
Female	23%	23%	24%
White	69%	68%	70%
Minorities	31%	32%	30%
American Indian or Alaska native	1%	-	-
Asian	5%	-	-
Black or African American	9%	-	-
Hispanic or Latino	13%	-	-
Native Hawaiian or other Pacific Islander	0%	-	-
Two or more races	3%	-	-
Under 30 years old	18%	20%	18%
30 – 50 years old	57%	56%	55%
Over 50 years old	25%	24%	27%

Gender and age group data reflect the full-time global employee population. Minority data reflects the US population only. Minority is defined using race and ethnicity groups as defined by US federal agencies for employment purposes. Percentages are rounded to the lowest whole number.

# Ratio of standard entry-level wage by gender compared to local minimum wage 202-1

Ratio of employee entry-level wages compared to the minimum wage at significant locations of operations	Gender	2024 ratio	2023 ratio	2022 ratio
Canada	Men	1.87	1.96	1.97
Canada	Women	1.30	1.40	1.46
China	Men	1.28	1.40	2.15
China	Women	1.19	1.42	1.74
India	Men	4.83	5.14	4.99
India	Women	4.60	4.85	4.76
Mexico	Men	1.82	1.99	1.93
Mexico	Women	1.74	1.86	1.78
United Kingdom	Men	1.34	1.42	1.76
United Kingdom	Women	1.06	1.08	1.30
US	Men	2.29	2.23	2.07
US	Women	2.29	2.25	2.07

The above numbers represent 70% of our global employees.

#### Annual total compensation ratio

2-21

Location	2024 ratio	2023 ratio	2022 ratio
Canada	3.42	4.03	4.10
China	35.25	35.60	37.21
India	34.09	32.67	33.81
Mexico	25.86	26.84	36.73
United Kingdom	9.37	9.47	9.85
United States	6.85	6.23	6.80

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

#### Ratio of percentage increase in annual total compensation

2-21

Locations	2024 ratio	2023 ratio	2022 ratio
Canada	1.14	0.63	1.07
China	0.28	0.39	0.58
<u>India</u>	1.09	0.86	0.33
Mexico	0.18	0.44	1.12
United Kingdom	0.55	0.60	0.40
United States	1.00	1.33	0.90

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

# New employee hires and employee turnover

Total workforce		20	24	202	23	20	22
New employee hires		Total	Rate	Total	Rate	Total	Rate
	All age groups	21,817		25,665		23,700	
	Under 30 years old	9,998	46%	10,579	41%	9,700	41%
Global	Between 30 and 50 years old	8,892	41%	9,831	38%	11,500	48%
	Over 50 years old	2,923	13%	5,255	20%	2,500	11%
	North America	10,397	48%	11,750	46%	9,500	40%
	Asia	3,389	16%	4,723	18%	4,600	20%
	Europe	1,863	9%	2,521	10%	2,500	10%
	Latin America	5,872	27%	6,347	25%	6,800	29%
	Middle East and Africa	295	1%	324	1%	300	1%
	Female	5,711	26%	6,621	26%	6,300	27%
	Male	16,106	74%	19,044	74%	17,400	73%
Employee turnover		Total	Rate	Total	Rate	Total	Rate
	All age groups	13,765	15%	14,334	14%	15,510	16%
	Under 30 years old	4,878	26%	5,385	26%	6,007	31%
Global voluntary turnover <sup>1</sup>	Between 30 and 50 years old	6,081	13%	6,439	14%	6,996	15%
	Over 50 years old	2,805	9%	2,319	7%	2,507	8%
	North America	6,403	16%	6,439	15%	6,866	17%
	Asia	2,773	12%	2,758	12%	3,018	14%
	Europe	1,504	9%	1,484	9%	1,738	11%
	Latin America	2,867	20%	3,442	21%	3,629	23%
	Middle East and Africa	218	11%	211	10%	259	11%
	Female	3,364	15%	3,726	16%	3,953	17%
	Male	10,401	14%	10,608	14%	11,555	15%

<sup>1.</sup> Includes global voluntary turnover, including retirement, for full- and part-time employees.

Overview	Sustainable products	Greenhouse gas emissions	High-performance culture	Global sustainability	How we work	Data	
	and solutions						

#### **Employees**

2-7 | 2-8

Full-time and part-time employees by gender	2024	2023	2022
Full-time – male	72,326	75,933	76,000
Full-time – female	21,765	23,162	23,000
Total full-time	94,091	99,095	99,000
Part-time – male	283	307	400
Part-time – female	486	560	600
Total part-time	769	867	1,000

	20	24	20	າວວ	20	122
		)24		023		022
Employees by region	Male	Female	Male	Female	Male	Female
North America	31,883	8,129	33,112	9,012	32,000	9,000
APAC	16,827	5,391	17,316	5,422	17,500	5,400
Europe	12,910	3,441	13,447	3,749	13,500	4,000
Latin America	9,271	5,060	10,443	5,291	11,000	5,500
Middle East and Africa	1,718	230	1,922	248	2,000	100

Permanent employees and temporary workers by gender	2024	2023	2022
Indefinite or permanent contract – male	72,019	75,559	75,400
Indefinite or permanent contract – female	22,001	23,369	23,600
Total indefinite or permanent	94,020	98,928	99,000
Fixed-term or temporary contract – male	590	681	600
Fixed-term or temporary contract – female	250	353	400
Total fixed-term or temporary contract	840	1,034	1,000

# Ratio of basic salary and remuneration of women to men, by significant locations of operations 405-2

Locations	2024 ratio	2023 ratio	2022 ratio
Canada	0.98	0.96	0.96
China	0.98	0.97	0.96
India	0.96	0.97	0.94
Mexico	0.97	0.96	0.96
United Kingdom	0.94	0.93	0.93
United States	0.96	0.97	0.97
Total Worldwide	1.03	0.99	0.94

# Incidents of discrimination and corrective actions taken 406-1

	2024	2023
Total	147	133

Status for all incidents:

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

#### Freedom of association and collective bargaining

407-1 | 2-30

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

Freedom of association and collective bargaining			
Collective bargaining agreements	2024	2023	
Percentage of total employees covered by collective bargaining agreements	23	22	

<sup>\*</sup>Percentage of employees covered by collective bargaining agreements global.

# **Training and education**

# Average hours of training per year per employee 404-1

Employee categories	2024
Vice-presidents/general managers	7
Directors	12
Managers	14
Supervisors	8
Individual contributors - professional	18
Individual contributors - support	21
Overall average	19

# Percentage of employees receiving regular performance and career development reviews 404-3

	2024	2023	2022
Male	99	95	96
Female	99	95	96
Total	99	95	96

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

# Workers participation, consultation and communication on occupational health and safety 403-4

Percentage of the total workforce represented in formal joint management and worker health and safety committees:	92
Explanation of the level(s) at which each formal joint management-worker health and safety committee typically operates within the organization:	Johnson Controls maintains and requires health and safety committees at the facility, region, business unit and enterprise levels. For a more complete description of the company's health and safety committees, please refer to the 'Health, safety and well-being' section.

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

# **Health and safety**

403-9 | 403-10

Total global workforce	Incident categories	2024	2023	2022	2017
	Work-related fatalities	1	1	1	0
High-consequence injuries	Work-related fatality rate	0.001	0.001	0.001	0.00
Takaharan adalah badah atau	Total recordable incidents (TRI)	428	404	411	649
Total recordable incidents	Total recordable incident rates (TRIR)	0.34	0.34	0.36	0.55
Actual	Percent change in total recordable incident rate (FY2017 baseline)	-39.4%	-38.2%	-34.9%	Baseline year
2025 sustainability strategy goal	2025 sustainability strategy goal, annual percentage change in total recordable incident rates (FY2017 baseline)	-26.4%	-23.2%	-20.0%	0% (baseline year)
	Work-related injuries	396	384	391	-
Total recordable injuries	Work-related injury rates	0.31	0.33	0.34	-
Takal waxaadala illa aasa -	Work-related illnesses	32	20	20	-
Total recordable illnesses	Work-related illness rates	0.03	0.02	0.02	-
	Total lost time incidents (LTI)	164	147	163	300
Lost time incidents	Total lost time incident rates (LTIR)	0.13	0.12	0.14	0.26
	Total lost time days	7,008	7,205	-	-
Et an at ditata at a	Total first-aid injuries	2,123	2,011	1,634	1,349
First-aid injuries	Total first-aid injury rates	1.67	1.71	1.43	1.07
Near misses, unsafe acts,	Total NM/UA/UC reports	291,013	280,508	58,778	12,596
unsafe conditions	Total NM/UA/UC rates	218.09	231.17	49.92	9.97

- To calculate these figures, we follow US OSHA injury classifications globally.
- Metrics include employees and agency/temporary workers but exclude third-party subcontractors, except for near misses, unsafe acts and unsafe conditions metrics.
- Data is per 200,000 hours and, starting with fiscal year 2017 data, reflects our company footprint as of the end of fiscal year 2024, thus metrics pertaining to ADTi business are excluded from fiscal year 2024.
- Work hours used for rate calculations are either actual (e.g., from time-keeping systems) or estimated (e.g., based on headcount) work hours.
- Lost time day count is capped at 180 days per lost time incident (OSHA-US rule).
- Historic data is restated to reflect the performance of current Johnson Controls operations.
- Health and safety metrics as of November 5, 2024.

# **Product safety**

Product labeling

417-1

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

	2024	2023	2022
Percentage of significant product or service categories that are covered by and assessed for compliance with company procedures for product and service information and labeling	100	100	100

417-2

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

417-3

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

Supplier sustainability - tracking and accountability 308-1 | 308-2 | 414-1 | 414-2

	2024	2023	2022
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 a third party.
- Number and type of suppliers terminated due to social and environmental performance issues.

# **Governance data**

Direct economic value generated and distributed 201-1

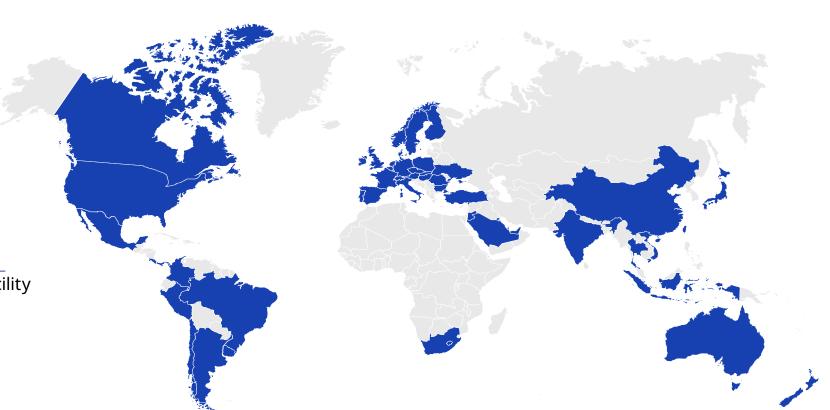
Fiscal year 2024							
Currency: Million USD	Value generated	Value distributed					Value retained
Fiscal year 2024	Revenues	Operating costs	Wages and benefits	Payments to providers of capital	Payments to government	Community investment	(Generated less distributed)
Company level	26,759	(16,806)	(7,043)	(1,359)	(834)	12	705

Through philanthropy and employee volunteer programs, we improve and strengthen the hundreds of communities we call home. Johnson Controls contributes millions of dollars annually and our employees give freely of their time, skills and contributions. The community investment number above includes corporate and foundation philanthropic contributions of more than \$12 million. Not included is the \$2.4 million given by employees to causes around the world.

# Countries of operation

Our employees serve a wide range of customers from over 1,300 locations globally. The Johnson Controls <u>location</u> <u>finder</u> helps our customers find the facility that can best serve their needs.

We have facilities located in the following countries:



Location of operations				
Argentina	Czech Republic	Kazakhstan	Poland	Türkiye
Australia	Denmark	Kuwait	Portugal	Ukraine
Austria	Finland	Luxembourg	Puerto Rico	United Arab Emirates
Belgium	France	Malaysia	Qatar	United Kingdom
Brazil	Germany	Malta	Romania	Uruguay
Canada	Guam	Mexico	Singapore	United States of America
Chile	Hungary	Netherlands	Slovakia	Uzbekistan
China	India	New Zealand	South Africa	Vietnam
China-Hong Kong (SAR)	Indonesia	Norway	Republic of Korea	
China-Macau (SAR)	Ireland	Oman	Spain	
Chinese Taiwan	Israel	Panama	Sweden	
Colombia	Italy	Peru	Switzerland	

#### Committees governing environmental, social and governance topics

2-9

Name of committees	Committees' functions
Audit Committee	Audit and accounting, risk-management, ethics issues
Compensation and Talent Development Committee	Remuneration and compensation
Governance and Sustainability Committee	Nomination, corporate social responsibility, corporate citizenship, sustainable development, health and safety, environmental issues, risk-management, community and public affairs
Full Board of Directors	Risk-management

See page 6 of Johnson Controls 2025 Notice and Proxy Statement.

# Executive leadership team responsibility for corporate social responsibility and sustainability 2-9 | 2-12 | 2-13 | 2-17 | 3-1

1 1 1			
As of the AGM in March 2024	Names	Positions or titles	Organizational levels (from the 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
High-performance culture	Marlon Sullivan	Executive Vice President and Chief Human Resources Officer	1 - reports to Chairman and CEO
Community and public relations	Katie McGinty	Vice President and Chief Sustainability and External Relations Officer	1 - reports to Chairman and CEO
Environmental issues	Katie McGinty	Vice President and Chief Sustainability and External Relations Officer	1 - reports to Chairman and CEO
Health and safety	John Donofrio	Executive Vice President, General Counsel	1 - reports to Chairman and CEO
Risk-management	John Donofrio	Executive Vice President, General Counsel	1 - reports to Chairman and CEO
Supply chain social responsibility	Duane Maier	Vice President, Chief Procurement Officer	2 – reports to EVP and Chief Financial Officer who reports to Chairman and CEO
Compliance/ethics issues	Mara Murphy	Vice President, Chief Ethics and Compliance Officer	2 - reports to EVP and General Counsel who reports to Chairman and CEO and reports to Audit Committee
Human rights issues and labor issues	Tammara Lovett	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

## Political contributions

Currency: USD	2024	2023	2022
Recipient: PAC activity Country: US	\$149,000	\$205,000	\$230,650

# Johnson Controls International PLC cautionary statement regarding 'forward-looking statements'

Johnson Controls International PLC has made statements in this report that are forward-looking and, therefore, are subject to risks and uncertainties. All statements in this document other than statements of historical fact are or could be, 'forward-looking statements' within the meaning of the Private Securities Litigation Reform Act of 1995. In this communication, statements regarding Johnson Controls purpose, ambitions, aims, commitments, targets, plans and objectives, environmental, health and safety data, social data as relates to employee metrics, social practices, employee engagement, recruiting, learning and development and community engagement programs, future sustainability and corporate social responsibility goals, targets and performance, future financial position, sales, costs, earnings, cash flows, other measures of results of operations, synergies and integration opportunities, capital expenditures and debt levels are 'forward-looking statements'. Words such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "should," "forecast," "project" or "plan" and terms of similar meaning are also generally intended to identify 'forward-looking statements'. However, the absence of these words does not mean that a statement is not forward-looking. Johnson Controls cautions that these statements are subject to numerous important risks, uncertainties, assumptions and other factors, some of which are beyond the control

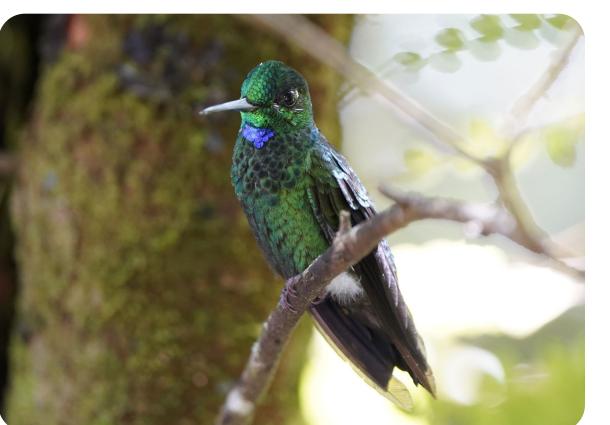
and solutions

of Johnson Controls, that could cause Johnson Controls actual results to differ materially from those expressed or implied by such 'forwardlooking statements'. A detailed discussion of risks related to Johnson Controls business is included in the section entitled 'Risk factors' in Johnson Controls Annual Report on Form 10-K for the 2024 fiscal year filed with the SEC on November 19, 2024, which is available at www.sec.gov and www.johnsoncontrols.com under the 'Investors' tab. The description of certain risks is supplemented in 'Item 1A' of Part II of Johnson Controls subsequently filed Quarterly Reports on Form 10-Q. Shareholders, potential investors and others should consider these factors in evaluating the 'forward-looking statements' and should not place undue reliance on such statements. The 'forwardlooking statements' included in this communication are made only as of the date of this document, unless otherwise specified, and, except as required by law, Johnson Controls assumes no obligation, and disclaims any obligation, to update such statements to reflect events or circumstances occurring after the date of this communication.

In addition, Johnson Controls has made several public commitments regarding environmental, social and corporate responsibility matters, including, among others, commitments to achieve net zero Scope 1 and 2 carbon emissions by 2040 and the establishment of sciencebased targets to reduce carbon emissions from Johnson Controls operations and the operations of its customers. Although Johnson Controls intends to meet these commitments, it may be required to expend significant resources to do so, which could increase operational costs. Furthermore, there can be no assurance of the extent to which any of these commitments will be achieved, or that any future investments Johnson Controls makes in furtherance of achieving such commitments will meet external expectations or any binding or non-binding legal standards regarding environmental social or corporate responsibility performance. Moreover, Johnson Controls may determine that it is in the best interests of Johnson Controls and its stockholders to prioritize other business, social, governance or sustainable investments over the achievement of these commitments based on economic, regulatory and social factors, business strategy or pressure from investors, activist groups or other stakeholders. Johnson Controls ability to achieve its public environmental, social and corporate responsibility commitments may also be negatively impacted by one or more of the risks included in the section entitled 'Risk factors' in Johnson Controls Annual Report on Form 10-K for the 2024 fiscal year filed with the SEC, as updated by any subsequently filed Quarterly Report on Form 10-Q or Current Report on Form 8-K.



























#### **About Johnson Controls**

At Johnson Controls (NYSE:JCI), we transform the environments where people live, work, learn and play. As the global leader in smart, healthy and sustainable buildings, our mission is to reimagine the performance of buildings to serve people, places and the planet.

Building on a proud history of 140 years of innovation, we deliver the blueprint of the future for industries such as healthcare, schools, data centers, airports, stadiums, manufacturing and beyond through OpenBlue, our comprehensive digital offering.

Today, Johnson Controls offers the world's largest portfolio of building technology and software as well as service solutions from some of the most trusted names in the industry.

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