

JOHNSON CONTROLS INC
Form DEF 14A
December 10, 2012
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

JOHNSON CONTROLS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

Johnson Controls, Inc.
5757 North Green Bay Ave.
Milwaukee, Wisconsin 53209-4408

Notice of 2013
Annual Meeting
and Proxy Statement

Date of Notice: December 10, 2012

Table of Contents

NOTICE OF THE 2013

ANNUAL MEETING OF SHAREHOLDERS

Johnson Controls, Inc. will hold the Annual Meeting of Shareholders on Wednesday, January 23, 2013, at 1:00 P.M. CT at Johnson Controls, Inc.'s headquarters located at 5757 North Green Bay Avenue, Milwaukee, Wisconsin. The purposes of the Annual Meeting are to:

1. Elect four directors, with the following as the Board of Directors nominees:
David P. Abney

Julie L. Bushman

Eugenio Clariond Reyes-Retana

Jeffrey A. Joerres
 2. Ratify the appointment of PricewaterhouseCoopers LLP as Johnson Controls, Inc.'s independent registered public accounting firm for fiscal year 2013;
 3. Approve a proposed restatement of the Restated Articles of Incorporation of Johnson Controls, Inc. to declassify the Board of Directors and effectuate certain other non-substantive changes;
 4. Approve the Johnson Controls, Inc. 2012 Omnibus Incentive Plan;
 5. Approve on an advisory basis named executive officer compensation;
 6. Consider a shareholder proposal for an independent Chair of the Board of Directors, if properly presented at the meeting;
 7. Consider a shareholder proposal requesting the Board to take action to permit the shareholders of Johnson Controls, Inc. to act by written consent, if properly presented at the meeting;
- and, to transact such other business as may properly come before the Annual Meeting or any adjournment thereof.

The Board of Directors recommends a vote FOR all nominees listed in item 1, FOR items 2, 3, 4 and 5, and AGAINST items 6 and 7. The persons named as proxies will use their discretion to vote on other matters that may properly be presented at the Annual Meeting.

If you were a shareholder of record at the close of business on November 15, 2012, you are entitled to vote at the Annual Meeting.

If you have any questions about the Annual Meeting, please contact:

Johnson Controls, Inc.

Shareholder Services X-76

5757 North Green Bay Ave.

Milwaukee, Wisconsin 53209-4408

(414) 524-2363

(800) 524-6220

By Order of the Board of Directors

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS

FOR THE SHAREHOLDERS MEETING TO BE HELD ON JANUARY 23, 2013:

Our Proxy Statement and our fiscal year 2012 Annual Report on Form 10-K are available at

<http://www.johnsoncontrols.com/proxy>.

Table of Contents

Johnson Controls, Inc.
5757 North Green Bay Avenue
Milwaukee, Wisconsin
53209-4408

December 10, 2012

Dear Shareholder:

The Johnson Controls, Inc. 2013 Annual Shareholders Meeting will convene on Wednesday, January 23, 2013, at 1:00 P.M. CT at the headquarters of Johnson Controls, Inc., 5757 North Green Bay Avenue, Milwaukee, Wisconsin. We are mailing to shareholders on or about December 10, 2012 our proxy statement, which details the business we will conduct at the Annual Shareholders Meeting, and the Company's Annual Report on Form 10-K for fiscal year 2012. Shareholders should not regard the Annual Report on Form 10-K, which contains our audited financial statements, as proxy solicitation materials. If you have elected not to receive printed proxy materials, you may access them electronically at <http://www.johnsoncontrols.com/proxy>.

We are pleased to once again offer multiple options for voting your shares. As detailed in the Questions and Answers section of this proxy statement, you can vote your shares via the Internet, by telephone, by mail or by written ballot at the Annual Meeting. We encourage you to use the Internet to vote your shares as it is the most cost-effective method.

To ensure that you have a say in the governance of Johnson Controls and the compensation of its executive officers, it is important that you vote your shares. Please review the proxy materials and follow the instructions on the proxy card to vote your shares. We hope you will exercise your rights as a shareholder and participate in the future of the Company.

Thank you for your continued support of Johnson Controls.

Sincerely,

JOHNSON CONTROLS, INC.

Stephen A. Roell

Chairman and Chief Executive Officer

Table of Contents

TABLE OF CONTENTS

<u>PROXY STATEMENT</u>	1
<u>QUESTIONS AND ANSWERS</u>	1
<u>*PROPOSAL ONE: ELECTION OF DIRECTORS</u>	8
<u>BOARD INFORMATION</u>	13
<u>*PROPOSAL TWO: RATIFICATION OF THE APPOINTMENT OF JOHNSON CONTROLS INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2013</u>	24
<u>AUDIT COMMITTEE REPORT</u>	25
<u>*PROPOSAL THREE: APPROVAL OF A PROPOSED RESTATEMENT OF THE RESTATED ARTICLES OF INCORPORATION OF JOHNSON CONTROLS, INC. TO DECLASSIFY THE BOARD OF DIRECTORS AND EFFECTUATE CERTAIN OTHER NON-SUBSTANTIVE CHANGES</u>	29
<u>*PROPOSAL FOUR: APPROVAL OF THE JOHNSON CONTROLS, INC. 2012 OMNIBUS INCENTIVE PLAN</u>	31
<u>*PROPOSAL FIVE: APPROVAL ON AN ADVISORY BASIS OF NAMED EXECUTIVE OFFICER COMPENSATION</u>	47
<u>COMPENSATION COMMITTEE REPORT</u>	48
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	49
<u>SUMMARY</u>	49
<u>SUMMARY COMPENSATION TABLE FOR FISCAL YEARS 2012, 2011 AND 2010</u>	72
<u>GRANTS OF PLAN BASED AWARDS DURING FISCAL YEAR 2012</u>	74
<u>OUTSTANDING EQUITY AWARDS AT FISCAL YEAR 2012 YEAR-END</u>	76
<u>OPTION EXERCISES AND STOCK VESTED DURING FISCAL YEAR 2012</u>	78
<u>PENSION BENEFITS AS OF SEPTEMBER 28, 2012</u>	79
<u>NONQUALIFIED DEFERRED COMPENSATION DURING FISCAL YEAR 2012</u>	82
<u>DIRECTOR COMPENSATION DURING FISCAL YEAR 2012</u>	84
<u>POTENTIAL PAYMENTS AND BENEFITS UPON TERMINATION OR CHANGE OF CONTROL</u>	85
<u>*PROPOSAL SIX: CONSIDERATION OF A SHAREHOLDER PROPOSAL FOR AN INDEPENDENT CHAIR OF THE BOARD OF DIRECTORS</u>	92
<u>*PROPOSAL SEVEN: CONSIDERATION OF A SHAREHOLDER PROPOSAL TO PERMIT SHAREHOLDER ACTION BY WRITTEN CONSENT</u>	95
<u>JOHNSON CONTROLS SHARE OWNERSHIP</u>	99
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	101

* Agenda items for the Annual Meeting

Table of Contents

PROXY STATEMENT

The Board of Directors (the Board) of Johnson Controls, Inc., a Wisconsin corporation (Johnson Controls or the Company), is soliciting proxies for our 2013 Annual Meeting of Shareholders (the Annual Meeting). You are receiving a proxy statement because you own shares of our common stock that entitle you to vote at the Annual Meeting. By use of a proxy you can vote, whether or not you attend the Annual Meeting. The proxy statement describes the matters we would like you to vote on and provides information on those matters so you can make an informed decision.

QUESTIONS AND ANSWERS

Q: What am I voting on and what are the voting recommendations of the Board?

A: You are voting on the following 7 proposals:

Proposals:	The Board's Voting Recommendations:
<p>1. The election of four directors for a term of three years, with the following as the Board's nominees:</p> <p>David P. Abney</p> <p>Julie L. Bushman</p> <p>Eugenio Clariond Reyes-Retana</p> <p>Jeffrey A. Joerres</p>	<p>FOR each nominee to the Board</p>
<p>2. The ratification of the appointment of PricewaterhouseCoopers LLP as Johnson Controls' independent registered public accounting firm for fiscal year 2013.</p>	<p>FOR</p>
<p>3. The approval of a proposed restatement of the Restated Articles of Incorporation of Johnson Controls to declassify the Board and accomplish other non-substantive updates.</p>	<p>FOR</p>
<p>4. The approval of the Johnson Controls, Inc. 2012 Omnibus Incentive Plan.</p>	<p>FOR</p>
<p>5. The approval on an advisory basis of named executive officer compensation.</p>	<p>FOR</p>
	<p>AGAINST</p>

Edgar Filing: JOHNSON CONTROLS INC - Form DEF 14A

6. The consideration of a shareholder proposal for an independent Chair of the Board, if properly presented at the Annual Meeting.

7. The consideration of a shareholder proposal requesting the Board to take action to permit the shareholders of Johnson Controls to act by written consent, if properly presented at the Annual Meeting.

AGAINST

Q: Will any other matters be voted on?

A: We are not aware of any other matters on which you will be asked to vote at the Annual Meeting. If other matters are properly brought before the Annual Meeting, the proxy holders will use their discretion to vote on these matters as they may arise. Furthermore, if a director nominee cannot or will not serve as director, then the proxy holders will vote for a person whom they believe will carry out our present policies.

Q: Who can vote?

A: If you hold shares of our common stock, CUSIP No. 478366107, as of the close of business on November 15, 2012, then you are entitled to one vote per share at the Annual Meeting. There is no cumulative voting.

Table of Contents

Q: How do I vote?

A: There are four ways to vote:
by Internet at <http://www.eproxy.com/jci/>. We encourage you to vote this way as it is the most cost-effective method;
by toll-free telephone at 1-800-560-1965;
by completing and mailing your proxy card; or
by written ballot at the Annual Meeting.

Q: Can I change my vote?

A: Yes. You can change your vote or revoke your proxy any time before the Annual Meeting by:
entering a new vote by Internet or phone;
returning a later-dated proxy card;
notifying Jerome D. Okarma, Vice President, Secretary and General Counsel, by written revocation letter to the Milwaukee address listed on the front page of this proxy statement; or
completing a written ballot at the Annual Meeting.

Q: Is my vote confidential?

A: Yes. Only the inspectors of the election and certain individuals, independent of Johnson Controls, who assist with the processing and counting of the vote, have access to your vote. Our directors and employees may see your vote only if we need to defend ourselves against a claim or in the event of a proxy solicitation by someone other than us.

Q: Who will count the vote?

A: Wells Fargo Bank, N.A. will count the vote. Its representatives will serve as the inspectors of the election.

Q: Why is it important for me to vote?

A: If you do not vote, your shares may not be represented at the Annual Meeting. This may result in matters not receiving the number of votes necessary for their approval. Further, as discussed below, if you own shares in street name and do not vote, your broker may not be able to vote your shares in its discretion if you do not provide voting instructions to your broker.

Q: What is the quorum requirement of the Annual Meeting?

A: A majority of the shares outstanding on the record date of November 15, 2012 constitutes a quorum for voting at the Annual Meeting. On the record date, 683,922,025 shares of our common stock were outstanding and entitled to vote at the Annual Meeting. If you vote (or if a plan trustee votes your shares for you), your shares will be part of the quorum. Abstentions and broker non-votes will be counted in determining the quorum.

Q: What is a broker non-vote?

A: A broker non-vote occurs when a broker, bank, or other nominee holding shares on behalf of a beneficial owner does not vote on a particular proposal because that holder does not have discretionary voting power for that particular item and has not received instructions from the beneficial owner.

Q: When are brokers permitted to vote your shares?

A: Under New York Stock Exchange (NYSE) rules, if you do not provide voting instructions to your broker, your broker is only permitted to vote on your behalf on routine matters, such as the ratification of auditors. Under these NYSE rules, without your voting instructions your broker is not permitted to vote your shares on non-routine matters, such as director elections, executive compensation matters (including the advisory vote on executive compensation) and corporate governance proposals.

Table of Contents

Q: What is an abstention and how would it affect the vote?

A: An abstention occurs when a shareholder sends in a proxy with explicit instructions to decline to vote regarding a particular matter. An abstention with respect to Proposal One is neither a vote cast for a nominee nor a vote cast against the nominee and, therefore, will have no effect on the outcome of the vote. Abstentions with respect to Proposals Two and Proposal Four through Seven will have no effect on the outcome of the vote; however, an abstention with respect to Proposal Four will count as a vote for purposes of calculating the total votes cast on the proposal. Abstentions with respect to Proposal Three will have the same effect as voting against the proposal.

Q: What is the effect of not voting?

A: It depends on how your share ownership is registered. If you:

Own shares in street name through a broker and you do not vote: For all proposals that shareholders will consider at the Annual Meeting other than Proposal Two, if you own shares in street name and do not direct your broker how to vote your shares on the proposals, the result is a broker non-vote. We believe that Proposal Two ratification of our independent registered public accounting firm is a routine matter on which brokers can vote on behalf of their clients if clients do not furnish voting instructions. However, we believe the remaining proposals are non-routine matters and your broker cannot vote your shares for which you have not provided voting instructions. Broker non-votes will not impact Proposals One, Two, Five, Six or Seven. For Proposal Three, broker non-votes will have the same effect as votes against the proposal. For Proposal Four, broker non-votes could have the same effect as votes cast against the proposal if the broker non-votes cause the total votes cast on the matter to be 50% or less of the total voting power entitled to vote on the proposal.

Own shares that are directly registered in your name and you do not vote: In this case, your unvoted shares will not be represented at the Annual Meeting and will not count toward the quorum requirement. Your unvoted shares will not impact Proposals One, Two, Five, Six or Seven; however, for Proposal Three unvoted shares will have the same effect as votes against the proposal. For Proposal Four, broker non-votes could have the same effect as votes cast against the proposal if the broker non-votes cause the total votes cast on the matter to be 50% or less of the total voting power entitled to vote on the proposal.

Own shares through one of our retirement or employee savings and investment plans (such as a 401(k) plan) for which you do not direct the trustee to vote your shares: In this case, the trustee will vote the shares credited to your account on all of the proposals in the same proportion as the voting of shares for which the trustee receives direction from other participants. The trustee will vote the shares in the same manner if the trustee does not receive your vote by January 17, 2013.

Sign and return a proxy card for your shares, but you do not indicate a voting direction: In this case, the shares you hold will be voted for each of the director nominees listed in Proposal One; for Proposals Two through Five; against Proposals Six and Seven; and at the discretion of the persons named as proxies upon such other matters that may properly come before the Annual Meeting or any adjournments thereof.

Q: What vote is required to approve each proposal, assuming a quorum is present at the Annual Meeting?

A: The vote to approve each proposal depends on the proposal itself as outlined below.

Proposal One: Because this is an uncontested election, our majority voting standard for uncontested election of directors will apply. Under this majority vote standard, the four director nominees will be elected if, and only if, the number of votes cast favoring such nominee's election exceeds the number of votes cast opposing that nominee's election.

Table of Contents

Proposal Two: The votes that shareholders cast for must exceed the votes that shareholders cast against to approve the ratification of the appointment of PricewaterhouseCoopers LLP as Johnson Controls independent registered public accounting firm for fiscal year 2013.

Proposal Three: The holders of two-thirds of all the shares entitled to vote at the Annual Meeting must vote for to approve the further restatement of Johnson Controls Restated Articles of Incorporation.

Proposal Four: The votes that shareholders cast for must exceed the votes shareholders cast against to approve the Johnson Controls, Inc. 2012 Omnibus Incentive Plan and shareholders holding a majority of the outstanding shares of our common stock must cast votes on the proposal.

Proposal Five: The votes that shareholders cast for must exceed the votes shareholders cast against to approve the advisory vote on compensation of our named executive officers. Because this shareholder vote is advisory, it will not be binding on the Board or Johnson Controls. However, the Compensation Committee will review the voting results and take them into consideration when making future decisions regarding executive compensation.

Proposals Six and Seven: In each case, the votes that shareholders cast for must exceed the votes shareholders cast against to approve the shareholder proposal.

Q: What shares are covered by my proxy card?

A: The shares covered by your proxy card represent the shares of our common stock that you own that are registered with us and our transfer agent, Wells Fargo Bank, N.A., including those shares you own through our dividend reinvestment plan and employee stock purchase plan. Additionally, shares that our employees and retirees own that are credited to our employee retirement and savings and investment plans (401(k) plans) are also covered by your proxy card. The trustee of these plans will vote these shares as directed. If you do not direct the trustee to vote your shares, the trustee will vote the shares credited to your account on all proposals in the same proportion as the voting of shares for which the trustee receives direction from other participants. The trustee will vote the shares in the same manner if the trustee does not receive your vote by January 17, 2013.

Q: What does it mean if I get more than one proxy card?

A: It means your shares are held in more than one account. You should vote the shares on all of your proxy cards using one of the four ways to vote. To provide better shareholder services, we encourage you to have all of your non-broker account shares registered in the same name and address. You may do this by contacting our transfer agent, Wells Fargo Bank, N.A., toll-free at 1-877-602-7397.

Q: Who can attend the Annual Meeting?

A: All shareholders of record as of the close of business on November 15, 2012 can attend the Annual Meeting. Seating at the Annual Meeting, however, is limited and attendance will be on a first-arrival basis.

Q: What do I need to do to attend the Annual Meeting?

A: To attend the Annual Meeting, please follow these instructions:

If shares you own are registered in your name or if you own shares through one of our retirement or employee savings and investment plans, bring your proof of ownership of our common stock and a form of identification;

If a broker or other nominee holds your shares, bring proof of your ownership of our common stock through such broker or nominee and a form of identification; or

Bring the attendance card you received with the attached proxy materials and a form of identification.

Table of Contents

Q: Will there be a management presentation at the Annual Meeting?

A: Management will give a brief presentation at the Annual Meeting.

Q: Can I bring a guest?

A: While bringing a guest is not prohibited, please be aware that seating is limited at the Annual Meeting.

Q: How much did this proxy solicitation cost?

A: We will primarily solicit proxies by mail, and we will cover the expense of such solicitation. Georeson Inc. will help us solicit proxies from all brokers and nominees at a cost to us of \$12,750 plus expenses. Our officers and employees may also solicit proxies for no additional compensation. We may reimburse brokers or other nominees for reasonable expenses that they incur in sending these proxy materials to you if a broker or other nominee holds your shares.

Q: How do I recommend or nominate someone to be considered as a director for the 2014 Annual Meeting of Shareholders?

A: You may recommend any person as a candidate for director by writing to Jerome D. Okarma, our Vice President, Secretary and General Counsel. The Corporate Governance Committee reviews all submissions of recommendations from shareholders. The Corporate Governance Committee will determine whether the candidate is qualified to serve on our Board by evaluating the candidate using the criteria contained under the Director Qualifications section of Johnson Control's Corporate Governance Guidelines, which is discussed in the Board Information Nominating Committee Disclosure section of this proxy statement.

A shareholder who intends to nominate any person for director must comply with the requirements set forth in our By-Laws. Among other things, a shareholder must give us written notice of the intent to nominate before the annual meeting of shareholders within a 30-day timeframe. Your notice must include all of the information required by our By-Laws including, but not limited to, your intention to nominate a person as a director, the candidate's name, biographical data, and qualifications, as well as the written consent of the person to be named in our proxy

Edgar Filing: JOHNSON CONTROLS INC - Form DEF 14A

statement as a director nominee and to serve as a director. Under our By-Laws, to nominate a person as a director for the 2014 Annual Meeting of Shareholders, a shareholder must send written notice not less than 90 days and not more than 120 days prior to the first anniversary of the 2013 Annual Meeting. Therefore, because the 2013 Annual Meeting will take place on January 23, 2013, we must receive notice of shareholder intent to nominate a person as a director no sooner than September 25, 2013 and no later than October 25, 2013.

Q: When are shareholder proposals due for the 2014 Annual Meeting of Shareholders?

A: Pursuant to Rule 14a-8 of the Securities Exchange Act of 1934 (Rule 14a-8), we must receive shareholder proposals by August 12, 2013 to consider them for inclusion in our proxy materials for the 2014 Annual Meeting of Shareholders. A shareholder submitting a proposal under Rule 14a-8 should send it to us addressed to Johnson Controls, Inc., Attn: General Counsel X-32, 5757 North Green Bay Avenue, Milwaukee, Wisconsin 53209.

Q: What are the requirements for proposing business other than by a shareholder proposal at the 2014 Annual Meeting of Shareholders?

A: A shareholder who intends to propose business at the 2014 Annual Meeting of Shareholders (other than pursuant to Rule 14a-8) must comply with the requirements set forth in our By-Laws. Among other things, a shareholder must give us written notice of the intent to propose business before the annual meeting of shareholders within the 30-day timeframe relating to nominating a director described above. Therefore, based upon the 2013 Annual Meeting date of

Table of Contents

January 23, 2013, Mr. Okarma, Johnson Controls Secretary, must receive notice of a shareholder's intent to propose business to be brought before the 2014 Annual Meeting of Shareholders (other than pursuant to Rule 14a-8) no sooner than September 25, 2013, and no later than October 25, 2013.

If we receive the notice after October 25, 2013, then we will consider the notice untimely and we will not be obligated to present the proposal at the 2014 Annual Meeting of Shareholders. If the Board chooses to present a proposal that a shareholder submits (other than under Rule 14a-8) at the 2014 Annual Meeting of Shareholders, then the persons named in the proxies that the Board requests for the 2014 Annual Meeting of Shareholders may exercise discretionary voting power with respect to the proposal.

Q: Where can I find Corporate Governance materials for Johnson Controls?

A: We have provided our Corporate Governance Guidelines, Disclosure Policy, Ethics Policy, Insider Trading Policy, Lead Director Charter and the Charters for the Audit, Compensation, Corporate Governance, Executive, and Finance Committees of the Board, as well as our Disclosure Committee, on our website at <http://www.johnsoncontrols.com/governance>. Our Securities and Exchange Commission (SEC) filings (including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and Section 16 insider trading transactions) are available at <http://www.johnsoncontrols.com/investors>.

The Ethics Policy is applicable to the members of the Board and to all of our employees, including, but not limited to, the principal executive officer, principal financial officer, principal accounting officer or controller, or any person performing similar functions. Any amendments to or waivers of the Ethics Policy that the Board approves will be disclosed on our website. However, we are not including the information contained on our website as part of, or incorporating it by reference into, this proxy statement.

Q: How can I obtain Corporate Governance materials for Johnson Controls if I do not have access to the Internet?

A: You may receive a copy of our Corporate Governance materials free of charge by:
contacting Shareholder Services at 1-800-524-6220; or
writing to:

Johnson Controls, Inc.

Attn: Shareholder Services X-76

5757 North Green Bay Ave.

Milwaukee, Wisconsin 53209-4408

Q: What is the process for reporting possible violations of Johnson Controls policies?

A: Employees may anonymously report a possible violation of our policies by calling 1-866-444-1313 in the U.S. and Canada. Toll-free telephone numbers and instructions in most local languages can be found at <http://jci.ethicspoint.com>. Reports of possible violations of the Ethics Policy may also be made to Mark L. Koczela, our Vice President of Compliance, at Mark.L.Koczela@jci.com or to the attention of Mr. Koczela at 5757 North Green Bay Avenue, Milwaukee, Wisconsin 53209-4408.

Reports of possible violations of the Ethics Policy that the complainant wishes to go directly to the Board may be addressed to the Chair of the Corporate Governance Committee. Natalie A. Black currently serves as the Chair of the Corporate Governance Committee. Reports of such possible violations may be sent to her at Natalie.A.Black@jci.com or by letter to her attention at 5757 North Green Bay Avenue, Milwaukee, Wisconsin 53209-4408.

Reports of possible violations of financial or accounting policies may be made to the Chair of the Audit Committee. Richard Goodman currently serves as the Chair of the Audit Committee. Reports of such possible violations may be sent to him at Richard.Goodman-EXT@jci.com or by letter to his attention at 5757 North Green Bay Avenue, Milwaukee, Wisconsin 53209-4408.

Table of Contents

Q: How do I obtain more information about Johnson Controls?

A: To obtain additional information about Johnson Controls, you may contact Shareholder Services by:
calling 1-800-524-6220;
emailing shareholder.services@jci.com;
visiting the website at <http://www.johnsoncontrols.com>; or
writing to:
Johnson Controls, Inc.

Attn: Shareholder Services X-76

5757 North Green Bay Ave.

Milwaukee, Wisconsin 53209-4408

Q: Is the proxy statement available online?

A: Yes, we have provided the proxy statement on our website at <http://www.johnsoncontrols.com/proxy>.

Q: If more than one shareholder lives in my household, how can I obtain an extra copy of this proxy statement?

A: Pursuant to the rules of the SEC, services that deliver our communications to shareholders who hold their stock through a broker or other nominee may deliver to multiple shareholders sharing the same address a single copy of our proxy statement unless we have received prior instructions to the contrary. Upon written or oral request, we will mail a separate copy of the proxy statement and annual report to any shareholder at a shared address to which a single copy of each document was delivered. Conversely, upon written or oral request, we will cease delivering separate copies of the proxy statement and annual report to any shareholders at a shared address to which multiple copies of either document were delivered in the past. You may contact us with your request by calling or writing to Shareholder Services at the address or phone number provided above. We will mail materials that you request at no cost. You can also access the proxy statement and annual report online at www.johnsoncontrols.com/proxy.

PLEASE VOTE. YOUR VOTE IS VERY IMPORTANT.

Promptly returning your proxy card or voting via telephone or the

Internet will help to reduce the cost of this solicitation.

Table of Contents

PROPOSAL ONE:

ELECTION OF DIRECTORS

BOARD DIRECTOR NOMINEES

At the Annual Meeting, four directors will be elected for terms expiring in 2016. The Corporate Governance Committee has recommended, and the Board has selected, the following director nominees for election: David P. Abney, Julie L. Bushman, Eugenio Clariond Reyes-Retana, and Jeffrey A. Joerres, all of whom are current directors of Johnson Controls. Each person whom shareholders elect as a director will serve until the 2016 Annual Meeting of Shareholders or until his or her successor has been duly-elected and qualified. For further information regarding the Board, please see the Board Information section of this proxy statement.

The follow biographies summarize the experiences, qualifications, attributes, and skills that qualify our director nominees and continuing directors to serve as directors of Johnson Controls. The Board believes each of our directors possesses certain personal traits that are essential for a competent, well-functioning Board, such as candor, integrity, sound business judgment and vision, and collegiality.

RECOMMENDATION OF THE BOARD:

THE BOARD RECOMMENDS YOU VOTE FOR EACH OF ITS NOMINEES.

David P. Abney

Director since 2009

Age 57

Senior Vice President and Chief Operating Officer of United Parcel Service, Inc., Atlanta, Georgia (package delivery, supply chain and freight services provider), since 2007. Mr. Abney served as President of UPS Airlines from 2007 to 2008, and he served as Senior Vice President and President of UPS International from 2003 to 2007. Within the past five years, Mr. Abney also served as a director of Allied Waste Industries Inc.

Mr. Abney brings to the Board, among other skills and qualifications, management experience and international business expertise from his roles in the senior management of United Parcel Service, Inc. As COO of UPS, Mr. Abney has advanced knowledge of global logistics and international human resources. His experience also includes service on the boards of a number of non-profits and industry groups.

Mr. Abney is a member of the Audit and Corporate Governance Committees.

Julie L. Bushman

Director since 2012

Age 51

Executive Vice President Safety & Graphics Business of 3M Company, St. Paul, Minnesota (diversified technology company), since October 2012. Ms. Bushman served as Executive Vice President Safety, Security and Protection Services Business of 3M Company, from 2011 to October 2012, as Vice President and General Manager, Occupational Health and Environmental Safety Division of 3M Company from 2007 to 2011, and as Division Vice President, Occupational Health and Environmental Safety Division from 2006 to 2007.

Ms. Bushman brings to the Board, among other skills and qualifications, manufacturing and technical expertise, management and information technology experience, and leadership in product safety initiatives

from her roles in the management of a number of different 3M Company departments and divisions.

Ms. Bushman is a member of the Audit and Corporate Governance Committees.

Table of Contents

Eugenio Clariond Reyes-Retana

Director since 2005

Age 69

Non-Executive Chairman of Grupo Cuprum, S.A. de C.V. (manufacturer of aluminum products), since 2010. Mr. Clariond served as Chief Executive Officer of Grupo IMSA, S.A., Nuevo Leon, Mexico (industrial conglomerate specializing in steel, aluminum and plastic products) from 1985 through 2006 and as Chairman from 2003 through 2006. Mr. Clariond serves as independent director of Texas Industries, Inc. (cement and concrete production) and Mexichem, S.A. (chemicals and petrochemicals). Mr. Clariond is a member of the Audit and Compensation Committees of Texas Industries, Inc., and serves on the Audit, Compensation and Executive Committees of Mexichem, S.A. Within the past five years, Mr. Clariond also served on the boards of The Mexico Fund, Inc., Grupo Industrial Saltillo, Grupo Financiero Banorte, S.A. and Navistar International Corp.

Mr. Clariond brings to the Board, among other skills and qualifications, management and functional experience in the automotive industry from his career at Grupo IMSA, S.A. He has served on boards of multi-national publicly-traded companies operating in the United States, Mexico, and other Latin American countries, giving him valued international expertise. Mr. Clariond's service with Texas Industries, Inc. and Grupo IMSA, S.A., gives him unique insight into the construction industry. He provides significant insights into international finance and investment based on his directorships with The Mexico Fund, Inc. and Grupo Financiero Banorte S.A.

Mr. Clariond is a member of the Compensation and Finance Committees.

Jeffrey A. Joerres

Director since 2001

Age 53

Chairman, Chief Executive Officer and President of Manpower Inc. (d/b/a ManpowerGroup), Milwaukee, Wisconsin (provider of employment services). Mr. Joerres was elected Chairman in 2001 and has served as Chief Executive Officer and President since 1999. Mr. Joerres served as Senior Vice President of European Operations from 1998 to 1999 and as Senior Vice President of Major Account Development from 1995 to 1998. Prior to joining ManpowerGroup, Mr. Joerres held the position of Vice President of Sales and Marketing for ARI Network Services, a publicly held, high-tech electronic data interchange company. Mr. Joerres is a director of the Federal Reserve Bank of Chicago. Within the last five years, Mr. Joerres also served on the board of Artisan Funds, Inc.

Mr. Joerres brings to the Board, among other skills and qualif