Creating a culture that focuses not just on diversity metrics, but on the inclusion of all talent — that is what will allow us to win as one team. When we embrace true diversity of thought and inclusion of ideas, we fuel innovation and gain a more intimate relationship with customers. We understand them more holistically and translate their problems into new business opportunities for us. This is foundational to our growth success story.

Our Goal
For any company, leading the way in diversity and inclusion is vital for long-term success. At Johnson Controls, our desire to win in business is matched by our desire and the effort we put forth in winning with our people. We create, develop and fully leverage the strengths of our workforce to exceed customers’ expectations and meet our company growth objectives. Achieving these goals requires an organization committed to integrating processes that will drive and deliver desired results with an "all-in" approach.

Our Approach
Making progress starts at the top of our organization, where our commitment is realized through leadership examples and communicated throughout the organization. Diversity and inclusion is a fundamental part of the Johnson Controls strategy to win.

Initiatives to support our goals fall into these main categories:

1. Attract and retain the best talent, across the globe, to leverage a variety of perspectives, cultures and experiences for innovation.
2. Maintain a workplace in which employees are included and passionately engaged.
3. Anticipate and manage culture, system, practices and compliance for scalable success.
4. Diversity and inclusion is the responsibility of each and every employee. No step is too small to make a strong impact against our progress. The following examples highlight a few of our efforts.

Building a Diverse Board of Directors
The benefits of gender and ethnic diversity on a board of directors is undisputable. Research from Harvard Business Review, Forbes, and the like, shows that companies with greater board diversity experience higher overall returns on equity and value for its stakeholders. Since 2017, three of
the four board appointees have been a person of color or female, contributing to the compilation of 36 percent of our board members identifying as diverse. With strategic partnerships to identify and attract a broad array of highly qualified candidates, the company has a diverse board consisting of members with demonstrated diversity of thought and background, subject matter proficiency, critical skill sets and experience, and industry expertise.

Promoting an Inclusive Culture through Nonprofit Board Service

We recently co-sponsored the Better World Leadership: The Nonprofit Board Leadership Study, which concluded employees are more likely to work and stay at companies that introduce them to community-based nonprofit organization boards and provide board service matching and training. With this knowledge, we launched a pilot program at our North America Operational Headquarters to increase our footprint and impact. This program fosters economic development in our local communities, while providing our employees with real-world development opportunities and a deeper cultural appreciation of the community. In turn, this experience cultivates our talent, develops expertise and provides visibility to the challenges and opportunities within diversity and inclusion.

The Johnson Controls Community Leadership Program (CLP) has been successful in training, matching and supporting our employees who serve on nonprofit boards. CLP participation is highly beneficial for our employees and our company, while also benefiting the nonprofits and communities in which we live and work. Employees are developing leadership skills that improve their value to Johnson Controls, they are moving into board leadership positions, and they are gaining a deeper appreciation of working with people from diverse backgrounds and perspectives. Many of the CLP participants report their board experiences are helpful in developing business relationships and gaining access to new markets. Additionally, Johnson Controls’ employees who serve on boards are helping to build more successful communities by advancing the UN Sustainable Development Goals (SDGs), and they are learning how the SDGs are vital in improving their communities and the company. With the aid of the CLP, Johnson Controls’ employees have led capital campaigns for nonprofits that greatly enhanced the organization’s capacity and ability to serve. Our people have led mergers of nonprofit organizations to foster greater collaboration and leverage operational synergies, as well as led the charge to develop and expand programing and services across a wide array of community based organizations. In response to a recent survey regarding the Johnson Controls CLP program, one of our participants noted the following:

“You see a different side of life. So many good people are working really hard to improve the lives of others [for not much money]. Not many people see that. If more people became involved, they would appreciate the work of nonprofits more. The number of people who need help is incredible.”

Focusing on the Unique Needs of Talent

Johnson Controls has found that diversity associations and national conferences provide a great entry to meeting and attracting diverse talent. As we partner with these organizations, we build our
brand recognition among diverse university students and professionals, with a focus on the unique opportunities in the engineering field, to help diversify our talent pipeline. In 2017, we engaged with more than 1,000 potential candidates. We used some of these learnings to develop our employer brand both internally and externally, setting out to communicate a realistic view of what Johnson Controls has to offer our candidates. We encourage candidates to begin their career with a focus on tomorrow. Bring your passion for innovation and we’ll challenge you to help us create a better tomorrow. Our talent brand campaign, “Tomorrow Needs You,” is the slogan we use to emphasize the ways we’re creating innovative, integrated solutions to make cities more connected, buildings more intelligent and vehicles more efficient.

Specifically related to our industry, there is a pressing need to attract and retain talented women in the field of HVACR (heating, ventilation, air-conditioning and refrigeration), where attracting women and developing their careers in that field can have some unique challenges. Johnson Controls recently launched an initiative titled “Coolest Women in the World,” to create awareness and develop solutions to make the HVACR industry stronger, more diverse and more inclusive. We do this by sharing the stories of our “Coolest Women in the World” who discuss their experiences as female leaders in the HVACR industry, including ensuring their contributions are valued and embedding their voice within the industry culture. Mentoring, sponsoring, male advocacy and external networking are all vital components of this initiative.

These types of engagements also help inform what diverse candidates seek in an inclusive company culture, which drives decisionmaking internally around our employee experience.

**Advocating for Economic Empowerment**

Since 1993, Johnson Controls has spent nearly $22 billion with certified women- and minority-owned suppliers. We are proud to be one of only 27 U.S. firms in the Billion Dollar Roundtable, a group of companies that spent $1 billion or more the preceding year with diverse suppliers. Globally, we have included more than 400 diverse suppliers into more than 30 product and service categories to support our customer solutions. Working with diverse suppliers not only helps us grow and enhance our performance, but it also allows us to aid in accelerating the global economy. As such, every employee with responsibility to procure goods and services is encouraged to include diverse businesses into our processes. Externally, we host workshops and seminars and offer 1:1 coaching for diverse vendors to help them scale their businesses, improve their processes, position themselves in the market and secure sales.

In closing … Johnson Controls still has opportunities to improve in building a diverse workforce and creating an inclusive culture in which all employees can contribute to their fullest potential. The JCI leadership team is committed to identifying and embedding the behaviors, systems and initiatives that will drive a culture that values diversity and ensures all employees are part of the company’s success.

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