



Johnson Controls Corporate ~~Social~~ Responsibility

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Johnson Controls, Inc.



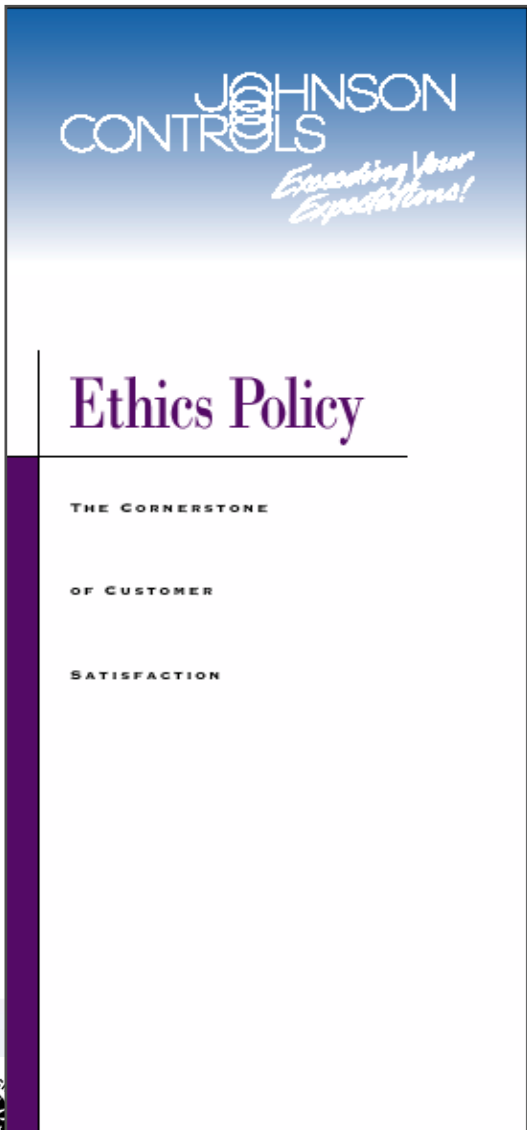
A Culture of Sustainability

- Helping the environment—
that's our business
 - Etched into the company's fabric

- Impact was there from the start
 - 1885, Prof. Warren S. Johnson, inventor,
electric thermostat
 - Launched the temperature controls
industry



A Culture of Sustainability



5. Protecting the Environment

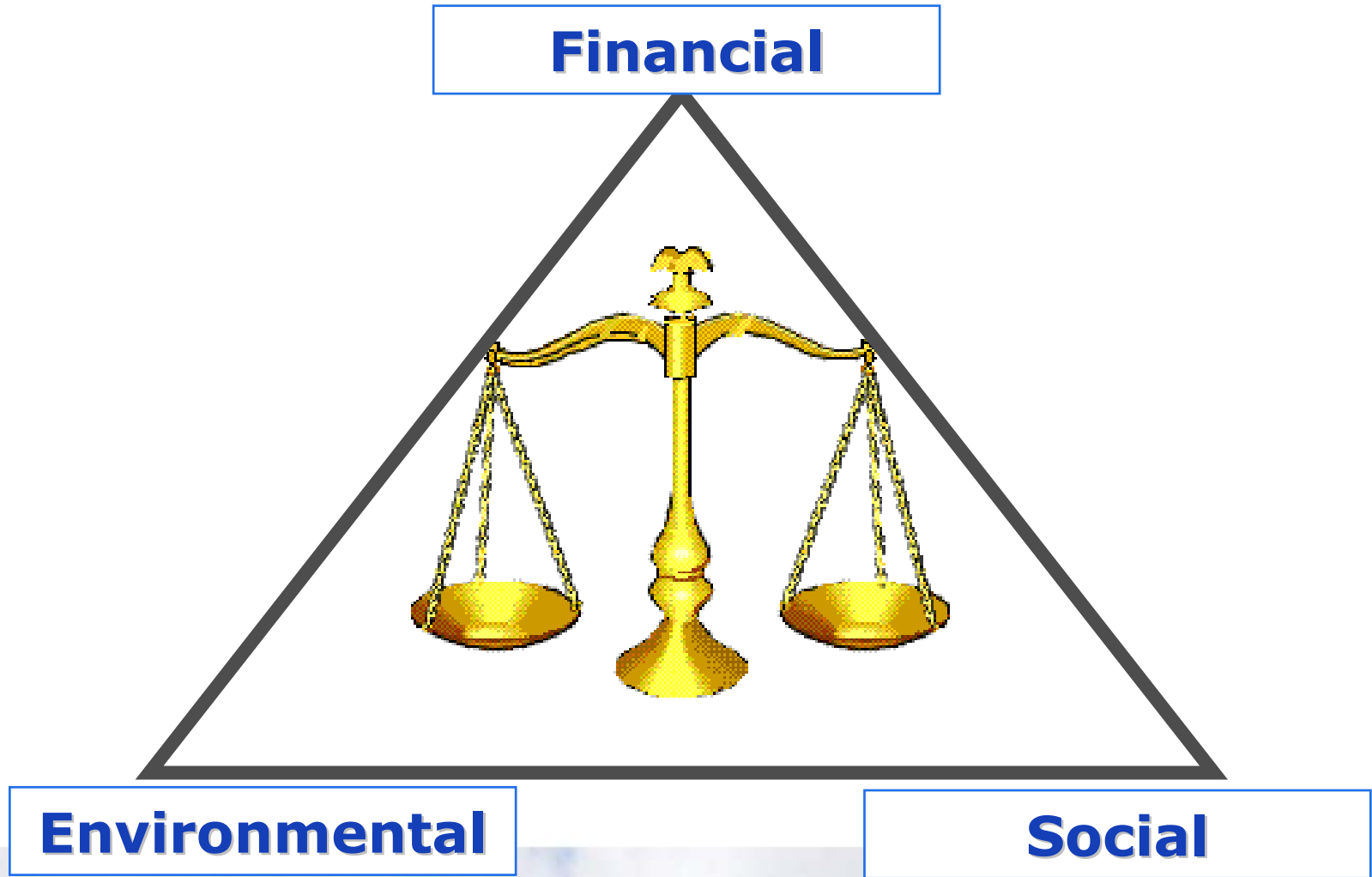
We respect the needs and concerns of the communities in which we live and work. This is exemplified in the company's long tradition of caring about the quality of the environment. Our products, services, and manufacturing methods reflect this concern and our belief that **what is good for the environment is good for Johnson Controls.**

Sound waste management and source reduction practices, recycling and energy conservation are legal, ethical, and business requirements. In meeting that commitment, we implement environmental management systems to ensure continuous improvement and specific measures to prevent pollution, minimize toxic and greenhouse gas emissions, see ways to use and produce products that are environmentally friendly, and ensure land development and operations address community concerns and biodiversity preservation.

A Culture of Sustainability

“A business approach to create long term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments or changes.”

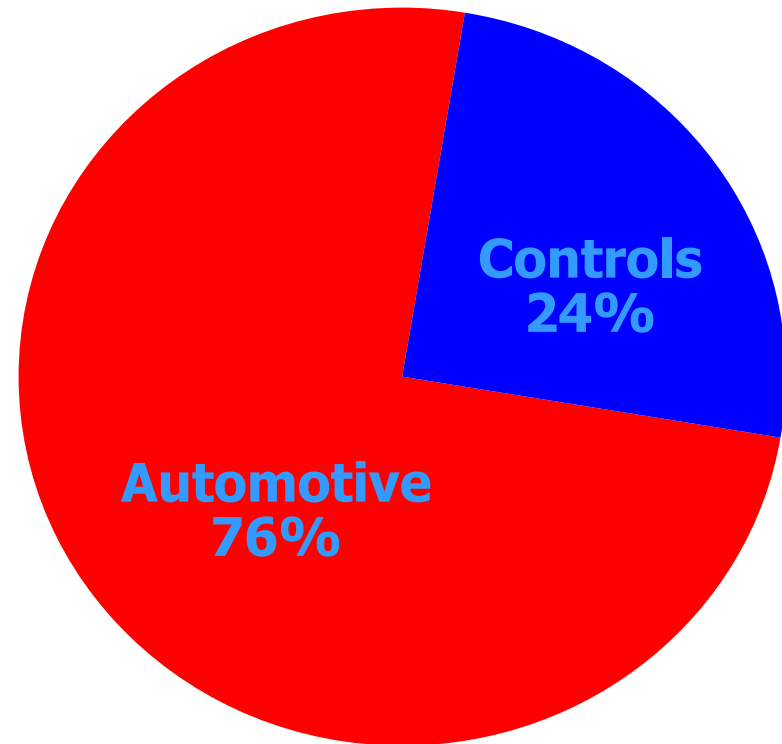
The Triple Bottom Line



The Triple Bottom Line

2004 Sales: \$26.6 billion

- Sales: \$26.6 billion
 - 118,000 employees worldwide
- 58 consecutive years of sales increases
- 14 consecutive years of earnings increases
- 29 consecutive years of dividend increases

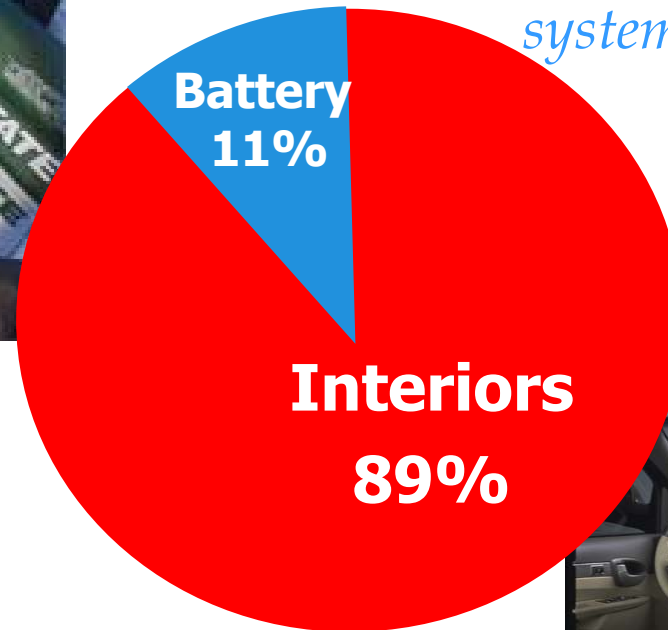


Automotive Group



World's largest supplier of seating, overhead, door and cockpit systems, integrated electronics and automotive batteries. Sales of \$20.4 billion

Sales



- Quality interior systems that add value and create competitive advantage for our customers
- Batteries that lead the industry in quality, cost, life and dependability

Controls Group



- Customers include hospitals, schools, airports, office buildings, data centers, government facilities, high-tech manufacturing sites, pharmaceutical laboratories
- Improving the comfort and safety of buildings while increasing energy efficiency and reducing costs

\$6 billion global supplier of integrated building control systems and services, including facilities management, for non-residential buildings



The Triple Bottom Line

Financial

It's good business, not just a good thing to do!

- Essential to our long-term ability to grow
 - Offers new opportunities to support and serve customers
 - Treating people well increases morale, productivity, & reduces turnover
 - Part of continuous improvement: waste and inefficiency costs money!
 - All employees play a role
- Customers expectations
 - Flawless environmental performance
 - Help with their own sustainability needs
 - Improved environmental performance gives us additional ways to reduce costs
- Investor and community expectations
 - Profits and high quality jobs
 - High standards of environmental and social responsibility.

**Sustaining our growth by reinvesting in customers, community,
employee, suppliers**

The Triple Bottom Line

It's good business, not just a good thing to do!

- Excellence corporate governance
- Socially responsible investing
- Supplier diversity
- Community involvement
- Corporate giving

Social

The Triple Bottom Line

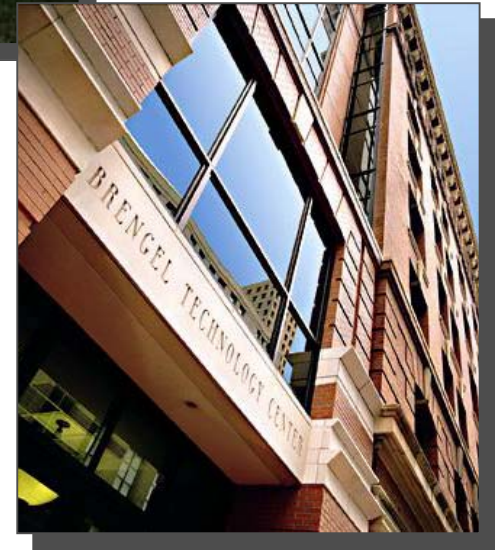
It's good business, not just a good thing to do!

- Internal Practices
 - Environmental Roundtable
 - Waste Minimization
 - Recycling
 - Energy/Emissions Reductions
 - Climate Change Plans

- External Practices
 - High Performance Green Buildings
 - Utility Bill Processing / GHG Emissions Reductions
 - Member EPA Climate Leaders program

Environmental

Signature Contribution: High Performance Green Buildings



2004 GOLD MEDAL

Utility Bill Processing / Emissions Management Reporting

A patent-pending technology to
INVENTORY, TRACK and REPORT
GHG emissions

- Johnson Controls is the only company that combines utility bill processing with GHG emissions management and reporting
 - Eliminates the #1 source of frustration = automating most data entry
- Multiple Benefits
 - **Cheaper**
 - **Faster**
 - **Better**
 - **Verifiable**



Utility Bill Processing / Emissions Management Reporting

The Issue:

Effective emissions
management
is only possible
with useful information.



GHG Emissions Management

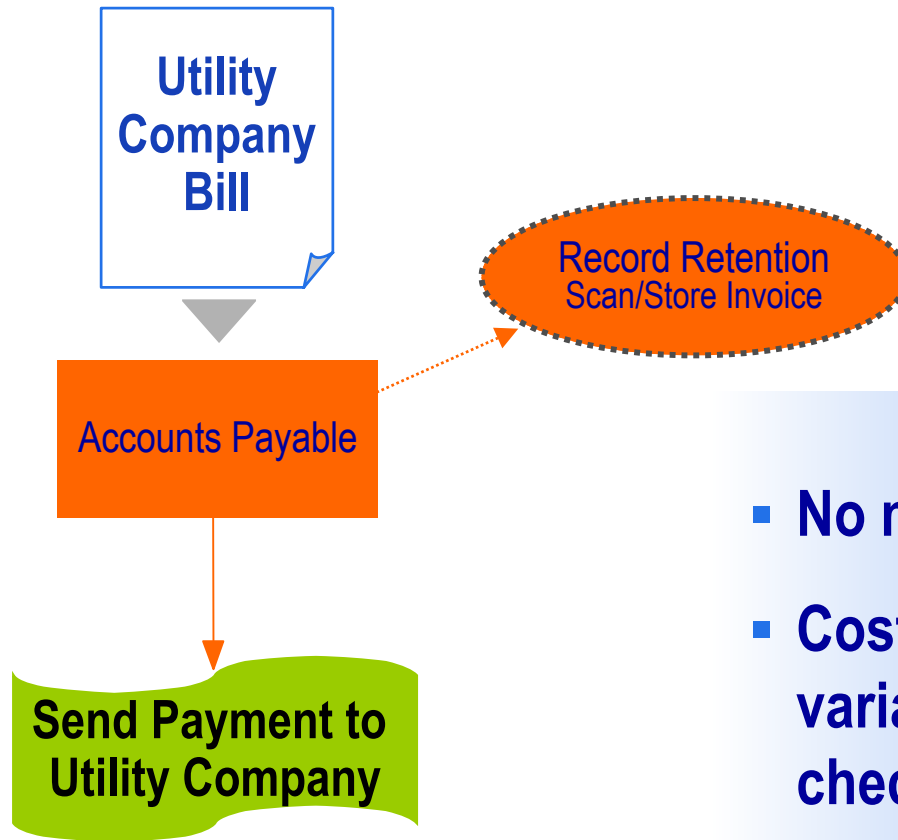
Utility Bill Processing

Emissions
Information



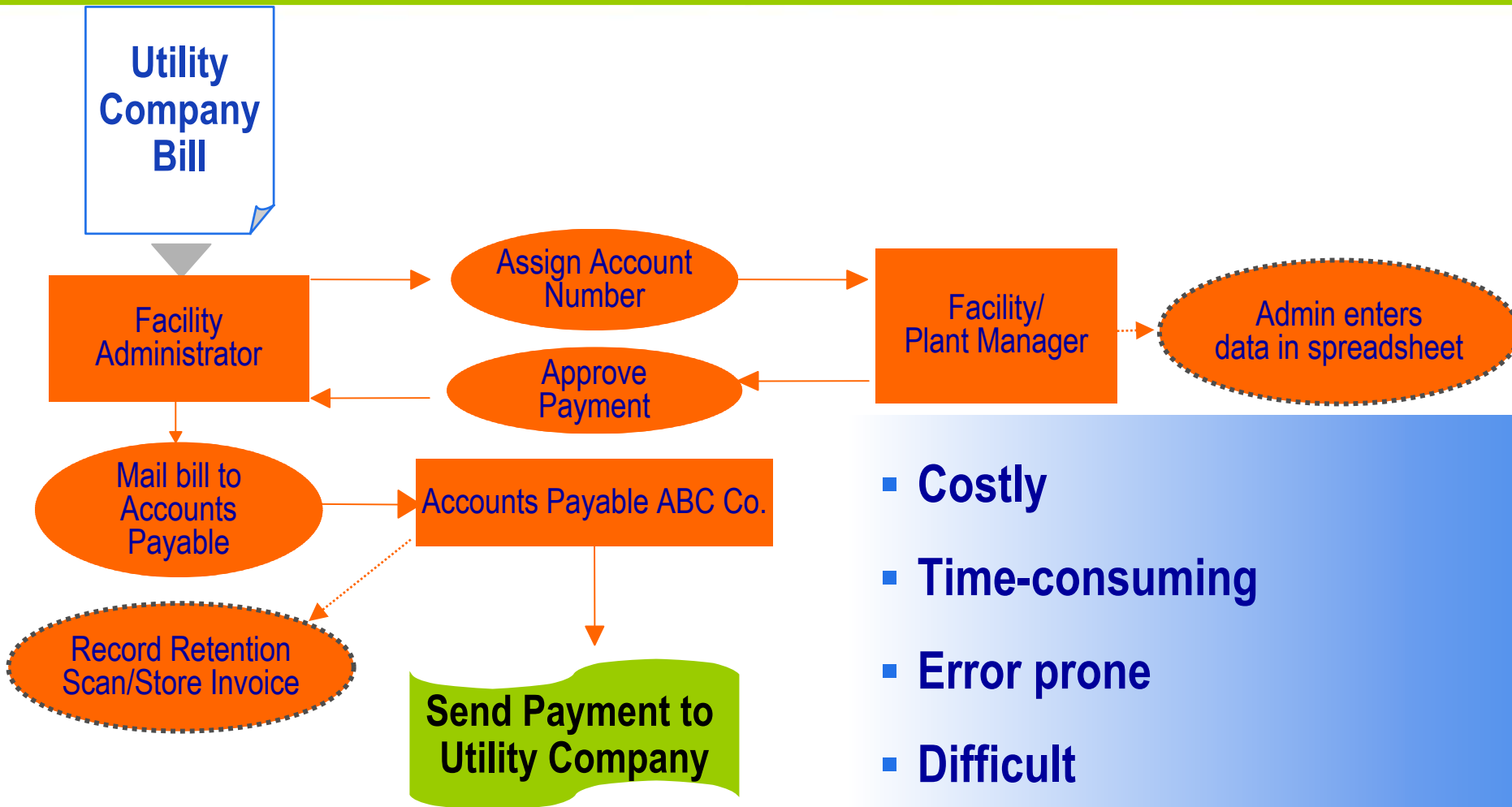
**Sustainable Energy
Information Database**

Utility Bill Management – The Old Way (just pay the bill)



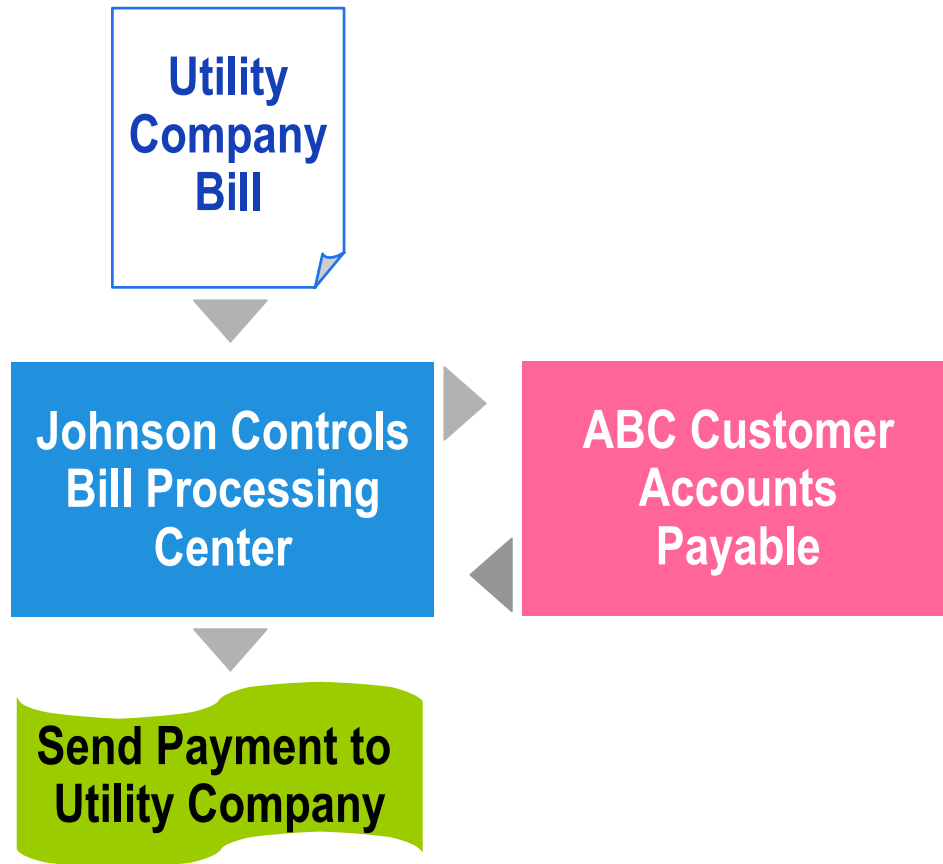
- No meaningful data capture
- Costly (no rate/tariff analysis, variance testing, error checks, validation tests, etc)

Utility Bill Management – The Old Way (energy viewed as strategic asset)

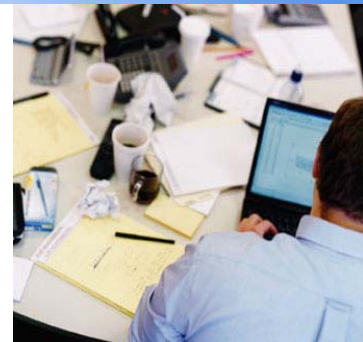


- **Costly**
- **Time-consuming**
- **Error prone**
- **Difficult**

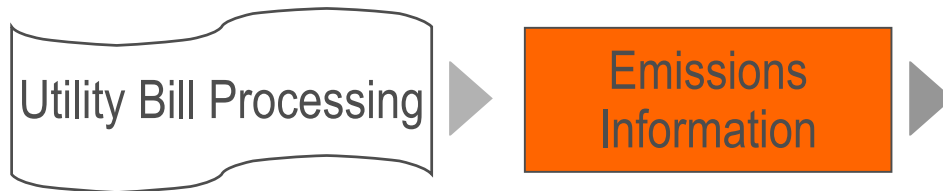
Johnson Controls Process



- Cheaper
- Faster
- Verifiable

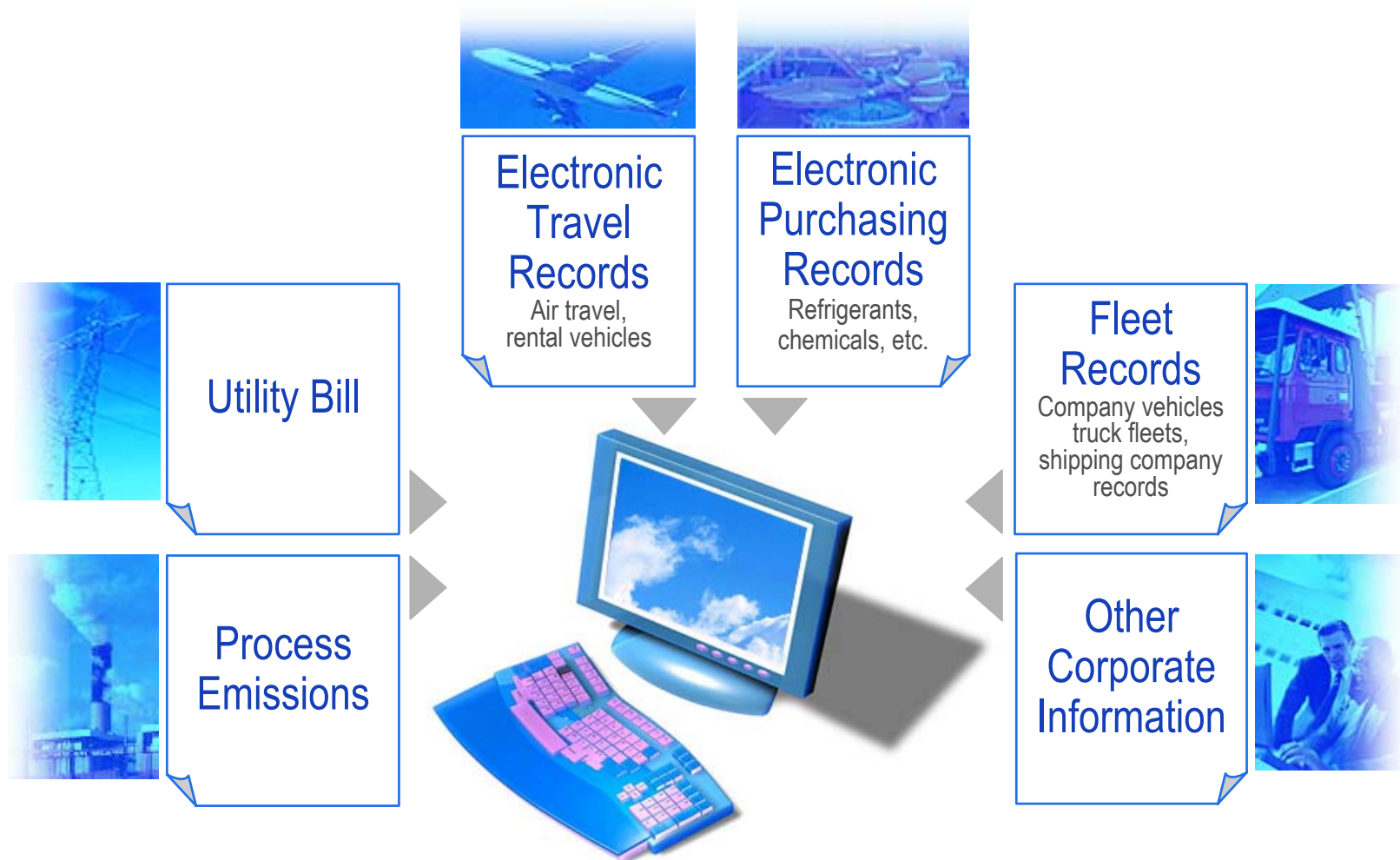


Developing a Database



**Sustainable Energy
Information Database**

Greenhouse Gas Emissions Inventory



Multiple Benefits

Utility Bill Processing

Emissions
Information



**Sustainable Energy
Information Database**

Produces Savings

Produces Revenue

Public Benefits

UBP/GHG Features



**Sustainable Energy
Information Database**

Streamlined
Information
Gathering

Accurate
Baseline
Development

Verifiable
Emissions
Information
Management

Simplified
Emissions
Reporting

Cost Effective
Process

Other benefits of having the data in one place



Sustainable Energy Information Database

Strategic Energy Plan

Energy Information Infrastructure

Exploit **Commodity Supply** Opportunities

Reverse Internet Auction

Exploit **Energy Demand** Opportunities

Benchmarking

Simplified **GHG Emissions** Reporting

Ongoing **Energy & Performance Optimization**

Accurate & Current data

SUSTAINING OUR GROWTH BY REINVESTING IN



OUR CUSTOMERS

OUR EMPLOYEES



OUR COMMUNITIES



OUR SUPPLIERS



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