

Email: CSR@enterprise.gov.ie

RE: Corporate Sustainability Reporting Directive

Dear Sir/ Madam

I am writing to you on behalf of Johnson Controls International plc (“**JCI**”) in response to the request for views from stakeholders and interested parties on the transposition of the EU Corporate Sustainability Reporting Directive (“**CSRD**”) into Irish law. JCI, headquartered in Cork, Ireland, is a global leader in smart, healthy and sustainable buildings, serving a wide range of customers in more than 150 countries, with a global team of 100,000 employees, including 930 employees in Ireland.

The purpose of this communication is to seek confirmation that Ireland will not attempt to accelerate any companies’ required date to comply with the new sustainability reporting obligations under the CSRD beyond the timeframe set out in the CSRD law, and to stress that adherence to the CSRD timetable for implementation is critical for companies such as JCI preparing to comply with these and other complex and novel legal obligations, including the EU Taxonomy Regulation and the pending climate disclosure rules proposed by the U.S. Securities and Exchange Commission (“**SEC**”).

In respectfully making this request of you, we want to stress that Johnson Controls is a long-recognized sustainability leader. Corporate Knights ranks us in their Top 100 Most Sustainable Companies list, and first in our industry segment. EcoVadis rates us Platinum (top 1% in the world) and CDP has us in their Leader Band. Moreover, for our water, waste and greenhouse gas reductions we have had our data and consumption/emission reductions verified by Apex for the last 11 years. We are committed to ambition, transparency and integrity in sustainability and we understand that meeting such commitment takes extraordinary effort across our company.

It is with this experience in mind, and with third party validation of our sustainability bona fides, that we urge you to follow the implementation timeframe prescribed in the CSRD law. We want to underscore (and we know first-hand) that preparing to meet new disclosure requirements is a very significant undertaking, further compounded when being required to adapt to several disclosure regimes simultaneously. Integrity in process, controls and in the data collected and reported requires significant time and cross enterprise effort. Truncating the time available will compromise the quality, rigor and reliability of this important reporting responsibility as we undertake to comply with CSRD and other parallel or competing frameworks. Johnson Controls asks you to ensure the integrity of this exercise by affording the appropriate and needed time as contemplated in the CSRD.

Article 5.2 (a) of the CSRD provides that it will apply to large companies listed in the EU and other public-interest entities (with more than 500 employees) for financial years starting on or after 1 January 2024. For EU-listed companies, who are already reporting in compliance with the EU Non-Financial Reporting Directive (“**NFRD**”) and subject to the Taxonomy Regulation, compliance with the CSRD is a significant but incremental increase in their compliance and reporting obligations.

Article 5.2 (b) of the CSRD provides that other large companies, including most or all of the Irish companies who are listed solely in the US, such as JCI, will be required to comply with the CSRD for

financial years starting on or after 1 January 2025. For companies such as JCI who are not within the scope of the NFRD, the EU Taxonomy Regulation, and other reporting regulations applicable to EU-listed companies, but are subject to a parallel compliance and disclosure regime under the NYSE and SEC rules, compliance with the CSRD is a very complex process. Accordingly, we will need the time provided by the CSRD to appropriately comply.

In addition, compliance with the SEC's pending climate disclosure rules is expected to require significant time to prepare for, with many aspects of the SEC's final rules expected to be novel and distinct from the CSRD and EU Taxonomy, including climate-based financial statement reporting, further exacerbating the effort required to prepare for multiple frameworks simultaneously. Based on our own history of sustainability reporting, we know that evolving our reporting and disclosure to meet both EU and SEC standards will require extensive work to enhance our data collection and controls, building new assessment and reporting capabilities in areas such as nature and biodiversity, and enhancing our ability to collect relevant information from our value chain.

We appreciate that the new reporting obligations under the CSRD will apply to JCI and we have been closely monitoring developments since the CSRD proposal was first published by the European Commission in 2021. We had been assured, by both the text of the CSRD and the communications from the European Commission and other EU institutions, that JCI will fall within scope for financial years starting on or after 1 January 2025. Accordingly, we have been preparing to comply within that timeframe, which would provide time to phase in our compliance obligations with the SEC, followed by the CSRD and Taxonomy Regulation. We believe accelerating the compliance timeline risks the creation of significant compliance issues for many companies.

Therefore, we request that the Department please provide prompt confirmation that Ireland will introduce the CSRD in line with the EU Directive implementation deadlines, and not seek to accelerate these dates for companies listed in the US.

Sincerely,



Richard J. Dancy
Vice President, Associate General Counsel and Corporate Secretary