UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period From _____ To _____

Commission File Number: 001-13836

JOHNSON CONTROLS INTERNATIONAL PLC
(Exact name of registrant as specified in its charter)

Ireland	**98-0390500**
(Jurisdiction of Incorporation)	(IRS Employer Identification No.)
One Albert Quay, Cork, Ireland, T12 X8N6	**(353) 21-423-5000**
(Address of Principal Executive Offices and Postal Code)	(Registrant's Telephone Number)

Securities Registered Pursuant to Section 12(b) of the Exchange Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Ordinary Shares, Par Value $0.01	JCI	New York Stock Exchange
0.375% Senior Notes due 2027	JCI27	New York Stock Exchange
3.000% Senior Notes due 2028	JCI28	New York Stock Exchange
5.500% Senior Notes due 2029	JCI29	New York Stock Exchange
1.750% Senior Notes due 2030	JCI30	New York Stock Exchange
2.000% Sustainability-Linked Senior Notes due 2031	JCI31	New York Stock Exchange
1.000% Senior Notes due 2032	JCI32	New York Stock Exchange
4.900% Senior Notes due 2032	JCI32A	New York Stock Exchange
3.125% Senior Notes due 2033	JCI33	New York Stock Exchange
4.250% Senior Notes due 2035	JCI35	New York Stock Exchange
6.000% Notes due 2036	JCI36A	New York Stock Exchange
5.70% Senior Notes due 2041	JCI41B	New York Stock Exchange
5.250% Senior Notes due 2041	JCI41C	New York Stock Exchange
4.625% Senior Notes due 2044	JCI44A	New York Stock Exchange
5.125% Notes due 2045	JCI45B	New York Stock Exchange
6.950% Debentures due December 1, 2045	JCI45A	New York Stock Exchange
4.500% Senior Notes due 2047	JCI47	New York Stock Exchange
4.950% Senior Notes due 2064	JCI64A	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐	Smaller reporting company	☐
Non-accelerated filer	☐			Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Ordinary Shares Outstanding at June 30, 2026
Ordinary Shares, $0.01 par value per share	605,741,470

JOHNSON CONTROLS INTERNATIONAL PLC

FORM 10-Q

Report Index

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Johnson Controls International plc
Consolidated Statements of Income
(in millions, except per share data; unaudited)

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Nine Months Ended June 30, 2026	Nine Months Ended June 30, 2025
Net sales				
Products and systems	$ 4,596	$ 4,122	$ 12,687	$ 11,672
Services	2,018	1,930	5,866	5,482
	6,614	6,052	18,553	17,154
Cost of sales				
Products and systems	3,012	2,656	8,448	7,635
Services	1,128	1,150	3,295	3,278
	4,140	3,806	11,743	10,913
Gross profit	2,474	2,246	6,810	6,241
Selling, general and administrative expenses	1,407	1,417	4,029	4,243
Restructuring and impairment costs	80	51	224	146
Net financing charges	71	77	197	243
Equity income	1	4	3	5
Income from continuing operations before income taxes	917	705	2,363	1,614
Income tax provision	165	87	443	160
Income from continuing operations	752	618	1,920	1,454
Income (loss) from discontinued operations, net of tax	—	160	(27)	301
Net income	752	778	1,893	1,755
Income attributable to noncontrolling interests				
Continuing operations	3	—	7	—
Discontinued operations	—	77	—	157
Net income attributable to Johnson Controls	$ 749	$ 701	$ 1,886	$ 1,598
Income (loss) attributable to Johnson Controls				
Continuing operations	$ 749	$ 618	$ 1,913	$ 1,454
Discontinued operations	—	83	(27)	144
Total	$ 749	$ 701	$ 1,886	$ 1,598
Basic earnings (loss) per share attributable to Johnson Controls				
Continuing operations	$ 1.23	$ 0.94	$ 3.13	$ 2.21
Discontinued operations	—	0.13	(0.04)	0.22
Total	$ 1.23	$ 1.07	$ 3.09	$ 2.43
Diluted earnings (loss) per share attributable to Johnson Controls				
Continuing operations	$ 1.23	$ 0.94	$ 3.12	$ 2.20
Discontinued operations	—	0.13	(0.04)	0.22
Total	$ 1.23	$ 1.07	$ 3.08	$ 2.42

The accompanying notes are an integral part of the consolidated financial statements.

Johnson Controls International plc
Consolidated Statements of Comprehensive Income
(in millions; unaudited)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Net income	$ 752	$ 778	$ 1,893	$ 1,755
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments	70	(127)	216	(350)
Other	(2)	(6)	1	10
Other comprehensive income (loss)	68	(133)	217	(340)
Total comprehensive income	820	645	2,110	1,415
Comprehensive income attributable to noncontrolling interests	8	97	13	134
Comprehensive income attributable to Johnson Controls	$ 812	$ 548	$ 2,097	$ 1,281

The accompanying notes are an integral part of the consolidated financial statements.

Johnson Controls International plc
Consolidated Statements of Financial Position
(in millions, except par value; unaudited)

	June 30, 2026	September 30, 2025
Assets		
Cash and cash equivalents	$ 641	$ 379
Accounts receivable, less allowance for expected credit losses of $165 and $205, respectively	6,970	6,269
Inventories	1,955	1,820
Current assets held for sale	4	14
Other current assets	1,711	1,680
Current assets	11,281	10,162
Property, plant and equipment - net	1,977	2,193
Goodwill	16,612	16,633
Other intangible assets - net	3,550	3,613
Noncurrent assets held for sale	225	140
Other noncurrent assets	5,114	5,198
Total assets	$ 38,759	$ 37,939
Liabilities and Equity		
Short-term debt	$ 865	$ 723
Current portion of long-term debt	311	566
Accounts payable	3,917	3,614
Accrued compensation and benefits	1,098	1,268
Deferred revenue	2,943	2,470
Current liabilities held for sale	5	12
Other current liabilities	2,144	2,288
Current liabilities	11,283	10,941
Long-term debt	8,299	8,591
Pension and postretirement benefit obligations	177	211
Noncurrent liabilities held for sale	34	9
Other noncurrent liabilities	5,451	5,233
Noncurrent liabilities	13,961	14,044
Commitments and contingencies (Note 18)		
Ordinary shares, $0.01 par value	6	6
Ordinary A shares, €1.00 par value	—	—
Preferred shares, $0.01 par value	—	—
Ordinary shares held in treasury, at cost	(1,364)	(1,302)
Capital in excess of par value	15,271	14,865
Retained earnings	—	—
Accumulated other comprehensive loss	(431)	(642)
Shareholders' equity attributable to Johnson Controls	13,482	12,927
Noncontrolling interests	33	27
Total equity	13,515	12,954
Total liabilities and equity	$ 38,759	$ 37,939

The accompanying notes are an integral part of the consolidated financial statements.

Johnson Controls International plc
Consolidated Statements of Cash Flows
(in millions; unaudited)

	Nine Months Ended June 30, 2026	Nine Months Ended June 30, 2025
Operating Activities of Continuing Operations		
Income from continuing operations:		
Attributable to Johnson Controls	$ 1,913	$ 1,454
Attributable to noncontrolling interests	7	—
Total	1,920	1,454
Adjustments to reconcile net income to cash provided by operating activities of continuing operations:		
Depreciation and amortization	495	585
Pension and postretirement benefits	(39)	(52)
Deferred income taxes	(58)	(146)
Noncash restructuring and impairment charges	160	56
Equity-based compensation	95	107
(Gain) loss on business divestitures	(86)	6
Other - net	2	2
Changes in assets and liabilities:		
Accounts receivable	(757)	(79)
Inventories	(166)	(79)
Other assets	62	(289)
Restructuring reserves	(25)	2
Accounts payable and accrued liabilities	764	31
Accrued income taxes	205	(12)
Cash provided by operating activities from continuing operations	2,572	1,586
Investing Activities of Continuing Operations		
Capital expenditures	(243)	(304)
Acquisitions of businesses, net of cash acquired	(291)	(9)
Divestitures of businesses, net of cash divested	331	2
Other - net	(32)	9
Cash used by investing activities from continuing operations	(235)	(302)
Financing Activities of Continuing Operations		
Net proceeds (payments) from borrowings with maturities less than three months	(194)	283
Proceeds from debt	545	1,369
Repayments of debt	(639)	(1,096)
Stock repurchases and retirements	(850)	(970)
Payment of cash dividends	(734)	(733)
Employee equity-based compensation withholding taxes	(62)	(33)
Other - net	(12)	69
Cash used by financing activities from continuing operations	(1,946)	(1,111)
Discontinued Operations		
Cash (used) provided by operating activities	(98)	255
Cash used by investing activities	(155)	(52)
Cash used by financing activities	—	(174)
Cash (used) provided by discontinued operations	(253)	29
Effect of exchange rate changes on cash, cash equivalents and restricted cash	122	(216)
Change in cash, cash equivalents and restricted cash held for sale	—	3
Increase (decrease) in cash, cash equivalents and restricted cash	260	(11)
Cash, cash equivalents and restricted cash at beginning of period	398	767
Cash, cash equivalents and restricted cash at end of period	658	756
Less: Restricted cash	17	25
Cash and cash equivalents at end of period	$ 641	$ 731

The accompanying notes are an integral part of the consolidated financial statements.

Johnson Controls International plc
Consolidated Statements of Shareholders' Equity
(in millions, except per share data; unaudited)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Shareholders' Equity Attributable to Johnson Controls				
Beginning Balance	$ 13,518	$ 15,805	$ 12,927	$ 16,098
Ordinary Shares - Beginning and ending balance	6	7	6	7
Ordinary Shares Held in Treasury, at Cost				
Beginning balance	(1,362)	(1,299)	(1,302)	(1,268)
Employee equity-based compensation withholding taxes	(2)	(2)	(62)	(33)
Ending balance	(1,364)	(1,301)	(1,364)	(1,301)
Capital in Excess of Par Value				
Beginning balance	15,368	17,626	14,865	17,475
Share-based compensation expense	25	29	73	75
Repurchases and retirements of ordinary shares	(129)	—	308	—
Other, including options exercised	7	4	25	109
Ending balance	15,271	17,659	15,271	17,659
Retained Earnings				
Beginning balance	—	599	—	848
Net income attributable to Johnson Controls	749	701	1,886	1,598
Cash dividends declared	(243)	(244)	(728)	(730)
Repurchases and retirements of ordinary shares	(506)	(310)	(1,158)	(970)
Ending balance	—	746	—	746
Accumulated Other Comprehensive Loss				
Beginning balance	(494)	(1,128)	(642)	(964)
Other comprehensive income (loss)	63	(153)	211	(317)
Ending balance	(431)	(1,281)	(431)	(1,281)
Ending Balance	13,482	15,830	13,482	15,830
Shareholders' Equity Attributable to Noncontrolling Interests				
Beginning Balance	25	1,227	27	1,263
Comprehensive income	8	97	13	134
Dividends	—	(109)	(7)	(187)
Other	—	—	—	5
Ending Balance	33	1,215	33	1,215
Total Shareholders' Equity	$ 13,515	$ 17,045	$ 13,515	$ 17,045
Cash Dividends Declared per Ordinary Share	$ 0.40	$ 0.37	$ 1.20	$ 1.11

The accompanying notes are an integral part of the consolidated financial statements.

1. BASIS OF PRESENTATION

The consolidated financial statements include the consolidated accounts of Johnson Controls International plc, a public limited company organized under the laws of Ireland, and its subsidiaries (Johnson Controls International plc and all its subsidiaries, hereinafter collectively referred to as the "Company" or "Johnson Controls"). In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments (which include normal recurring adjustments) necessary to state fairly the financial position, results of operations and cash flows for the periods presented. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") have been omitted pursuant to the rules and regulations of the United States Securities and Exchange Commission ("SEC"). These consolidated financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended September 30, 2025 filed with the SEC on November 14, 2025. The results of operations for the three and nine month periods ended June 30, 2026 are not necessarily indicative of results for the Company’s 2026 fiscal year because of seasonal and other factors.

On April 1, 2025, the Company realigned into three reportable segments (Americas, EMEA and APAC) from four reportable segments (Global Products, Building Solutions North America, Building Solutions EMEA/LA and Building Solutions APAC). Historical information has been recast to present the comparative periods on a consistent basis. Refer to Note 16, "Segment Information," of the notes to the consolidated financial statements for further disclosure.

Nature of Operations

Johnson Controls International plc, headquartered in Cork, Ireland, is a global leader in thermal management, mission-critical building systems, energy efficiency, and decarbonization. The Company helps customers create, maintain, and optimize indoor operating environments that use energy more productively, reduce carbon emissions, and support the precise, reliable and resilient operating conditions in rapidly expanding industries such as data centers, healthcare, pharmaceuticals, advanced manufacturing, and higher education.

The Company is a fully integrated industrial technology company that engineers, manufactures, commissions and retrofits building products and systems, including commercial heating, ventilating, air-conditioning ("HVAC") equipment, industrial refrigeration systems, controls, security systems, fire-detection systems and fire-suppression solutions. The Company further serves customers by providing technical services through a large global field workforce and service network along with its system integration expertise and managing the full lifecycle of critical indoor environments — from design and commissioning through ongoing service and retrofit. Combining its broad product portfolio, digital capabilities, direct channel and lifecycle service expertise, the Company partners with customers to address distinct and diverse operating environments, regulatory requirements, and the critical operational needs of their facilities.

Principles of Consolidation

The consolidated financial statements include the consolidated accounts of Johnson Controls International plc and its subsidiaries in conformity with U.S. GAAP. The results of companies acquired or disposed of during the reporting period are included in the consolidated financial statements from the effective date of acquisition or up to the date of disposal. Investments in partially-owned affiliates are accounted for by the equity method when the Company exercises significant influence, which typically occurs when its ownership interest exceeds 20%, and the Company does not have a controlling interest.

Prior Period Revision – Statement of Cash Flows

Amounts reported as "Repayments of debt" and "Proceeds from debt" have been revised for certain short-term debt transactions that occurred in the nine months ended June 30, 2025 and were incorrectly presented on a net basis within the financing activities section of the consolidated statements of cash flows. Cash provided by financing activities and the total increase (decrease) in cash, cash equivalents and restricted cash were unchanged for all affected periods. The Company does not consider the incorrect presentation to be material to any periods impacted.

2. NEW ACCOUNTING STANDARDS

Recently Adopted Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures," which is intended to improve reportable segment disclosures, primarily through enhanced disclosures about significant segment expenses. In addition, the amendments enhance interim disclosure requirements, clarify circumstances in which an entity can disclose multiple segment measures of profit or loss, provide new segment disclosure requirements for entities with a single reportable segment and contain other disclosure requirements. The Company adopted the new annual disclosures as required for fiscal 2025 and the interim disclosures as required in the first quarter of fiscal 2026. Refer to Note 16, "Segment Information," of the notes to consolidated financial statements for the Company's segment disclosures.

Recently Issued Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," which is intended to enhance the transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. The amendments require that on an annual basis, entities disclose specific categories in the rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold. In addition, the amendments require that entities disclose additional information about income taxes paid as well as additional disclosures of pretax income and income tax expense, and remove the requirement to disclose certain items that are no longer considered cost beneficial or relevant. The Company expects to adopt the new annual disclosures as required for fiscal 2026.

In November 2024, the FASB issued ASU 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses," which is intended to enhance transparency into the nature and function of expenses. The amendments require that on an annual and interim basis, entities disclose disaggregated operating expense information about specific categories, including purchases of inventory, employee compensation, depreciation, amortization and depletion. The Company expects to adopt the new annual disclosures as required for fiscal 2028 and the interim disclosures as required beginning with the first quarter of fiscal 2029.

In September 2025, the FASB issued ASU 2025-06, "Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software," which is intended to increase the operability of the recognition guidance considering different methods of software development. The amendments remove all references to prescriptive and sequential software development stages (referred to as “project stages”) throughout Subtopic 350-40, and instead specify an entity is required to start capitalizing software costs when both of the following occur: (1) management has authorized and committed to funding the software project and (2) it is probable that the project will be completed and the software will be used to perform the function intended (referred to as the “probable-to complete recognition threshold”). The Company expects to adopt the new guidance as required for fiscal 2029 and is evaluating the impact the new standard will have on its consolidated financial statements.

Other recently issued accounting pronouncements are not expected to have a material impact on the Company's consolidated financial statements.

3. ACQUISITIONS AND DIVESTITURES

Acquisitions

During the third quarter of fiscal 2026, the Company closed the acquisitions of Alloy Enterprises and Nantum AI. The total aggregate consideration for the acquisitions, net of cash acquired, was approximately $291 million, of which a meaningful component related to Alloy Enterprises. Alloy Enterprises is a thermal, mechanical and materials sciences technology company that designs and manufactures advanced direct liquid cooling components. Nantum AI expands capabilities within the Johnson Controls OpenBlue digital ecosystem. These businesses will be reported within the Americas segment. In connection with the acquisitions, the Company recorded goodwill of $193 million, primarily related to the expected synergies from combining the operations into our business, and $127 million of definite-lived intangible assets related to developed technology being amortized on a straight-line basis over 15 years.

Divestitures

Assets and Liabilities Held for Sale

During the third quarter of fiscal 2026, the Company signed a definitive agreement to sell its ADT United Kingdom Residential Security business and determined that it met the criteria to be classified as held for sale. The transaction is expected to close in fiscal 2027. The business did not meet the criteria to be classified as a discontinued operation as the divestiture does not represent a strategic shift that will have a major effect on the Company's operations and financial results. As of June 30, 2026, $229 million of assets and $39 million of liabilities associated with the business were separately presented as held for sale in the consolidated statements of financial position.

Assets and liabilities classified as held for sale are required to be recorded at the lower of carrying value or fair value less costs to sell. As of June 30, 2026, the estimated fair value less costs to sell of the held for sale business exceeded its carrying value, and therefore, no adjustment was necessary.

ADT Spain Security Business

On April 1, 2026, the Company completed the sale of its ADT Spain Security business for net proceeds of $98 million, with no gain or loss recorded on the transaction. As the estimated fair value less costs to sell was below its carrying value, the Company recorded non-cash impairment charges in the first quarter of fiscal 2026 of $50 million within restructuring and impairment costs in the consolidated statements of income.

ADT Mexico Security Business

On October 31, 2025, the Company completed the sale of its ADT Mexico Security business for net proceeds of $207 million. In connection with the sale, the Company recognized a pre-tax gain of $70 million within selling, general and administrative expenses in the consolidated statements of income for the nine months ended June 30, 2026.

The held for sale assets and liabilities in the consolidated balance sheet at September 30, 2025 included $154 million of assets and $21 million of liabilities associated with the ADT Mexico Security business, as the Company determined that the held for sale criteria was met in the third quarter of 2025.

Residential & Light Commercial ("R&LC") HVAC Business

In 2024, the Company determined that the R&LC HVAC business, which was previously reported in the Global Products segment, met the criteria to be classified as discontinued operations as it represented a strategic shift in the Company's operations and resulted in the exit of substantially all of its residential and light commercial HVAC businesses. In July 2025, the Company completed the sale of its R&LC HVAC business.

The results of the R&LC HVAC business recorded in income from discontinued operations, net of tax, was a loss of $27 million for the nine months ended June 30, 2026, reflecting the impacts of post-closing working capital, net debt and other discontinued operations adjustments.

The following table summarizes the results of the R&LC HVAC business which were reported as discontinued operations (in millions) for the three and nine months ended June 30, 2025:

	Three Months Ended June 30, 2025	Nine Months Ended June 30, 2025
Net sales	$ 1,369	$ 3,404
Cost of goods sold	1,007	2,579
Gross profit	362	825
Selling, general and administrative expenses	212	584
Restructuring and impairment costs	12	21
Net financing charges	5	6
Equity income	77	211
Income from discontinued operations before income taxes	210	425
Provision for income taxes on discontinued operations	50	124
Income from discontinued operations, net of tax	160	301
Income from discontinued operations attributable to noncontrolling interest, net of tax	77	157
Income from discontinued operations	$ 83	$ 144

In the three months ended June 30, 2026, the Company paid approximately $155 million related to final purchase price adjustments associated with the sale of the R&LC HVAC business to the Bosch Group.

4. REVENUE RECOGNITION

Disaggregated Revenue

The following tables present the Company's revenues disaggregated by segment and by Products & Systems and Services revenue (in millions):

	Three Months Ended June 30,					
	2026			2025		
	Products & Systems	Services	Total	Products & Systems	Services	Total
Americas	$ 3,194	$ 1,310	$ 4,504	$ 2,847	$ 1,195	$ 4,042
EMEA	777	487	1,264	756	517	1,273
APAC	625	221	846	519	218	737
Total	$ 4,596	$ 2,018	$ 6,614	$ 4,122	$ 1,930	$ 6,052

	Nine Months Ended June 30,					
	2026			2025		
	Products & Systems	Services	Total	Products & Systems	Services	Total
Americas	$ 8,709	$ 3,759	$ 12,468	$ 8,094	$ 3,412	$ 11,506
EMEA	2,338	1,469	3,807	2,177	1,454	3,631
APAC	1,640	638	2,278	1,401	616	2,017
Total	$ 12,687	$ 5,866	$ 18,553	$ 11,672	$ 5,482	$ 17,154

Contract Balances

Contract assets relate to the Company’s right to consideration for performance obligations satisfied but not billed. Contract liabilities relate to customer payments received in advance of satisfaction of performance obligations under the contract. Contract balances are classified as assets or liabilities on a contract-by-contract basis at the end of each reporting period.

The following table presents the location and amount of contract balances in the Company's consolidated statements of financial position (in millions):

	Location of contract balances	June 30, 2026	September 30, 2025
Contract assets - current	Accounts receivable - net	$ 2,582	$ 2,178
Contract assets - noncurrent	Other noncurrent assets	6	9
Contract liabilities - current	Deferred revenue	2,943	2,470
Contract liabilities - noncurrent	Other noncurrent liabilities	468	478

For the three months ended June 30, 2026 and 2025, the Company recognized revenue of $363 million and $279 million, respectively, that was included in the contract liability balance at the end of the prior fiscal year. For the nine months ended June 30, 2026 and 2025, the Company recognized revenue of $1,814 million and $1,550 million, respectively, that was included in the contract liability balance at the end of the prior fiscal year.

Performance Obligations

Performance obligations are satisfied at a point in time or over time. The timing of satisfying the performance obligation is typically stipulated by the terms of the contract. As of June 30, 2026, the aggregate amount of the transaction price allocated to remaining performance obligations was approximately $27.1 billion, of which approximately 68% is expected to be recognized as revenue over the next two years. The remaining performance obligations expected to be recognized in revenue beyond two years primarily relate to large, multi-purpose construction contracts, which include services to be performed over the building's lifetime, with initial contract terms of 25 to 35 years. Future contract modifications could affect both the timing and the amount of the remaining performance obligations. The Company excludes the value of remaining performance obligations of service contracts with a duration of one year or less and open purchase orders from the indirect third-party sales channel that have a short cycle time (generally 60 days or less).

Costs to Obtain or Fulfill a Contract

The Company recognizes the incremental costs incurred to obtain or fulfill a contract with a customer as an asset when these costs are recoverable. These costs consist primarily of sales commissions and design costs that relate to a contract or an anticipated contract that the Company expects to recover. Costs to obtain or fulfill a contract are capitalized when incurred and amortized to expense over the period of contract performance.

The following table presents the location and amount of costs to obtain or fulfill a contract recorded in the Company's consolidated statements of financial position (in millions):

	June 30, 2026	September 30, 2025
Other current assets	$ 331	$ 327
Other noncurrent assets	203	249
Total	$ 534	$ 576

Amortization of costs to obtain or fulfill a contract was $124 million and $104 million during the three months ended June 30, 2026 and 2025, respectively. Amortization of costs to obtain or fulfill a contract was $349 million and $279 million during the nine months ended June 30, 2026 and 2025, respectively.

5. INVENTORIES

Inventories consisted of the following (in millions):

	June 30, 2026	September 30, 2025
Raw materials and supplies	$ 862	$ 716
Work-in-process	145	132
Finished goods	948	972
Inventories	$ 1,955	$ 1,820

6. GOODWILL AND OTHER INTANGIBLE ASSETS

The following table summarizes changes in the carrying amount of goodwill in each of the Company's reportable segments (in millions):

	Nine Months Ended June 30, 2026			
	Americas	EMEA	APAC	Total
Goodwill	$ 14,092	$ 2,388	$ 1,348	$ 17,828
Accumulated impairment loss	(918)	(277)	—	(1,195)
Balance at beginning of period	13,174	2,111	1,348	16,633
Acquisitions	193	3	—	196
Foreign currency translation and other [1]	(30)	(188)	1	(217)
Balance at end of period	$ 13,337	$ 1,926	$ 1,349	$ 16,612

[1] Includes the allocation of goodwill to the ADT Spain Security business and the ADT United Kingdom Residential Security business disposal groups of $38 million and $102 million, respectively. Refer to Note 3, "Acquisitions and Divestitures" of the notes to the consolidated financial statements for further information.

Other intangible assets, primarily from business acquisitions, consisted of (in millions):

	June 30, 2026			September 30, 2025		
	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
Definite-lived intangible assets						
Technology	$ 1,330	$ (787)	$ 543	$ 1,197	$ (714)	$ 483
Customer relationships	2,006	(1,384)	622	2,026	(1,272)	754
Miscellaneous	993	(569)	424	910	(511)	399
	4,329	(2,740)	1,589	4,133	(2,497)	1,636
Indefinite-lived intangible assets						
Trademarks/trade names	1,961	—	1,961	1,977	—	1,977
Total intangible assets	$ 6,290	$ (2,740)	$ 3,550	$ 6,110	$ (2,497)	$ 3,613

Amortization of other intangible assets included within continuing operations for the three months ended June 30, 2026 and 2025 was $90 million and $110 million, respectively. Amortization of other intangible assets included within continuing operations for the nine months ended June 30, 2026 and 2025 was $264 million and $342 million, respectively.

7. SUPPLEMENTAL CASH FLOW DISCLOSURES

The following table presents supplemental noncash operating lease activity (in millions):

	Nine Months Ended June 30,	
	2026	2025
Right-of-use assets obtained in exchange for operating lease liabilities	$ 284	$ 421

8. SUPPLY CHAIN FINANCING

The Company maintains agreements with third-party financial institutions who offer voluntary supply chain financing ("SCF") programs to its suppliers. The SCF programs enable suppliers to sell their receivables to third-party financial institutions and receive payments earlier than the negotiated commercial terms between the suppliers and the Company, which generally range from 90 to 120 days. Suppliers sell receivables to third-party financial institutions on terms negotiated between the supplier and the respective third-party financial institution. The Company remains obligated to make payments under the terms of the original commercial arrangement regardless of whether the supplier receivable is sold, and does not pledge any assets as security or provide other forms of guarantees for the committed payment to the third-party financial institutions.

Amounts outstanding related to SCF programs are included in accounts payable in the consolidated statements of financial position. Accounts payable included in the SCF programs were approximately $901 million and $835 million as of June 30, 2026 and September 30, 2025, respectively.

9. DEBT AND FINANCING ARRANGEMENTS

Short-term debt consisted of the following (in millions):

	June 30, 2026	September 30, 2025
Commercial paper	$ 200	$ 400
Term loans	665	320
Bank borrowings	—	3
	$ 865	$ 723
Weighted average interest rate on short-term debt outstanding	3.5 %	4.5 %

As of June 30, 2026, the Company had an outstanding syndicated committed revolving credit facility of $2.5 billion which is scheduled to expire in December 2028. There were no draws on the facility as of June 30, 2026.

In February 2026, the Company repaid $538 million of outstanding 3.90% Notes due 2026.

The following table presents the Company's net financing charges (in millions):

	Three Months Ended June 30,		Nine Months Ended June 30,	
(in millions)	2026	2025	2026	2025
Interest expense, net of capitalized interest costs	$ 58	$ 55	$ 160	$ 178
Other financing charges	5	4	16	14
Interest income	(3)	(3)	(6)	(8)
Net foreign exchange results for financing activities	11	21	27	59
Net financing charges	$ 71	$ 77	$ 197	$ 243

Net financing charges includes pre-tax gains (losses) on derivatives not designated as hedging instruments of $(33) million and $71 million for the three months ended June 30, 2026 and 2025, respectively, and $(222) million and $(13) million for the nine months ended June 30, 2026 and 2025, respectively, which are offset by changes in foreign exchange rates on underlying exposures during those periods.

10. FAIR VALUE MEASUREMENTS

ASC 820, "Fair Value Measurement," defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 also establishes a three-level fair value hierarchy that prioritizes information used in developing assumptions when pricing an asset or liability as follows:

Level 1: Observable inputs such as quoted prices in active markets for identical assets or liabilities;

Level 2: Quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and

Level 3: Unobservable inputs where there is little or no market data, which requires the reporting entity to develop its own assumptions.

ASC 820 requires the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement.

Recurring Fair Value Measurements

The following tables present the Company's fair value hierarchy for those assets and liabilities measured at fair value (in millions):

	Fair Value Measurements Using:			
	Total as of June 30, 2026	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Other current assets				
Derivatives	$ 120	$ —	$ 120	$ —
Other noncurrent assets				
Deferred compensation plan assets	70	70	—	—
Exchange traded funds (fixed income)(1)	71	71	—	—
Exchange traded funds (equity)(1)	231	231	—	—
Total assets	$ 492	$ 372	$ 120	$ —
Other current liabilities				
Derivatives	$ 74	$ —	$ 74	$ —
Total liabilities	$ 74	$ —	$ 74	$ —

(1) Classified as restricted investments for payment of asbestos liabilities. See Note 18, "Commitments and Contingencies," of the notes to the consolidated financial statements for further details.

	Fair Value Measurements Using:			
	Total as of September 30, 2025	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Other current assets				
Derivatives	$ 15	$ —	$ 15	$ —
Other noncurrent assets				
Deferred compensation plan assets	63	63	—	—
Exchange traded funds (fixed income)(1)	73	73	—	—
Exchange traded funds (equity)(1)	217	217	—	—
Total assets	$ 368	$ 353	$ 15	$ —
Other current liabilities				
Derivatives	$ 24	$ —	$ 24	$ —
Contingent earn-out liabilities	19	—	—	19
Total liabilities	$ 43	$ —	$ 24	$ 19

(1) Classified as restricted investments for payment of asbestos liabilities. See Note 18, "Commitments and Contingencies," of the notes to the consolidated financial statements for further details.

Net Investment Hedges

The Company enters into foreign-currency-denominated debt obligations in order to manage foreign currency translation risk associated with normal operations. The carrying value of foreign operations translates on a recurring basis using the exchange rate at the end of the applicable period and approximates its fair value. As of June 30, 2026, the Company had designated debt obligations of €2.9 billion as partial hedges of its investments in certain euro-denominated subsidiaries. As of September 30, 2025, the Company had designated debt obligations of €2.9 billion and ¥30 billion as partial hedges of its investments in certain euro-denominated and yen-denominated subsidiaries.

The fair value of foreign-currency-denominated debt was $3.4 billion as of June 30, 2026 and $3.6 billion as of September 30, 2025. The currency effects of the debt obligations are reflected in the accumulated other comprehensive income ("AOCI") account within shareholders' equity attributable to Johnson Controls ordinary shareholders where they offset gains and losses recorded on the Company's net investments globally.

Pre-tax gains (losses) on net investment hedges recorded as foreign currency translation adjustments ("CTA") within other comprehensive income (loss) were $22 million and $(269) million for the three months ended June 30, 2026 and 2025, respectively, and $115 million and $(162) million for the nine months ended June 30, 2026 and 2025, respectively.

Valuation Methods

Contingent earn-out liabilities: The contingent earn-out liabilities were established using a Monte Carlo simulation based on the forecasted operating results and the earn-out formula specified in the purchase agreements.

Deferred compensation plan assets: Assets held in the deferred compensation plans will be used to pay benefits under certain of the Company's non-qualified deferred compensation plans. The investments primarily consist of mutual funds which are publicly traded on stock exchanges and are valued using a market approach based on the quoted market prices. Unrealized gains (losses) on the deferred compensation plan assets are recognized in the consolidated statements of income where they offset unrealized gains and losses on the related deferred compensation plan liability.

Derivatives: Derivatives consist primarily of foreign currency exchange derivatives and are valued under a market approach using publicly available prices, where available, or dealer quotes.

Exchange traded funds: Investments in exchange traded funds are valued using a market approach based on quoted market prices, where available, or broker/dealer quotes of identical or comparable instruments. Refer to Note 18, "Commitments and Contingencies," of the notes to the consolidated financial statements for further information.

Unrealized gains recognized in the consolidated statements of income that relate to equity securities still held at June 30, 2026 and 2025 were $38 million and $24 million for the three months ended June 30, 2026 and 2025, respectively, and $31 million and $14 million for the nine months ended June 30, 2026 and 2025, respectively.

The fair values of cash and cash equivalents, accounts receivable, short-term debt and accounts payable approximate their carrying values.

The fair value of long-term debt at June 30, 2026 and September 30, 2025 was as follows (in billions):

	June 30, 2026	September 30, 2025
Public debt	$ 7.8	$ 8.4
Other long-term debt	0.5	0.5
Total fair value of long-term debt	$ 8.3	$ 8.9

The fair value of public debt was determined primarily using market quotes which are classified as Level 1 inputs within the ASC 820 fair value hierarchy. The fair value of other long-term debt was determined using quoted market prices for similar instruments and are classified as Level 2 inputs within the ASC 820 fair value hierarchy.

11. WEIGHTED AVERAGE SHARES OUTSTANDING

The following table reconciles shares used to calculate basic and diluted earnings per share (in millions):

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Weighted Average Shares Outstanding				
Basic weighted average shares outstanding	608	655	610	659
Effect of dilutive securities:				
Stock options, unvested restricted stock and unvested performance share awards	2	2	2	2
Diluted weighted average shares outstanding	610	657	612	661

12. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table includes changes in AOCI attributable to Johnson Controls (in millions):

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Foreign currency translation adjustments				
Balance at beginning of period	$ (493)	$ (1,131)	$ (638)	$ (956)
Aggregate adjustment for the period	65	(147)	210	(322)
Balance at end of period	(428)	(1,278)	(428)	(1,278)
Other				
Balance at beginning of period	(1)	3	(4)	(8)
Current period changes in fair value	3	—	19	16
Reclassification to income	(5)	(7)	(17)	(11)
Net tax impact	—	1	(1)	—
Balance at end of period	(3)	(3)	(3)	(3)
Accumulated other comprehensive loss, end of period	$ (431)	$ (1,281)	$ (431)	$ (1,281)

13. PENSION AND RETIREMENT PLANS

The components of net periodic benefit cost (credit) associated with defined benefit pension and postretirement plans, which are primarily recorded in selling, general and administrative expenses ("SG&A") in the consolidated statements of income, are shown in the table below (in millions):

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Service cost	$ 4	$ 5	$ 12	$ 13
Interest cost	32	33	96	99
Expected return on plan assets	(44)	(47)	(132)	(139)
Amortization of prior service credit	(1)	(2)	(2)	(4)
Net periodic benefit credit	$ (9)	$ (11)	$ (26)	$ (31)

14. RESTRUCTURING AND RELATED COSTS

To better align its resources with its growth strategies and reduce the cost structure of its global operations in certain underlying markets, the Company commits to restructuring plans as necessary. Restructuring activities generally result in charges for workforce reductions, plant closures, asset impairments and other related costs which are reported as restructuring and impairment costs in the Company's consolidated statements of income. The Company expects the restructuring actions to reduce cost of sales and SG&A due to reduced employee-related costs, depreciation and amortization expense.

During the fourth quarter of fiscal 2024, the Company committed to a multi-year restructuring plan to address stranded costs and further right-size its global operations as a result of portfolio simplification actions. It is expected that the plan will be completed in fiscal 2027 and the Company will incur one-time restructuring costs, including severance and other employee termination benefits, contract termination costs, and certain other related cash and non-cash charges, totaling approximately $400 million.

The following table summarizes restructuring and related costs (in millions):

	Three Months Ended June 30, 2026	Nine Months Ended June 30, 2026	Inception to June 30, 2026
Americas	$ 7	$ 39	$ 90
EMEA	10	28	77
APAC	1	6	23
Corporate	27	45	92
Total	$ 45	$ 118	$ 282

The following table summarizes changes in the reserve under the Company's restructuring plan announced in the fourth quarter of fiscal 2024, which is included within other current liabilities in the consolidated statements of financial position (in millions):

	Employee Severance and Termination Benefits	Long-Lived Asset Impairments	Other	Total
Balance at September 30, 2025	$ 39	$ —	$ 5	$ 44
Restructuring and related costs	55	53	10	118
Utilized—cash	(78)	—	(7)	(85)
Utilized—noncash	—	(53)	—	(53)
Other	18	—	1	19
Balance at June 30, 2026	$ 34	$ —	$ 9	$ 43

15. INCOME TAXES

In calculating the provision for income taxes, the Company uses an estimate of the annual effective tax rate based upon the facts and circumstances known at each interim period. On a quarterly basis, the actual effective tax rate is adjusted, as appropriate, based upon changed facts and circumstances, if any, as compared to those forecasted at the beginning of the fiscal year and each interim period thereafter.

The statutory tax rate in Ireland is being used as a comparison since the Company is domiciled in Ireland.

For the three months ended June 30, 2026, the Company's effective tax rate for continuing operations was 18.0% and was higher than the statutory tax rate of 12.5% primarily due to tax rate differentials, partially offset by the benefits of continuing global tax planning.

For the nine months ended June 30, 2026, the Company's effective tax rate for continuing operations was 18.7% and was higher than the statutory tax rate of 12.5% primarily due to the tax impact of the water systems Aqueous Film Forming Foam ("AFFF") insurance proceeds, the tax impact of current and planned divestitures, and tax rate differentials, partially offset by the benefits of continuing global tax planning.

For the three months ended June 30, 2025, the Company's effective tax rate for continuing operations was 12.3% and was lower than the statutory tax rate of 12.5% primarily due to the benefits of continuing global tax planning, partially offset by tax rate differentials.

For the nine months ended June 30, 2025, the Company's effective tax rate for continuing operations was 9.9% and was lower than the statutory tax rate of 12.5% primarily due to tax reserve adjustments as the result of expired statute of limitations for certain tax years and the benefits of continuing global tax planning, partially offset by tax rate differentials.

Refer to Note 18, "Commitments and Contingencies," of the notes to the consolidated financial statements for further disclosure related to the water systems AFFF settlement.

Uncertain Tax Positions

At September 30, 2025, the Company had gross tax-effected unrecognized tax benefits of $1.9 billion, of which $1.4 billion, if recognized, would impact the effective tax rate. Accrued interest, net at September 30, 2025 was approximately $459 million (net of tax benefit). Interest accrued during the nine months ended June 30, 2026 and 2025 was approximately $74 million and $64 million (both net of tax benefit), respectively. The Company recognizes interest and penalties related to unrecognized tax benefits as a component of income tax expense.

During the nine months ended June 30, 2025, as the result of the expiration of the statute of limitations in certain jurisdictions, the Company adjusted its reserve for uncertain tax positions which resulted in a $36 million net benefit to income tax expense.

In the U.S., fiscal years 2019 through 2020 are currently under audit and fiscal years 2017 through 2018 are currently under appeal with the Internal Revenue Service ("IRS") for certain legal entities. Additionally, the Company is currently under exam in the following major non-U.S. jurisdictions:

Tax Jurisdiction	Tax Years Covered
Belgium	2016 - 2017; 2019 - 2020
Germany	2007 - 2021
Mexico	2018 - 2021
United Kingdom	2020

It is reasonably possible that certain tax examinations and/or tax litigation will conclude within the next twelve months, which could have a material impact on tax expense. Based upon the circumstances surrounding these examinations, the impact is not currently quantifiable.

16. SEGMENT INFORMATION

On April 1, 2025, the Company, as part of ongoing initiatives to drive simplification, accelerate growth, better reflect its organizational and operational structure and align with the manner in which the Company's chief operating decision maker assesses performance and makes decisions regarding the allocation of resources following portfolio simplification actions, realigned into three reportable segments (Americas, EMEA and APAC).

The Company conducts its business through three operating segments, all of which are reportable segments:

- *Americas,* which designs, manufactures, sells, installs and services HVAC, controls, building management, refrigeration, integrated electronic security systems, integrated fire detection and suppression systems, and digital (software) solutions for commercial, industrial, data center, institutional and governmental customers in the Americas (United States, Canada, and Latin America – Central and South America). Americas also provides energy efficiency solutions and technical services, including inspection, scheduled maintenance, and repair and replacement of mechanical and control systems, as well as data-driven "smart building" solutions, to the Americas marketplace.

- *EMEA,* which designs, manufactures, sells, installs and services HVAC, controls, building management, refrigeration, integrated electronic security systems, integrated fire detection and suppression systems, and digital (software) solutions for commercial, residential security (Global Subscriber business), industrial, data center, institutional, governmental, and marine customers and provides technical services, including data-driven "smart building" solutions, to markets in Europe, the Middle East and Africa.

- *APAC,* which designs, manufactures, sells, installs and services HVAC, controls, building management, refrigeration, integrated electronic security systems, integrated fire detection and suppression systems, and digital (software) solutions for commercial, industrial, data center, institutional, and governmental customers and provides technical services, including data-driven "smart building" solutions, to the Asian and Pacific marketplace.

The Chief Executive Officer, the Company's chief operating decision maker ("CODM"), evaluates the performance of its segments and allocates resources based on two profitability measures, Segment EBIT and Segment EBITA (non-GAAP):

- Segment earnings before interest and taxes ("Segment EBIT") represents segment income from continuing operations, excluding restructuring and impairment costs, AFFF related settlement costs and insurance recoveries, gains or losses on divestitures, and net mark-to-market gains and losses related to pension and postretirement plans and restricted asbestos investments. Segment EBIT is used as a tool to allow the CODM to evaluate the recurring profitability of the segments, including revenues and expenses that are within the operational control of the segments, and excluding the impact of certain non-cash and non-recurring items. Segment EBIT also provides the CODM with visibility into the integration of key strategic initiatives, such as acquisitions and mergers.

- Segment earnings before interest, taxes and amortization ("Segment EBITA") (non-GAAP) represents Segment EBIT, excluding the impact of amortization of intangible assets. Segment EBITA provides the CODM with performance comparability across periods and more accurate benchmarking against peer companies that may not have similar historical acquisition activity, by holding constant the impact of significant acquisitions.

Both Segment EBIT and Segment EBITA are reviewed by the CODM and compared against the profit plan and forecast for the current and prior year. Segment EBITA is not defined under GAAP and may not be comparable to similarly titled measures used by other companies. Reconciliations of Segment EBIT to Segment EBITA and to consolidated income before income taxes are presented in the tables below. Measures of total assets by reportable segment are not provided to the CODM. Therefore, asset information by segment is not disclosed.

Financial information relating to the Company's reportable segments is as follows (in millions):

	Three Months Ended June 30,					
	Americas		EMEA		APAC	
	2026	2025	2026	2025	2026	2025
Net sales	$ 4,504	$ 4,042	$ 1,264	$ 1,273	$ 846	$ 737
Cost of sales	2,790	2,513	806	826	544	467
Selling, general and administrative expenses ("SG&A")	867	875	286	291	132	132
Equity income	—	—	—	(3)	(1)	(1)
Segment EBIT	847	654	172	159	171	139
Amortization of intangible assets	79	88	7	18	4	4
Segment EBITA (non-GAAP)	$ 926	$ 742	$ 179	$ 177	$ 175	$ 143
Depreciation included in Cost of sales and SG&A	$ 38	$ 35	$ 2	$ 11	$ 5	$ 5
Capital expenditures	$ 40	$ 28	$ 17	$ 26	$ 6	$ 5

	Nine Months Ended June 30,					
	Americas		EMEA		APAC	
	2026	2025	2026	2025	2026	2025
Net sales	$ 12,468	$ 11,506	$ 3,807	$ 3,631	$ 2,278	$ 2,017
Cost of sales	7,847	7,244	2,448	2,393	1,448	1,276
Selling, general and administrative expenses ("SG&A")	2,525	2,498	857	849	406	418
Equity income	—	—	—	(3)	(3)	(2)
Segment EBIT	2,096	1,764	502	392	427	325
Amortization of intangible assets	232	274	21	56	11	12
Segment EBITA (non-GAAP)	$ 2,328	$ 2,038	$ 523	$ 448	$ 438	$ 337
Depreciation included in Cost of sales and SG&A	$ 109	$ 105	$ 14	$ 31	$ 16	$ 16
Capital expenditures	$ 86	$ 109	$ 56	$ 70	$ 13	$ 6

A reconciliation of Segment EBIT and Segment EBITA (non-GAAP) to consolidated income before income taxes is as follows (in millions):

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Segment EBITA (non-GAAP)	$ 1,280	$ 1,062	$ 3,289	$ 2,823
Amortization of intangible assets	90	110	264	342
Segment EBIT	1,190	952	3,025	2,481
Corporate expenses	167	141	475	498
Restructuring and impairment costs	80	51	224	146
Water systems AFFF insurance recoveries (1)	(17)	(1)	(148)	(13)
Net financing charges	71	77	197	243
Gain on divestiture	—	—	(70)	—
Net mark-to-market adjustments	(28)	(21)	(16)	(7)
Income from continuing operations before income taxes	$ 917	$ 705	$ 2,363	$ 1,614

(1) Refer to Note 18, "Commitments and Contingencies," of the notes to the consolidated financial statements for further disclosure related to the water systems AFFF settlement.

17. GUARANTEES

Certain of the Company's subsidiaries at the business segment level guarantee the performance of third parties and provide financial guarantees for uncompleted work and financial commitments. The terms of these guarantees vary with end dates ranging from the current fiscal year through the completion of such transactions and would typically be triggered in the event of nonperformance. Performance under the guarantees, if required, would not have a material effect on the Company's financial position, results of operations or cash flows.

The Company offers warranties to its customers depending upon the specific product and terms of the customer purchase agreement. Generally, the Company's warranties require the repair or replacement of defective products within a specified time period from the date of sale. The Company records an estimate for future warranty-related costs based on actual historical costs to repair or replace products and other known factors. The Company monitors its warranty activity and adjusts its reserve estimates when it is probable that future warranty costs will be different than those estimates.

The Company’s product warranty liability is recorded in the consolidated statements of financial position in other current liabilities for estimated costs to be incurred within 12 months and in other non-current liabilities for estimated costs to be incurred in more than one year.

The following table summarizes changes in the total product warranty liability (in millions):

Balance at September 30, 2025	$ 120
Accruals for warranties issued	94
Settlements made	(70)
Changes in estimates to pre-existing warranties	3
Currency translation	(1)
Balance at June 30, 2026	$ 146

18. COMMITMENTS AND CONTINGENCIES

Environmental Matters

The Company accrues for potential environmental liabilities when it is probable a liability has been incurred and the amount of the liability is reasonably estimable. The following table presents the location and amount of reserves for environmental liabilities in the Company's consolidated statements of financial position (in millions):

	June 30, 2026	September 30, 2025
Other current liabilities	$ 21	$ 27
Other noncurrent liabilities	148	160
Total reserves for environmental liabilities	$ 169	$ 187

The Company periodically examines whether the contingent liabilities related to the environmental matters described below are probable and reasonably estimable based on experience and ongoing developments in those matters, including continued study and analysis of ongoing remediation obligations. The Company expects that it will pay the amounts recorded over an estimated period of up to 20 years. The Company is not able to estimate a possible loss or range of loss, if any, in excess of the established accruals for environmental liabilities at this time.

A substantial portion of the Company's environmental reserves relates to ongoing long-term remediation efforts to address contamination relating to Aqueous Film Forming Foam ("AFFF") containing perfluorooctane sulfonate ("PFOS"), perfluorooctanoic acid ("PFOA"), and/or other per- and poly-fluoroalkyl substances ("PFAS") at or near the Tyco Fire Products L.P. (“Tyco Fire Products”) Fire Technology Center ("FTC") located in Marinette, Wisconsin and surrounding areas in the City of Marinette and Town of Peshtigo, Wisconsin, as well as the continued remediation of PFAS, arsenic and other contaminants at the Tyco Fire Products Stanton Street manufacturing facility also located in Marinette, Wisconsin (the “Stanton Street Facility”). Tyco Fire Products has discontinued the production and sale of fluorinated firefighting foams, including AFFF products, and has transitioned to non-fluorinated foam alternatives.

PFOA, PFOS, and other PFAS compounds are being studied by the U.S. Environmental Protection Agency ("EPA") and other environmental and health agencies and researchers. In April 2024, EPA finalized National Primary Drinking Water Regulation (“NPDWR”) for six PFAS compounds including PFOA and PFOS. The NPDWR established legally enforceable levels, called Maximum Contaminant Levels, of 4.0 parts per trillion ("ppt") for each of PFOA and PFOS, 10 ppt for each of PFHxS, PFNA, and HFPO-DA (commonly known as GenX Chemicals), and a Hazard Index of one for mixtures containing two or more of PFHxS, PFNA, HFPO-DA, and PFBS. In February 2024, EPA released two proposed rules relating to PFAS under the Resource Conservation and Recovery Act (“RCRA”): one rule proposes to list nine PFAS (including PFOA and PFOS) as “hazardous constituents,” that has not been finalized. A second rule was proposed in 2024 to clarify that hazardous waste regulated under the rule includes not only substances listed or identified as hazardous waste in the regulations, but also any substances that meet the statutory definition of hazardous waste; however, the EPA withdrew that proposal on May 8, 2026. In April 2024, EPA finalized a rule designating PFOA and PFOS, along with their salts and structural isomers, as "hazardous substances" under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"). In May 2025, EPA announced that it will retain the 4.0 ppt Maximum Contaminant Levels on PFOS and PFOA but will institute a two-year delay in the compliance deadline from 2029 until 2031. On May 1, 2026, the White House Office of Management and Budget completed its interagency review of a proposed rule to rescind the Maximum Contaminant Levels for four other types of PFAS (PFHxS, PFNA, HFPO-DA, and PFBS); the rules were published in the Federal Register on May 20, 2026. This proposed recission has not been finalized. In June 2026, the Wisconsin Department of Natural Resources issued a draft rulemaking to adopt as a matter of Wisconsin law the Maximum Contaminant Levels and Hazard Index standards established in the April 2024 NPDWR.

It is not possible to estimate the Company’s ultimate level of liability at many remediation sites due to the large number of other parties that may be involved, the complexity of determining the relative liability among those parties, the financial viability of other potentially responsible parties and third-party indemnitors, the uncertainty as to the nature and scope of the investigations and remediation to be conducted, changes in environmental regulations, changes in permissible levels of specific compounds in soil, groundwater and drinking water sources, or changes in enforcement theories and policies, including efforts to recover natural resource damages, the uncertainty in the application of law and risk assessment, the various choices and costs associated with diverse technologies that may be used in corrective actions at the sites, and the often quite lengthy periods over which eventual remediation may occur. It is possible that technological, regulatory or enforcement developments, the results of additional environmental studies or other factors could change the Company's expectations with respect to future charges and cash outlays, and such changes could be material to the Company's future results of operations, financial condition or cash flows. Nevertheless, the Company does not currently believe that any claims, penalties or costs in addition to the amounts accrued will have a material adverse effect on the Company’s financial position, results of operations or cash flows.

FTC-Related Matters

FTC and Stanton Street Remediation

The use of fire-fighting foams at the FTC was primarily for training and testing purposes to ensure that such products sold by the Company’s affiliates, Chemguard, Inc. ("Chemguard") and Tyco Fire Products, were effective at suppressing high intensity fires that may occur at military installations, airports or elsewhere.

Tyco Fire Products has been engaged in remediation activities at the Stanton Street Facility since 1990. Its corporate predecessor, Ansul Incorporated (“Ansul”), manufactured arsenic-based agricultural herbicides at the Stanton Street Facility, which resulted in significant arsenic contamination of soil and groundwater on the site and in parts of the adjoining Menominee River. In 2009, Ansul entered into an Administrative Consent Order (the "Consent Order") with the EPA to address the presence of arsenic at the site. Under this agreement, Tyco Fire Products’ principal obligations are to contain the arsenic contamination on the site, pump and treat on-site groundwater, dredge, treat and properly dispose of contaminated sediments in the adjoining river areas, and monitor contamination levels on an ongoing basis. Activities completed under the Consent Order since 2009 include the installation of a subsurface barrier wall around the facility to contain contaminated groundwater, the installation and ongoing operation and monitoring of a groundwater extraction and treatment system and the dredging and offsite disposal of treated river sediment. In addition to ongoing remediation activities, the Company is also working with the Wisconsin Department of Natural Resources ("WDNR") to investigate and remediate the presence of PFAS at or near the Stanton Street Facility as part of the evaluation and remediation of PFAS in the Marinette region.

Tyco Fire Products is operating and monitoring at the FTC a Groundwater Extraction and Treatment System ("GETS"), a permanent groundwater remediation system that extracts groundwater containing PFAS, treats it using advanced filtration systems, and returns the treated water to the environment. Tyco Fire Products has also completed the removal and disposal of PFAS-affected soil from the FTC. The Company is also continuing to replace private drinking water wells that may have been impacted by PFAS migrating from the FTC. The Company's reserves for continued remediation of the FTC, the Stanton Street Facility and surrounding areas in Marinette and Peshtigo are based on estimates of costs associated with the long-term remediation actions, including the continued operation of the GETS, the implementation of long-term drinking water solutions for the area impacted by groundwater migrating from the FTC, continued monitoring and testing of groundwater monitoring wells, the operation and wind-down of other legacy remediation and treatment systems and the completion of ongoing investigation obligations.

FTC-Related Litigation

Wisconsin approved final regulatory standards for PFOA and PFOS in drinking water and surface water in February 2022. In August 2024, WDNR issued a new proposed rule to adopt the EPA Maximum Contaminant Levels for PFAS in drinking water. In February 2025, the Wisconsin Department of Health Services ("WDHS") recommended individual groundwater enforcement standards of 4 ng/L for PFOA and PFOS, 10 ng/L for PFHxS, PFNA, and HFPO-DA, and 2,000 ng/L for PFBS. Following the February 2025 WDHS recommendation, the WDNR Secretary and the Governor signed the WDNR scope statement. In January 2026, the Wisconsin Natural Resources Board approved drinking water standards of 4 ng/L for PFOA and PFOS and 10 ng/L for PFHxS, PFNA, and HFPO-DA. The standards were subsequently approved through the state rulemaking process in 2026.

In July 2019, the Company received a letter from the WDNR directing the expansion of the evaluation of PFAS in the Marinette region to include (1) biosolids sludge produced by the City of Marinette Waste Water Treatment Plant and spread on certain fields in the area and (2) the Menominee and Peshtigo Rivers. On October 16, 2019, the WDNR issued a “Notice of Noncompliance” to Tyco Fire Products and Johnson Controls, Inc. regarding the WDNR’s July 2019 letter. In February 2020, the WDNR sent a letter to Tyco Fire Products and Johnson Controls, Inc. further directing the expansion of the evaluation of PFAS in the Marinette region to include investigation activities south and west of the previously defined FTC study area. In September 2021, the WDNR sent an additional “Notice of Noncompliance” to Tyco Fire Products and Johnson Controls, Inc. concerning land-applied biosolids, which reviewed and responded to the Company’s biosolids investigation conducted to that date. On April 10, 2023, the WDNR issued a third “Notice of Noncompliance” to Tyco Fire Products and Johnson Controls, Inc. concerning land-applied biosolids in the Marinette region. Tyco Fire Products and Johnson Controls, Inc. believe that they have complied with all applicable environmental laws and regulations.

In March 2022, the Wisconsin Department of Justice (“WDOJ”) filed a civil enforcement action against Johnson Controls Inc. and Tyco Fire Products in Wisconsin state court relating to environmental matters at the FTC (*State of Wisconsin v. Tyco Fire Products, LP and Johnson Controls, Inc.*, Case No. 22-CX-1 (filed March 14, 2022 in Circuit Court in Marinette County, Wisconsin)). The WDOJ alleges that the Company failed to timely report the presence of PFAS chemicals at the FTC, and that the Company has not sufficiently investigated or remediated PFAS at or near the FTC. On June 4, 2026, the State filed a Stipulation for Judgment, resolving the litigation. Under the Stipulation, Tyco Fire Products paid $10 million to a statewide PFAS fund and will continue its ongoing remediation work in Marinette and Peshtigo, including continuing to operate the GETS to treat PFAS in groundwater and surface water and to restore the environment, monitoring water quality, and completing the installation of PFAS-free deep drinking water wells for homeowners who may have been affected by Tyco Fire Product’s historic operations. The State also agreed to dismiss Johnson Controls, Inc. with prejudice, which occurred on June 5, 2026 in connection with the court entering judgment on the Stipulation.

In October 2022, the Town of Peshtigo filed a tort action in Wisconsin state court against Tyco Fire Products, Johnson Controls Inc., Chemguard, Inc., and ChemDesign, Inc. relating to environmental matters at the FTC (*Town of Peshtigo v. Tyco Fire Products L.P. et al.*, Case No. 2022CV000234 (filed October 18, 2022 in Circuit Court in Marinette County, Wisconsin)). The Town alleges that use of AFFF products at the FTC caused contamination of water supplies in Peshtigo. The Town seeks monetary penalties and an injunction ordering abatement of PFAS contamination in Peshtigo. The case has been removed to federal court and transferred to a multi-district litigation ("MDL") before the United States District Court for the District of South Carolina.

In November 2022, individuals filed six actions in Dane County, Wisconsin alleging personal injury and/or property damage against Tyco Fire Products, Johnson Controls Inc., Chemguard, and other unaffiliated defendants related to environmental matters at the FTC. Plaintiffs allege that use of AFFF products at the FTC and activities by third parties unrelated to the Company contaminated nearby drinking water sources, surface waters, and other natural resources and properties, including their personal properties. The individuals seek monetary damages for their personal injury and/or property damage. These lawsuits have been transferred to the MDL. Subsequently, several additional plaintiffs have direct-filed in the MDL complaints with similar allegations.

The Company is vigorously defending each of the active cases and believes that it has meritorious defenses, but it is presently unable to predict the duration, scope, or outcome of these actions.

Aqueous Film-Forming Foam ("AFFF") Matters

AFFF Litigation

Two of the Company's subsidiaries, Chemguard and Tyco Fire Products, have been named, along with other defendant manufacturers, suppliers and distributors, and, in some cases, certain subsidiaries of the Company affiliated with Chemguard and Tyco Fire Products, in a number of class action and other lawsuits relating to the use of fire-fighting foam products by the U.S. Department of Defense (the "DOD") and others for fire suppression purposes and related training exercises. Plaintiffs generally allege that the firefighting foam products contain or break down into the chemicals PFOS and PFOA and/or other PFAS compounds and that the use of these products by others at various airbases, airports and other sites resulted in the release of these chemicals into the environment and ultimately into communities’ drinking water supplies neighboring those airports, airbases and other sites. Plaintiffs generally seek compensatory damages, including damages for alleged personal injuries, medical monitoring, diminution in property values, investigation and remediation costs, and natural resources damages, and also seek punitive damages and injunctive relief to address remediation of the alleged contamination.

In September 2018, Tyco Fire Products and Chemguard filed a Petition for Multidistrict Litigation with the United States Judicial Panel on Multidistrict Litigation ("JPML") seeking to consolidate all existing and future federal cases into one jurisdiction. On December 7, 2018, the JPML issued an order transferring various AFFF cases to the MDL. Additional cases have been identified for transfer to or are being directly filed in the MDL.

AFFF Municipal and Water Provider Cases

Chemguard and Tyco Fire Products have been named as defendants in more than 403 cases in federal and state courts involving municipal or water provider plaintiffs that were filed in state or federal courts originating from 40 states and territories. The vast majority of these cases have been transferred to or were directly filed in the MDL, and it is anticipated that the remaining cases will be transferred to the MDL. These municipal and water provider plaintiffs generally allege that the use of the defendants' fire-fighting foam products at fire training academies, municipal airports, Air National Guard bases, or Navy or Air Force bases released PFOS and PFOA into public water supply wells and/or other public property, allegedly requiring remediation.

Tyco Fire Products and Chemguard are also periodically notified by other municipal entities that those entities may assert claims regarding PFOS and/or PFOA contamination allegedly resulting from the use of AFFF.

Water Systems AFFF Settlement Agreement

On April 12, 2024, Tyco Fire Products agreed to a settlement with a nationwide class of public water systems that detected PFAS in their drinking water systems that they allege to be associated with the use of AFFF. Under the terms of the agreement, Tyco Fire Products agreed to contribute $750 million to resolve these PFAS claims. The settlement releases these claims against Tyco Fire Products, Chemguard, and other related corporate entities. In accordance with the terms of the settlement agreement, Tyco Fire Products made its final required payment of $415 million in December 2024 and has now paid the full settlement amount.

The class of public water systems included in this settlement broadly includes any public water system (as defined in the settlement agreement) that has detected PFAS in its drinking water sources as of May 15, 2024. Certain systems are excluded from the settlement class and the settlement does not resolve claims of public water systems that requested exclusion from the class ("opt out"). It also does not resolve potential future claims of public water systems that detect PFAS in their water systems for the first time after May 15, 2024, or certain claims not related to drinking water. Finally, this settlement does not affect the other categories of cases that remain at issue in the MDL. While it is reasonably possible that the excluded systems or claims could result in additional future lawsuits, claims, assessments or proceedings, it is not possible to predict the outcome of any such matters, and as such, the Company is unable to develop an estimate of a possible loss or range of losses, if any, at this time.

The settlement does not constitute an admission of liability or wrongdoing by Tyco Fire Products or Chemguard.

AFFF Putative Class Actions

Chemguard and Tyco Fire Products are named in 50 pending putative class actions in federal courts originating from 21 states and territories. All of these cases have been direct-filed in or transferred to the MDL. In addition, six proposed class actions were filed in Canada (British Columbia, Manitoba, Quebec and Ontario), which name Tyco Fire Products and other manufacturers as defendants, on behalf of various classes of members (including individuals and government entities and indigenous communities) who seek to recover for remediation (past and future) costs, claim property or other environmental damages, or claim personal injuries or other harms arising from alleged exposure to or contamination with PFAS or PFAS-containing products (including AFFF). Tyco Fire Products and Johnson Controls International plc have also been named, among other manufacturers, in an individual proceeding in Quebec commenced by the City of Val D'Or

Quebec claiming contamination of well water with PFAS from firefighting training and other activities conducted at Val D'Or airport.

AFFF Individual or Mass Actions

There are more than 16,515 individual or "mass" actions pending that were filed in state or federal courts originating from 53 states and territories against Chemguard and Tyco Fire Products and other defendants in which the plaintiffs generally seek compensatory damages, including damages for alleged personal injuries, medical monitoring, and alleged diminution in property values. The Company is currently unable to determine a precise count of personal injury claimants currently pending. The vast majority of these matters transferred to or directly-filed in the MDL, and it is anticipated that several newly-filed state court actions will be similarly tagged and transferred. There are several matters that are or will be proceeding in state courts, including actions in Arizona, Illinois and Washington.

Tyco and Chemguard are also periodically notified by other individuals that they may assert claims regarding PFOS and/or PFOA contamination allegedly resulting from the use of AFFF.

AFFF State or U.S. Territory Attorneys General Litigation

In June 2018, the State of New York filed a lawsuit in New York state court (*State of New York v. The 3M Company et al* No. 904029-18 (N.Y. Sup. Ct., Albany County)) against a number of manufacturers, including affiliates of the Company, with respect to alleged PFOS and PFOA contamination purportedly resulting from firefighting foams used at locations across New York, including Stewart Air National Guard Base in Newburgh and Gabreski Air National Guard Base in Southampton, Plattsburgh Air Force Base in Plattsburgh, Griffiss Air Force Base in Rome, and unspecified "other" sites throughout the State. The lawsuit seeks to recover costs and natural resource damages associated with contamination at these sites. This suit has been removed to the United States District Court for the Northern District of New York and transferred to the MDL.

In February 2019, the State of New York filed a second lawsuit in New York state court (*State of New York v. The 3M Company et al* (N.Y. Sup. Ct., Albany County)), against a number of manufacturers, including affiliates of the Company, with respect to alleged PFOS and PFOA contamination purportedly resulting from firefighting foams used at additional locations across New York. This suit has been removed to the United States District Court for the Northern District of New York and transferred to the MDL. In July 2019, the State of New York filed a third lawsuit in New York state court (*State of New York v. The 3M Company et al* (N.Y. Sup. Ct., Albany County)), against a number of manufacturers, including affiliates of the Company, with respect to alleged PFOS and PFOA contamination purportedly resulting from firefighting foams used at further additional locations across New York. This suit has been removed to the United States District Court for the Northern District of New York and transferred to the MDL. In November 2019, the State of New York filed a fourth lawsuit in New York state court (*State of New York v. The 3M Company et al* (N.Y. Sup. Ct., Albany County)), against a number of manufacturers, including affiliates of the Company, with respect to alleged PFOS and PFOA contamination purportedly resulting from firefighting foams used at further additional locations across New York. This suit has been removed to federal court and transferred to the MDL.

In April 2021, the State of Alaska filed a lawsuit in the superior court of the State of Alaska against a number of manufacturers and other defendants, including affiliates of the Company, with respect to PFOS and PFOA damage of the State's land and natural resources allegedly resulting from the use of firefighting foams at various locations throughout the State. The State's case has been removed to federal court and transferred to the MDL. The State of Alaska has also named a number of manufacturers and other defendants, including affiliates of the Company, as third-party defendants in two cases brought by individuals against the State. These two cases have also been transferred to the MDL.

In early November 2021, the Attorney General of the State of North Carolina filed four individual lawsuits in the superior courts of the State of North Carolina against a number of manufacturers and other defendants, including affiliates of the Company, with respect to PFOS and PFOA damage of the State's land, natural resources, and property allegedly resulting from the use of firefighting foams at four separate locations throughout the State. These four cases have been removed to federal court and transferred to the MDL. In October 2022, the Attorney General filed two similar lawsuits in the superior courts of the State of North Carolina regarding alleged PFAS damages at two additional locations. These two cases have also been removed to federal court and transferred to the MDL.

In addition, 33 other states and territories have filed 35 lawsuits against a number of manufacturers and other defendants, including affiliates of the Company, with respect to PFAS damage of each of those State's environmental and natural resources allegedly resulting from the manufacture, storage, sale, distribution, marketing, and use of PFAS-containing AFFF within each respective State. The states and territories are: Arkansas, Arizona, California, Colorado, Connecticut, Delaware, the District of Columbia, Florida, Hawaii, Illinois, Indiana, Kentucky, Massachusetts, Maryland, Maine, Michigan, Mississippi, New Hampshire, New Jersey, New Mexico, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Washington, Wisconsin, Guam, the Northern Mariana Islands, and Puerto Rico. All of these complaints, if not filed directly in the MDL, have been removed to federal court and transferred to the MDL.

In addition, an affiliate of the Company has been named with other manufacturers as a third party by the Canadian Federal Government who is seeking contribution and indemnity in respect of seven single-plaintiff actions filed in Ontario relating to alleged PFAS and benzene contamination of a private well from the use of AFFF in firefighting training.

Other AFFF Related Matters

In March 2020, the Kalispel Tribe of Indians (a federally recognized Tribe) and two tribal corporations filed a lawsuit in the United States District Court for the Eastern District of Washington against a number of manufacturers, including affiliates of the Company, and the United States with respect to PFAS contamination allegedly resulting from the use and disposal of AFFF by the United States Air Force at and around Fairchild Air Force Base in eastern Washington. This case has been transferred to the MDL.

In October 2022, the Red Cliff Band of Lake Superior Chippewa Indians (a federally recognized tribe) filed a lawsuit in the United States District Court for the Western District of Wisconsin against a number of manufacturers, including affiliates of the Company, with respect to PFAS contamination allegedly resulting from the use and disposal of AFFF at Duluth Air National Guard Base in Duluth, Minnesota. This case has been transferred to the MDL.

In July 2023, the Fond du Lac Band of Lake Superior Chippewa (a federally recognized tribe) direct-filed a lawsuit in the MDL against a number of manufacturers, including affiliates of the Company, with respect to PFAS contamination allegedly resulting from the use and disposal of AFFF at Duluth Air National Guard Base in Duluth, Minnesota.

In September 2025, the Leech Lake Band of Ojibwe (one of six federally recognized sovereign bands that make up the federally recognized Minnesota Chippewa Tribe) filed a lawsuit in Minnesota state court against a number of manufacturers, including affiliates of the Company, with respect to PFAS contamination allegedly resulting from, among other things, the alleged use and disposal of AFFF on and near the Band’s property. This case has been transferred to the MDL.

Five AFFF property damage proceedings have been filed in Belgium against numerous defendants, including an affiliate of the Company. The cases are currently on hold pending efforts to dismiss the proceedings.

The Company is vigorously defending all of the above AFFF matters and believes that it has meritorious defenses to class certification and the claims asserted, including statutes of limitations, the government contractor defense, various medical and scientific defenses, and other factual and legal defenses. The Company has a historical general liability insurance program and is pursuing coverage under the program from various insurers through insurance claims discussions and litigation pending in a state court in Wisconsin. The Company has reached settlements with certain insurers and remains in discussions and litigation with the remaining carriers. In the first nine months of fiscal year 2026, the Company recorded approximately $148 million of insurance recoveries related to settlements with its insurance carriers in selling, general and administrative expenses in the consolidated statements of income. The Company is unable to predict the amount and timing of any future recoveries under its insurance policies with the remaining carriers. There are numerous factual and legal issues to be resolved in connection with these claims. The Company is presently unable to predict the outcome or ultimate financial exposure beyond the water systems AFFF settlement discussed above, if any, represented by these matters, and there can be no assurance that any such exposure will not be material.

Asbestos Matters

The Company and certain of its subsidiaries, along with numerous other third parties, are named as defendants in personal injury lawsuits based on alleged exposure to asbestos containing materials. These cases have typically involved product liability claims based primarily on allegations of manufacture, sale or distribution of industrial products that either contained asbestos or were used with asbestos containing components.

The following table presents the location and amount of asbestos-related assets and liabilities in the Company's consolidated statements of financial position (in millions):

	June 30, 2026	September 30, 2025
Other current liabilities	$ 58	$ 58
Other noncurrent liabilities	323	329
Total asbestos-related liabilities	381	387
Other current assets	15	13
Other noncurrent assets	335	326
Total asbestos-related assets	350	339
Net asbestos-related liabilities	$ 31	$ 48

The following table presents the components of asbestos-related assets (in millions):

	June 30, 2026	September 30, 2025
Restricted		
Cash	$ 7	$ 5
Investments	303	290
Total restricted assets	310	295
Insurance receivables for asbestos-related liabilities	40	44
Total asbestos-related assets	$ 350	$ 339

The amounts recorded for asbestos-related liabilities and insurance-related assets are based on the Company's strategies for resolving its asbestos claims, currently available information, and a number of estimates and assumptions. Key variables and assumptions include the number and type of new claims that are filed each year, the average cost of resolution of claims, the identity of defendants, the resolution of coverage issues with insurance carriers, amount of insurance, and the solvency risk with respect to the Company's insurance carriers. Other factors that may affect the Company's liability and cash payments for asbestos-related matters include uncertainties surrounding the litigation process from jurisdiction to jurisdiction and from case to case, reforms of state or federal tort legislation and the applicability of insurance policies among subsidiaries. As a result, actual liabilities or insurance recoveries could be significantly higher or lower than those recorded if assumptions used in the Company's calculations vary significantly from actual results.

Self-Insured Liabilities

The Company records liabilities for its workers' compensation, product, general and auto liabilities. The determination of these liabilities and related expenses is dependent on claims experience. For most of these liabilities, claims incurred but not yet reported are estimated by utilizing actuarial valuations based upon historical claims experience. The Company maintains captive insurance companies to manage a portion of its insurable liabilities.

The following table presents the location and amount of self-insured liabilities in the Company's consolidated statements of financial position (in millions):

	June 30, 2026	September 30, 2025
Other current liabilities	$ 89	$ 87
Accrued compensation and benefits	38	38
Other noncurrent liabilities	325	289
Total self-insured liabilities	$ 452	$ 414

Other Matters

The Company is involved in various lawsuits, claims and proceedings incident to the operation of its businesses, including those pertaining to product liability, environmental, safety and health, intellectual property, employment, commercial and contractual matters, and various other casualty matters. Although the outcome of litigation cannot be predicted with certainty and some lawsuits, claims or proceedings may be disposed of unfavorably to the Company, it is management's opinion that none of these will have a material adverse effect on the Company's financial position, results of operations or cash flows. Costs related to such matters were not material to the periods presented.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cautionary Statements for Forward-Looking Information

Unless otherwise indicated, references to "Johnson Controls," the "Company," "we," "our" and "us" in this Quarterly Report on Form 10-Q refer to Johnson Controls International plc and its consolidated subsidiaries.

The Company has made statements in this document 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 document, statements regarding the Company’s future financial position, sales, costs, earnings, cash flows, other measures of results of operations, synergies and integration opportunities, capital expenditures, debt levels and market outlook 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. The Company cautions that these statements are subject to numerous important risks, uncertainties, assumptions and other factors, some of which are beyond the Company’s control, that could cause the Company’s actual results to differ materially from those expressed or implied by such forward-looking statements, including, among others, risks related to: the ability to develop or acquire new products and technologies that achieve market acceptance and meet applicable quality and regulatory requirements; the ability to manage general economic, business and capital market conditions, including the impacts of trade restrictions, recessions, economic downturns and global price inflation; the ability to manage macroeconomic and geopolitical volatility, including changes to laws or policies governing foreign trade, including tariffs, economic sanctions, foreign exchange and capital controls, import/export controls or other trade restrictions as well as any associated supply chain disruptions; the ability to execute on the Company's operating model and drive organizational improvement; the ability to innovate and adapt to emerging technologies, ideas and trends in the marketplace, including the incorporation of technologies such as artificial intelligence; fluctuations in the cost and availability of public and private financing for customers; the ability to manage disruptions caused by international conflicts, including Russia and Ukraine and the ongoing conflicts in the Middle East; the ability to successfully execute and complete portfolio simplification actions, as well as the possibility that the expected benefits of such actions will not be realized or will not be realized within the expected time frame; managing the risks and impacts of potential and actual security breaches, cyberattacks, privacy breaches or data breaches, maintaining and improving the capacity, reliability and security of the Company's enterprise information technology infrastructure; the ability to manage the lifecycle cybersecurity risk in the development, deployment and operation of the Company's digital platforms and services; fluctuations in currency exchange rates; the ability to hire and retain senior management and other key personnel; changes or uncertainty in laws, regulations, rates, policies, or interpretations that impact business operations or tax status; the ability to adapt to global climate change, climate change regulation and successfully meet the Company's public sustainability commitments; the outcome of litigation and governmental proceedings; the risk of infringement or expiration of intellectual property rights; the ability to manage disruptions caused by catastrophic or geopolitical events, such as natural disasters, armed conflict, political change, climate change, pandemics and outbreaks of contagious diseases and other adverse public health developments; any delay or inability of the Company to realize the expected benefits and synergies of recent portfolio transactions; the tax treatment of recent portfolio transactions; significant transaction costs and/or unknown liabilities associated with such transactions; labor shortages, work stoppages, union negotiations, labor disputes and other matters associated with the labor force; and the cancellation of or changes to commercial arrangements. 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 year ended September 30, 2025 filed with the United States Securities and Exchange Commission ("SEC") on November 14, 2025, which is available at www.sec.gov and www.johnsoncontrols.com under the "Investors" tab. The description of certain of these risks is supplemented in Item 1A of Part II of Johnson Controls subsequently filed Quarterly Reports on Form 10-Q. The forward-looking statements included in this document 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 document.

Overview

Johnson Controls International plc, headquartered in Cork, Ireland, is a global leader in thermal management, mission-critical building systems, energy efficiency, and decarbonization. The Company helps customers create, maintain, and optimize indoor operating environments that use energy more productively, reduce carbon emissions, and support the precise, reliable and resilient operating conditions in rapidly expanding industries such as data centers, healthcare, pharmaceuticals, advanced manufacturing, and higher education.

The Company is a fully integrated industrial technology company that engineers, manufactures, commissions and retrofits building products and systems, including commercial heating, ventilating, air-conditioning ("HVAC") equipment, industrial refrigeration systems, controls, security systems, fire-detection systems and fire-suppression solutions. The Company further serves customers by providing technical services through a large global field workforce and service network along with its system integration expertise and managing the full lifecycle of critical indoor environments — from design and commissioning through ongoing service and retrofit. Combining its broad product portfolio, digital capabilities, direct channel and lifecycle service expertise, the Company partners with customers to address distinct and diverse operating environments, regulatory requirements, and the critical operational needs of their facilities.

The following information should be read in conjunction with the September 30, 2025 consolidated financial statements and notes thereto, along with management's discussion and analysis of financial condition and results of operations included in the Company's Annual Report on Form 10-K for the year ended September 30, 2025 filed with the SEC on November 14, 2025. References in the following discussion and analysis to "Three Months," "Third Quarter" or similar language refer to the three months ended June 30, 2026 compared to the three months ended June 30, 2025, while "Year-to-Date" refers to nine months ended June 30, 2026 compared to the nine months ended June 30, 2025.

Macroeconomic Trends

Much of the demand for the Company's products, services and solutions is driven by commercial, institutional, industrial, data center and governmental construction, industrial facility expansion, retrofit activity, maintenance projects and other capital investments in buildings within the sectors that the Company serves. Construction and other capital investment projects are heavily dependent on general economic conditions, localized demand for real estate and availability of credit, public funding or other sources of financing. In addition, most real estate developers rely heavily on project financing in order to initiate and complete projects. Positive or negative fluctuations in these dependencies could have a corresponding impact on the Company's financial condition, results of operations and cash flows.

The Company maintains global operations. The Company has experienced, and could again experience, increased material cost inflation and component shortages, as well as disruptions and delays in its supply chain, as a result of global macroeconomic trends including the imposition of tariffs and other restrictive trade measures. The United States has announced tariffs and reciprocal tariffs on a wide range of products manufactured or produced worldwide, including Canada, China, the European Union, Japan, India and Mexico, among others. Several countries have similarly announced reciprocal or other tariffs impacting products manufactured or produced in the United States. In addition, the United States and other nations have, and may in the future, pause, reimpose, decrease or increase tariffs. Although the Company has been largely able to mitigate the impact of tariffs that have been enacted to date, if additional tariffs and reciprocal tariffs are implemented (whether as currently proposed or otherwise), such actions could negatively impact the Company's revenue growth and margins in future periods through decreased sales and increased cost of goods sold. In February 2026, certain tariffs imposed under the International Emergency Economic Powers Act ("IEEPA"), were invalidated by the U.S. Supreme Court. However, the United States has since imposed new tariffs and duties in their place. The Company is participating in the IEEPA refund process. To date, the tariffs enacted by the United States and other countries and refunds claimed under the IEEPA refund process have not had a material impact on the Company's financial performance for the periods presented.

Geopolitical and economic tensions, including the ongoing conflicts in the Middle East, have the potential to cause disruptions in global supply chains, increase costs and create overall volatility. The ongoing conflicts in the Middle East have disrupted energy supplies and supply chains, increased costs for energy and other supplies and created volatility in the capital markets, among other impacts. The continued net effect of these events will continue to depend on the Company's ability to successfully mitigate and offset their impacts.

The Company is taking actions to mitigate the actual and anticipated impact of ongoing trade restrictions and geopolitical conflict, including strengthening the Company's in region, for region manufacturing strategy, pivoting to local sourcing in its supply chain, accelerating pricing actions and asserting contractual rights through change orders. The Company has historically taken a variety of actions to mitigate trade restrictions, supply chain disruptions and inflation, including through expanding and redistributing its supplier network, supplier financing, accelerated purchasing and productivity improvements. These actions have largely been successful in mitigating the impacts of the current macroeconomic environment, however, it is uncertain as to whether the actions taken or contemplated to be taken by the Company will be effective in continuing to mitigate the impact of current and future trade restrictions and their related impacts. The Company continues to actively monitor and evaluate the development and potential impacts of tariffs, trade restrictions and geopolitical conflicts on its supply chain and results of operations.

As a result of the Company's global presence, a significant portion of its revenues and expenses are denominated in currencies other than the U.S. dollar, which results in non-U.S. currency risks and exchange exposure. While the Company employs financial instruments to hedge some of its transactional foreign exchange exposure, these activities do not insulate it completely from those exposures. In addition, currency exposure from the translation of non-U.S. dollar functional currency subsidiaries cannot be hedged. Exchange rates can be volatile and a substantial weakening or strengthening of foreign currencies against the U.S. dollar could increase or reduce the Company's profit margin, respectively, and impact the comparability of results from period to period.

The Company continues to observe trends demonstrating increased interest and demand for its products and services that enable smart, efficient and sustainable buildings, which are driven in part by increased maturity and adoption of AI and high-performance computing is currently impacting the microchip and data center industry and driving technology innovation, which has led to increased demand for hyperscale and data center cooling solutions that deliver heat management and energy efficiency. This trend has contributed to increases in the Company's orders and backlog. In addition, the Company continues to observe increased demand driven by government tax incentives, building performance standards and other regulations designed to limit emissions and combat climate change. In particular, legislative and regulatory initiatives such as the EU Energy Efficiency Directive, EU Heat Transition, U.S. Inflation Reduction Act and EU Energy Performance of Buildings Directive include provisions designed to fund and encourage investment in decarbonization and digital technologies for buildings. This demand is supplemented by commitments in both the public and private sectors to reduce emissions and/or achieve net zero emissions. The Company seeks to capitalize on these trends to enable delivery of sustainable, high-efficiency products and tailored services to empower customers to achieve their sustainability, heat management and energy efficiency goals. The Company is leveraging its install base, together with data-driven products and services, to offer outcome-based solutions to customers with a focus on generating accelerated growth in services and recurring revenue.

The extent to which the Company's results of operations and financial condition are impacted by these and other factors in the future will depend on developments that are highly uncertain and cannot be predicted. See the section entitled "Risk Factors" in Johnson Controls' Annual Report on Form 10-K for the year ended September 30, 2025 filed with the United States Securities and Exchange Commission ("SEC") on November 14, 2025. Certain of these risk factors have been updated and supplemented in Part II, Item 1A of this Quarterly Report on Form 10-Q.

Net Sales

	Three Months Ended June 30,			Nine Months Ended June 30,		
(in millions)	2026	2025	Change	2026	2025	Change
Net sales	$ 6,614	$ 6,052	9 %	$ 18,553	$ 17,154	8 %

The increase in net sales for the three months ended June 30, 2026 was due to higher organic sales ($582 million) and the favorable impact of foreign currency translation ($26 million), partially offset by the impact of divestitures ($46 million). Excluding the impact of foreign currency translation and business divestitures, net sales increased 10% over the prior year, driven by growth across all segments, led by strength in Applied HVAC and continued growth across both Products and Systems and Services. Products and Systems sales increased 11% and Services increased 7%.

The increase in net sales for the nine months ended June 30, 2026 was due to higher organic sales ($1,253 million) and the favorable impact of foreign currency translation ($226 million), partially offset by the net impact of acquisitions and divestitures ($80 million). Excluding the impact of foreign currency translation and business acquisitions and divestitures, net sales increased 7% over the prior year, driven by growth across all segments, led by strength in Applied HVAC and growth across both Products and Systems and Services. Products and Systems and Services sales both increased 7%.

Refer to the "Segment Analysis" below within this Item 2 for a discussion of net sales by segment.

Cost of Sales / Gross Profit

(in millions)	Three Months Ended June 30, 2026	2025	Change	Nine Months Ended June 30, 2026	2025	Change
Cost of sales	$ 4,140	$ 3,806	9%	$ 11,743	$ 10,913	8%
Gross profit	2,474	2,246	10%	6,810	6,241	9%
% of sales	37.4%	37.1%	30 bp	36.7%	36.4%	30 bp

The increase in gross profit for the three and nine months ended June 30, 2026 was primarily due to organic sales growth, productivity improvements and better operating leverage.

Refer to the "Segment Analysis" below within this Item 2 for a discussion of segment earnings.

Selling, General and Administrative Expenses ("SG&A")

(in millions)	Three Months Ended June 30, 2026	2025	Change	Nine Months Ended June 30, 2026	2025	Change
SG&A	$ 1,407	$ 1,417	(1%)	$ 4,029	$ 4,243	(5%)
% of sales	21.3%	23.4%	(210) bp	21.7%	24.7%	(300) bp

The decrease in SG&A for the three months ended June 30, 2026 was primarily due to AFFF insurance recoveries related to the previously disclosed water systems settlement ($16 million).

The decrease in SG&A for the nine months ended June 30, 2026 was primarily due to AFFF insurance recoveries related to the previously disclosed water systems settlement ($135 million), the gain on the ADT Mexico business divestiture ($70 million) and benefits from ongoing cost actions.

Refer to the "Segment Analysis" below within this Item 2 for a discussion of segment earnings. Refer to Note 18, "Commitments and Contingencies," of the notes to the consolidated financial statements for further disclosure related to the water systems AFFF settlement.

Restructuring and Impairment Costs

During the fourth quarter of fiscal 2024, the Company committed to a multi-year restructuring plan to address stranded costs and further right-size global operations as a result of previously announced portfolio simplification actions.

It is expected that the plan will be completed in fiscal 2027 and the Company will incur one-time restructuring costs, including severance and other employee termination benefits, contract termination costs, and certain other related cash and non-cash charges, totaling approximately $400 million, resulting in expected annual cost savings of approximately $500 million upon full completion of the plan. Restructuring costs will be incurred across all segments and Corporate functions.

(in millions)	Three Months Ended June 30, 2026	2025	Nine Months Ended June 30, 2026	2025
Restructuring and related costs	$ 45	$ 49	$ 118	$ 122
Other impairments	35	2	106	24
Restructuring and impairment costs	$ 80	$ 51	$ 224	$ 146

Refer to Note 3, "Acquisitions and Divestitures" and Note 14, "Restructuring and Related Costs," of the notes to the consolidated financial statements for further disclosure related to the Company's restructuring actions and impairment costs.

Net Financing Charges

Refer to Note 9, "Debt and Financing Arrangements," of the notes to the consolidated financial statements for further disclosure related to the Company's net financing charges and debt.

Income Tax Provision

	Three Months Ended June 30,		Nine Months Ended June 30,	
(in millions)	2026	2025	2026	2025
Income tax provision	$ 165	$ 87	$ 443	$ 160
Effective tax rate	18.0%	12.3%	18.7%	9.9%

Refer to Note 15, "Income Taxes" of the notes to the consolidated financial statements for further disclosure related to the Company's income taxes.

Segment Analysis

The Chief Executive Officer, the Company's chief operating decision maker ("CODM"), evaluates the performance of its segments and allocates resources based on two profitability measures, Segment EBIT and Segment EBITA (non-GAAP):

- Segment earnings before interest and taxes ("Segment EBIT") represents segment income from continuing operations, excluding restructuring and impairment costs, AFFF related settlement costs and insurance recoveries, gains or losses on divestitures, and net mark-to-market gains and losses related to pension and postretirement plans and restricted asbestos investments. Segment EBIT is used as a tool to allow the CODM to evaluate the recurring profitability of the segments, including revenues and expenses that are within the operational control of the segments, and excluding the impact of certain non-cash and non-recurring items. Segment EBIT also provides the CODM with visibility into the integration of key strategic initiatives, such as acquisitions and mergers.

- Segment earnings before interest, taxes and amortization ("Segment EBITA") (non-GAAP) represents Segment EBIT, excluding the impact of amortization of intangible assets. Segment EBITA provides the CODM with performance comparability across periods and more accurate benchmarking against peer companies that may not have similar historical acquisition activity, by holding constant the impact of significant acquisitions.

Both Segment EBIT and Segment EBITA are reviewed by the CODM and compared against the profit plan and forecast for the current and prior year. Segment EBITA is not defined under GAAP and may not be comparable to similarly titled measures used by other companies.

Net Sales

	Three Months Ended June 30,			Nine Months Ended June 30,		
(in millions)	2026	2025	Change	2026	2025	Change
Americas	$ 4,504	$ 4,042	11%	$ 12,468	$ 11,506	8%
EMEA	1,264	1,273	(1%)	3,807	3,631	5%
APAC	846	737	15%	2,278	2,017	13%
	$ 6,614	$ 6,052	9%	$ 18,553	$ 17,154	8%

Three Months:

- The increase in Americas was due to organic growth ($454 million) and the favorable impact of foreign currency translation ($8 million). Excluding the impact of foreign currency translation, sales increased 11%, led by continued strength across Applied HVAC. Products and Systems sales increased 12% and Services increased 10%.

- The decrease in EMEA was due to the impact of divestitures ($41 million), partially offset by organic growth ($17 million) and the favorable impact of foreign currency translation ($15 million). Excluding the impact of foreign currency translation and divestitures, sales increased 1%, as growth was constrained by continued pressure in the region due to the conflicts in the Middle East. Both Products and Systems sales and Services increased 1%.

- The increase in APAC was due to organic growth ($111 million) and the favorable impact of foreign currency translation ($3 million), partially offset by the impact of divestitures ($5 million). Excluding the impact of foreign currency translation, sales increased 15%, led by 20% growth in Products and Systems and continued strength in Applied HVAC.

Year to Date:

- The increase in Americas was due to organic growth ($924 million) and foreign currency translation ($38 million). Excluding the impact of foreign currency translation, sales increased 8%, led by continued strength across Applied HVAC. Products and Systems sales increased 7% and Services increased 10%.

- The increase in EMEA was due to the favorable impact of foreign currency translation ($169 million) and organic growth ($82 million), partially offset by the net impact of business acquisitions and divestitures ($75 million). Excluding the impact of foreign currency translation and business acquisitions and divestitures, sales increased 2%, as growth was constrained by pressure in the region due to the conflicts in the Middle East. Products and Systems sales increased 2% and Services increased 3%.

- The increase in APAC was due to organic growth ($247 million) and foreign currency translation ($19 million), partially offset by the impact of divestitures ($5 million). Excluding the impact of foreign currency translation, sales increased 12%, led by 16% growth in Products and Systems continued strength in Applied HVAC.

Segment EBIT and Segment EBITA (non-GAAP)

	Segment EBIT Three Months Ended June 30,			Segment EBIT Nine Months Ended June 30,		
(in millions)	2026	2025	Change	2026	2025	Change
Americas	$ 847	$ 654	30%	$ 2,096	$ 1,764	19%
EMEA	172	159	8%	502	392	28%
APAC	171	139	23%	427	325	31%

	Segment EBITA (non-GAAP) Three Months Ended June 30,			Segment EBITA (non-GAAP) Nine Months Ended June 30,		
(in millions)	2026	2025	Change	2026	2025	Change
Americas	$ 926	$ 742	25%	$ 2,328	$ 2,038	14%
EMEA	179	177	1%	523	448	17%
APAC	175	143	22%	438	337	30%

Three Months:

- The increase in Americas was primarily driven by strong operating leverage on higher revenue.

- The increase in EMEA was primarily driven by favorable pricing and productivity improvements, partially offset by the impact of business divestitures.

- The increase in APAC was primarily driven by productivity improvements, favorable business mix and higher revenues.

Year to Date:

- The increase in Americas was primarily driven by favorable pricing, productivity improvements and increased volumes.
- The increase in EMEA was primarily driven by productivity improvements and favorable pricing, partially offset by the impact of business divestitures.
- The increase in APAC was primarily driven by increased volumes and productivity improvements.

A reconciliation of income from continuing operations before income taxes to Segment EBIT and Segment EBITA (non-GAAP) is as follows (in millions):

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Income from continuing operations before income taxes	$ 917	$ 705	$ 2,363	$ 1,614
Corporate expenses	167	141	475	498
Restructuring and impairment costs	80	51	224	146
Water systems AFFF insurance recoveries [1]	(17)	(1)	(148)	(13)
Net financing charges	71	77	197	243
Gain on divestiture	—	—	(70)	—
Net mark-to-market adjustments	(28)	(21)	(16)	(7)
Segment EBIT	1,190	952	3,025	2,481
Amortization of intangible assets	90	110	264	342
Segment EBITA (non-GAAP)	$ 1,280	$ 1,062	$ 3,289	$ 2,823

Orders and Backlog

Orders and backlog are additional metrics that are meant to provide management with a deeper level of insight into the progress of specific strategic and growth initiatives. Orders provide management with a signal of customer demand for the Company's products and services, as well as an indication of future revenues and performance. The Company believes backlog is a useful measure for evaluating its operational performance and relationship to total orders. However, the timing and conversion of orders and backlog are subject to numerous uncertainties and risks and are not necessarily indicative of the amount of revenue to be earned in the upcoming fiscal year.

The following table summarizes orders and backlog by segment:

	Orders		Backlog	
(in billions)	Three Months Ended June 30, 2026	Year-over-Year Change [1]	June 30, 2026	Year-over-Year Change [1]
Americas	$ 4.8	37%	$ 15.9	40%
EMEA	1.2	6%	3.1	14%
APAC	0.8	12%	2.0	12%
Total	$ 6.8	27%	$ 21.0	32%

[1] Change is compared to the three months ended June 30, 2025 (orders) and June 30, 2025 (backlog) and excludes the impact of acquisitions, divestitures and foreign currency.

Orders

Orders increased 27%, reflecting sustained demand in large projects across the Company's core markets, including the Company's solutions for large-scale data center projects.

- The 37% increase in orders for Americas was led by 55% growth in Products and Systems and 4% growth in Services.
- The 6% increase in orders for EMEA was led by 7% growth in Products and Systems and 4% growth in Services.
- The 12% increase in orders for APAC was due to 17% growth in Products and Systems and 1% growth in Services.

Backlog

Backlog increased 32%, reflecting sustained orders growth and led by growth in Products and Systems.

- The 40% increase in backlog for Americas was led by 47% growth in Products and Systems, partially offset by a 1% decrease in Services.
- The 14% increase in backlog for EMEA was due to 19% growth in Services and 13% growth in Products and Systems.
- The 12% increase in backlog for APAC was due to 12% growth in Products and Systems and 9% growth in Services.

Remaining performance obligations were $27.1 billion at June 30, 2026. Differences between the Company's remaining performance obligations and backlog are primarily due to:

- Remaining performance obligations include large, multi-purpose contracts to construct hospitals, schools and other governmental buildings, which are services to be performed over the building's lifetime with average initial contract terms of 25 to 35 years for the entire term of the contract versus backlog which includes only the lifecycle period of these contracts which approximates five years;
- Remaining performance obligations exclude service contracts with an original expected duration of one year or less and contracts that are cancellable without substantial penalty versus backlog which includes short-term and cancellable contracts; and
- Remaining performance obligations include the full remaining term of service contracts with substantial termination penalties versus backlog which includes only one year for all outstanding service contracts.

Liquidity and Capital Resources

Working Capital

(in millions)	June 30, 2026	September 30, 2025	Change
Current assets	$ 11,281	$ 10,162	
Current liabilities	11,283	10,941	
Working capital	$ (2)	$ (779)	(100)%
Accounts receivable - net	$ 6,970	$ 6,269	11 %
Inventories	1,955	1,820	7 %
Accounts payable	3,917	3,614	8 %

The increase in working capital at June 30, 2026 as compared to September 30, 2025 was primarily due to increases in cash and accounts receivable and decreases in accrued compensation and the current portion of long-term debt, partially offset by increases in deferred revenue and accounts payable.

Cash Flows From Continuing Operations

(in millions)	Nine Months Ended June 30, 2026	Nine Months Ended June 30, 2025
Cash provided by operating activities	$ 2,572	$ 1,586
Cash used by investing activities	(235)	(302)
Cash used by financing activities	(1,946)	(1,111)

The increase in cash provided by operating activities primarily reflects higher net income and favorable changes in accounts payable and accrued liabilities and other assets, partially offset by higher accounts receivable.

The change in investing activities was primarily due to proceeds from the ADT Mexico and ADT Spain divestitures and a decrease in capital expenditures, partially offset by the acquisitions of Alloy Enterprises and Nantum AI.

The increase in cash used by financing activities was primarily due to changes in net debt activity, partially offset by lower stock repurchases.

Capitalization

(in millions)	June 30, 2026	September 30, 2025
Short-term debt	$ 865	$ 723
Current portion of long-term debt	311	566
Long-term debt	8,299	8,591
Total debt	9,475	9,880
Less: Cash and cash equivalents	641	379
Net debt	$ 8,834	$ 9,501
Shareholders' equity attributable to Johnson Controls ordinary shareholders ("Equity")	$ 13,482	$ 12,927
Total capitalization (Total debt plus Equity)	22,957	22,807
Net capitalization (Net debt plus Equity)	22,316	22,428
Total debt as a % of Total capitalization	41.3 %	43.3 %
Net debt as a % of Net capitalization	39.6 %	42.4 %

- Net debt and net debt as a percentage of net capitalization are non-GAAP financial measures. The Company believes the percentage of net debt to net capitalization is useful to understanding the Company's financial condition as it provides a view of the extent to which the Company relies on external debt financing for its funding and is a measure of risk to its shareholders.

- The Company completed its previously announced accelerated share repurchase ("ASR") program in the second quarter of fiscal 2026 and resumed open market repurchases after final settlement of the ASR transactions. In total, the Company invested $5.0 billion to repurchase 43,693,817 shares at an average price of $114.43 per share. As of June 30, 2026, approximately $3.9 billion remains available under the Company's share repurchase authorization, which does not have an expiration date and may be amended or terminated by the Board of Directors at any time without prior notice. The Company expects to repurchase outstanding shares from time to time depending on market conditions, alternate uses of capital, liquidity, and the economic environment.

- The Company declared a dividend of $0.40 per common share in the quarter ended June 30, 2026 and intends to continue paying dividends throughout fiscal 2026.

- The Company believes its capital resources and liquidity position, including cash and cash equivalents of $641 million at June 30, 2026, are adequate to fund operations and meet its cash obligations for the foreseeable future.

- The Company manages its short-term debt position in the U.S. and euro commercial paper and bank loan markets. Commercial paper outstanding totaled $200 million as of June 30, 2026 and $400 million as of September 30, 2025.

- The Company maintains a shelf registration statement with the SEC under which it may issue additional debt securities, ordinary shares, preferred shares, depository shares, warrants, purchase contracts and units that may be offered in one or more offerings on terms to be determined at the time of the offering. The Company anticipates that the proceeds of any offering would be used for general corporate purposes, including repayment of indebtedness, acquisitions, additions to working capital, repurchases of ordinary shares, dividends, capital expenditures and investments in the Company's subsidiaries.

- The Company also has the ability to draw on its $2.5 billion revolving credit facility which is scheduled to expire in December 2028. There were no draws on the revolving credit facility as of June 30, 2026 and September 30, 2025.

• The Company's ability to access the global capital markets and the related cost of financing is dependent upon, among other factors, the Company's credit ratings. As of June 30, 2026, the Company's credit ratings and outlook were as follows:

Rating Agency	Short-Term Rating	Long-Term Rating	Outlook
S&P	A-2	BBB+	Stable
Moody's	P-2	Baa1	Stable

The security ratings set forth above are issued by unaffiliated third party rating agencies and are not a recommendation to buy, sell or hold securities. The ratings may be subject to revision or withdrawal by the assigning rating organization at any time.

• Financial covenants in the Company's revolving credit facilities require a minimum consolidated shareholders’ equity attributable to Johnson Controls of at least $3.5 billion at all times. The revolving credit facility also limits the amount of debt secured by liens that may be incurred to a maximum aggregated amount of 10% of consolidated shareholders’ equity attributable to Johnson Controls for liens and pledges. For purposes of calculating these covenants, consolidated shareholders’ equity attributable to Johnson Controls is calculated without giving effect to (i) the application of Accounting Standards Codification ("ASC") 715-60, "Defined Benefit Plans - Other Postretirement," or (ii) the cumulative foreign currency translation adjustment. As of June 30, 2026, the Company was in compliance with all covenants and other requirements set forth in its credit agreements and the indentures governing its notes, and expects to remain in compliance for the foreseeable future. None of the Company’s debt agreements limit access to stated borrowing levels or require accelerated repayment in the event of a decrease in the Company's credit rating.

• The Company earns a significant amount of its income outside of the parent company. Outside basis differences in these subsidiaries are deemed to be permanently reinvested except in limited circumstances. The Company currently does not intend nor foresee a need to repatriate undistributed earnings included in the outside basis differences other than in tax efficient manners. The Company's intent is to reduce basis differences only when it would be tax efficient. The Company expects existing U.S. cash and liquidity to continue to be sufficient to fund the Company’s U.S. operating activities and cash commitments for investing and financing activities for at least the next twelve months and thereafter for the foreseeable future. In the U.S., should the Company require more capital than is generated by its operations, the Company could elect to raise capital in the U.S. through debt or equity issuances. The Company has borrowed funds in the U.S. and continues to have the ability to borrow funds in the U.S. at reasonable interest rates. In addition, the Company expects existing non-U.S. cash, cash equivalents, short-term investments and cash flows from operations to continue to be sufficient to fund the Company’s non-U.S. operating activities and cash commitments for investing activities, such as material capital expenditures, for at least the next twelve months and thereafter for the foreseeable future. Should the Company require more capital at its Luxembourg and Ireland holding and financing entities, other than amounts that can be provided in tax efficient methods, the Company could also elect to raise capital through debt or equity issuances. These alternatives could result in increased interest expense or other dilution of the Company’s earnings.

- The Company may from time to time purchase its outstanding debt through open market purchases, privately negotiated transactions or otherwise. Purchases or retirement of debt, if any, will depend on prevailing market conditions, liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

Co-Issued Securities: Summarized Financial Information

The following information is provided in compliance with Rule 13-01 of Regulation S-X under the Securities Exchange Act of 1934 with respect to the following unsecured, unsubordinated senior notes (collectively, (the "Notes") which were issued by Johnson Controls International plc ("Parent Company") and Tyco Fire & Security Finance S.C.A. ("TFSCA"):

- €500 million aggregate principal amount of 0.375% Senior Notes due September 2027
- €600 million aggregate principal amount of 3.000% Senior Notes due September 2028
- $700 million aggregate principal amount of 5.500% Senior Notes due April 2029
- $625 million aggregate principal amount of 1.750% Senior Notes due September 2030
- $500 million aggregate principal amount of 2.000% Sustainability-Linked Senior Notes due September 2031
- €500 million aggregate principal amount of 1.000% Senior Notes due September 2032
- $650 million aggregate principal amount of 4.900% Senior Notes due December 2032
- €500 million aggregate principal amount of 3.125% Senior Notes due December 2033
- €800 million aggregate principal amount of 4.250% Senior Notes due May 2035

TFSCA is a corporate partnership limited by shares (*société en commandite par actions*) incorporated and organized under the laws of the Grand Duchy of Luxembourg ("Luxembourg") and is a wholly-owned consolidated subsidiary of the Company that is 99.924% owned directly by the Parent Company and 0.076% owned by TFSCA's sole general partner and manager, Tyco Fire & Security S.à r.l., which is itself wholly-owned by the Company. The Parent Company is incorporated and organized under the laws of Ireland. TFSCA is incorporated and organized under the laws of Luxembourg. The bankruptcy, insolvency, administrative, debtor relief and other laws of Luxembourg or Ireland, as applicable, may be materially different from, or in conflict with, those of the United States, including in the areas of rights of creditors, priority of governmental and other creditors, ability to obtain post-petition interest and duration of the proceeding. The application of these laws, or any conflict among them, could adversely affect noteholders' ability to enforce their rights under the Notes in those jurisdictions or limit any amounts that they may receive.

The following table presents the net loss attributable to the Parent Company and TFSCA (collectively, the "Obligor Group") and the net loss attributable to intercompany transactions between the Obligor Group and subsidiaries of the Parent Company other than TFSCA (collectively, the "Non-Obligor Subsidiaries") which are excluded from the Net loss attributable to the Obligor Group (in millions):

	Nine Months Ended June 30, 2026	Year Ended September 30, 2025
Net loss attributable to the Obligor Group	$ 244	$ 844
Net loss attributable to intercompany transactions	37	56

The Obligor Group does not have sales, gross profit or amounts attributable to noncontrolling interests.

The following table presents summarized balance sheet information of the Obligor Group and intercompany balances between the Obligor Group and the Non-Obligor Subsidiaries which are excluded from the Obligor Group amounts (in millions):

	Obligor Group		Intercompany Balances		
	June 30, 2026	September 30, 2025	June 30, 2026	September 30, 2025	
Current assets	$ 1,174	$ 2,748	$ 5,992	$ 6,161	
Noncurrent assets	243	243	2,153	2,450	
Current liabilities	2,647	1,585	3,153	4,041	
Noncurrent liabilities	8,181	8,473	5,009	22,450	*

* Includes $17 billion of intercompany loans that were canceled as the result of a distribution by a non-obligor subsidiary in October 2025.

The same accounting policies as described in Note 1, "Summary of Significant Accounting Policies," of the Company's Annual Report on 10-K for the year ended September 30, 2025 are used by the Parent Company and each of its subsidiaries in connection with the summarized financial information presented above.

New Accounting Standards

Refer to Note 2, "New Accounting Standards," of the notes to the consolidated financial statements.

Critical Accounting Estimates

The Company prepares its consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). This requires management to make estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ from those estimates. The Company's critical accounting estimates requiring significant judgement that could materially impact the Company's results of operations, financial position and cash flows are described in Management's Discussion and Analysis of Financial Condition and Results of Operations included in the Company's Annual Report on Form 10-K for the year ended September 30, 2025. Since the date of the Company's most recent Annual Report, there have been no material changes in the Company's critical accounting estimates or assumptions.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As of June 30, 2026, the Company had not experienced any adverse changes in market risk exposures that materially affected the quantitative and qualitative disclosures presented in its Annual Report on Form 10-K for the year ended September 30, 2025.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of June 30, 2026.

Based on such evaluations, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2026, the Company's disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, as appropriate, to allow timely decisions regarding disclosure.

Changes in Internal Control Over Financial Reporting

There have been no significant changes in the Company's internal control over financial reporting during the three months ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Gumm v. Molinaroli, et al.

In May 2024, stockholders of Johnson Controls, Inc., filed a putative class action Complaint against Johnson Controls, Inc., certain former officers and directors of Johnson Controls, Inc., and two related entities (Jagara Merger Sub LLC and Johnson Controls International plc) in Wisconsin state court relating to the 2016 merger of Johnson Controls and Tyco (Gumm et al. v. Molinaroli et al., Case No. 30106, filed May 23, 2024 in the Circuit Court for Milwaukee County, Wisconsin). The filing of the state court Complaint follows the dismissal of a related lawsuit originally filed in federal court in 2016, which dismissal was affirmed on appeal in November 2023. On March 28, 2025, the Court dismissed the complaint in its entirety. Plaintiffs have appealed the decision, though the timing of the decision by the court is currently unknown.

Refer to Note 18, "Commitments and Contingencies," of the notes to the consolidated financial statements for discussion of environmental, asbestos, self-insured liabilities and other litigation matters, which is incorporated by reference herein and is considered an integral part of Part II, Item 1, "Legal Proceedings."

ITEM 1A. RISK FACTORS

Except as set forth herein, there have been no material changes to the disclosure regarding risk factors presented in Part I, Item 1A, of the Company's Annual Report on Form 10-K for the year ended September 30, 2025.

Cybersecurity incidents impacting our IT systems and digital products could disrupt business operations, result in the loss of critical and confidential information, and materially and adversely affect our reputation and results of operations.

We rely upon the capacity, reliability and security of our IT and data security infrastructure, and our ability to expand and continually update this infrastructure in response to the changing needs of our business. Also, the implementation of new systems, integration of existing systems and supporting our older systems all increase risks of security breaches. If we experience a problem with the functioning of an important IT system as a result of increased burdens placed on our IT infrastructure or a security breach of our IT systems, the resulting disruptions could have a material adverse effect on our business, reputation and financial results.

Global cybersecurity threats and incidents can range from uncoordinated individual attempts to gain unauthorized access to IT systems to sophisticated and targeted measures known as advanced persistent threats directed at the company and its products, customers and/or third-party service providers, including cloud providers. Moreover, AI and machine learning technologies continue to develop rapidly, and it is impossible to predict the future risks and market disruptions that may arise from such developments. Threat actors are already leveraging such technologies to develop new hacking tools and attack vectors, exploit vulnerabilities, obscure their activities, and increase the difficulty of threat attribution. For example, powerful new AI tools are finding previously undetected vulnerabilities in short time spans and creating exposures to zero-day attacks, all of which significantly diminish the window for us and our third-party service providers to detect, respond to and protect our IT and data security infrastructure. In addition, the vendors we use to support our business and operations have experienced, and will likely continue to experience, these types of threats and incidents, which add to the risks to our IT systems (including our cloud services providers' systems), internal networks, our customers' systems and the information stored and processed on such networks and systems. Despite our efforts to deploy countermeasures to deter, prevent, detect, respond to and mitigate cybersecurity threats, we have experienced, and will likely continue to experience, cybersecurity incidents and attacks. Such incidents have remained, and could in the future remain, undetected for an extended period of time, and the losses arising from such incidents could exceed our available insurance coverage for such matters.

Any future cybersecurity incidents or attacks, depending on their nature and scope, may result in the incurrence of significant costs, reputational damage, exposure to legal claims, enforcement actions, audits, investigations and fines levied by governmental organizations, misappropriation, destruction, corruption or unavailability of critical data and confidential or proprietary information (our own or that of third parties), the theft of intellectual property and the diminution in the value of our investment in research, development and engineering, and the disruption of business operations.

Our customers, including the U.S. government, are increasingly requiring cybersecurity protections and mandating cybersecurity standards in our products, and we may incur additional costs to comply with such demands. Moreover, an increasing number of our products, services and technologies, including our OpenBlue software platform, are delivered with digital capabilities and accompanying interconnected device networks, which include sensors, data, building management systems and advanced computing and analytics capabilities. If we are unable to manage the lifecycle cybersecurity risk in development, deployment and operation of our digital platforms and services, they could become susceptible to cybersecurity incidents and lead to third-party claims that our product failures have caused damage to our customers. This risk is enhanced by the increasingly connected nature of our products and the role they play in managing building systems.

Data privacy, identity protection and information security compliance may require significant resources and presents certain risks.

We collect, store, have access to and otherwise process certain confidential or sensitive data, including proprietary business information, customer data, personal data or other information that is subject to privacy and security laws, regulations and/or customer-imposed controls. Despite our efforts, our business, data and our products have been and will in the future be vulnerable to security incidents, theft, misplaced or lost data, programming errors, or errors that could potentially lead to the compromise or further compromise of such data, improper use of our products, systems, software solutions or networks, unauthorized access, use, disclosure, modification or destruction of information, defective products, production downtimes and operational disruptions. During September 2023, we experienced a cybersecurity event where certain data, primarily employee, job applicant and personal information and other related data, was impacted. The Company has taken appropriate actions to notify individuals and regulatory authorities.

The actual or perceived risk of theft, loss, fraudulent use or misuse of customer, employee or other data as a result of the foregoing or any other cybersecurity incident, as well as non-compliance with applicable industry standards or our contractual or other legal obligations or privacy and information security policies regarding such data, could result in litigation and/or regulatory activity and associated fines, damages, costs, awards, or settlements.

Such an event could lead customers to select the products and services of our competitors, harm our reputation and credibility, cause unfavorable publicity or otherwise adversely affect certain existing and potential customers' perception of the security and reliability of our services, all of which could result in lost sales. In addition, we have and may in the future be required to make certain third-party notifications to individuals and regulators.

We operate in an environment in which there are different and potentially conflicting data privacy laws in effect in the various U.S. states and foreign jurisdictions in which we operate and we must understand and comply with each law and standard in each of these jurisdictions while ensuring the data is secured. For example, proposed regulations restricting the use of biometric security technology could impact the products and solutions offered by our security business. Government enforcement actions can be costly and interrupt the regular operation of our business, and violations of data privacy laws can result in fines, reputational damage and civil lawsuits, any of which may adversely affect our business, reputation and financial results.

Some of our contracts do not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations. While we maintain general liability insurance coverage and coverage for errors or omissions, such coverage might not be adequate or otherwise protect us from liabilities or damages with respect to such claims. The successful assertion of one or more large claims against us that exceeds our available insurance coverage, or results in adverse changes to our insurance policies could have an adverse effect on our business and financial results.

We are incorporating artificial intelligence technologies into our products, services and processes. These technologies may present business, compliance and reputational risks.

Recent technological advances in AI and machine-learning technology both present opportunities and pose risks to us. If we fail to keep pace with rapidly evolving technological developments in AI, our competitive position and business results may suffer. The introduction of these technologies, particularly generative AI, into internal processes and/or new and existing offerings may result in new or expanded risks and liabilities, including due to enhanced governmental or regulatory scrutiny, litigation, compliance issues, ethical concerns, confidentiality or security risks, as well as other factors that could adversely affect our business, reputation, and financial results. In addition, our personnel could, unbeknownst to us, improperly utilize AI and machine learning technology while carrying out their responsibilities. The use of AI in the development of our products and services could also cause loss or theft of intellectual property, as well as subject us to risks related to intellectual property infringement or misappropriation, data privacy and cybersecurity. The use of AI can lead to unintended consequences, including generating content that appears correct but is factually inaccurate, misleading or otherwise flawed, or that results in unintended biases and discriminatory outcomes, which could harm our stakeholders, our reputation and our business, and expose us to risks related to inaccuracies or errors in the output of such technologies. We also face risks of competitive disadvantage if our competitors more effectively use AI to drive internal efficiencies or create new or enhanced products or services that we are unable to compete against on cost, quality or other attributes. Furthermore, the emergence of increasingly sophisticated AI and machine learning technology has prompted lawmakers around the world to consider the regulation of such technology, including in jurisdictions in which we operate. Such regulations may impose obligations on companies like ours, and the costs of monitoring and responding to such regulations, as well as the consequences of non-compliance, could have a material adverse effect on our business, operations and financial condition.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

As of June 30, 2026, approximately $3.9 billion remains available under the share repurchase program which was authorized by the Company's Board of Directors in June 2025. The share repurchase authorization does not have an expiration date and may be amended or terminated by the Board of Directors at any time without prior notice.

On August 7, 2025, the Company entered into accelerated share repurchase transactions (the “ASR Transactions”) to repurchase an aggregate of $5.0 billion (the “Repurchase Price”) of the Company’s ordinary shares (the “Shares”). The ASR Transactions were completed under the Company’s current share repurchase authorization. In total, the Company invested $5.0 billion to repurchase 43,693,817 shares at an average price of $114.43 per share.

The Company resumed open market repurchases in the second quarter of fiscal 2026 after final settlement of the ASR Transactions. During the three and nine months ended June 30, 2026, the Company repurchased and immediately retired $635 million and $850 million, respectively, of its ordinary shares in open market transactions.

The following table presents information regarding the repurchase of the Company’s ordinary shares by the Company as part of its publicly announced program during the three months ended June 30, 2026.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of the Publicly Announced Program	Approximate Dollar Value of Shares that May Yet be Purchased under the Programs
04/01/26 - 04/30/26	1,494,792	$ 139.37	1,494,792	$ 4,329,775,447
05/01/26 - 05/31/26	1,476,712	140.82	1,476,712	4,121,819,906
06/01/26 - 06/30/26	1,532,512	142.82	1,532,512	3,902,940,094

ITEM 5. OTHER INFORMATION

Director and Officer Rule 10b5-1 Plans

During the three months ended June 30, 2026, none of the Company's directors or Section 16 officers adopted, amended or terminated a “Rule 10b5–1 trading arrangement” or “non-Rule 10b5–1 trading arrangement” (as each term is defined in Item 408(a) of Regulation S-K).

ITEM 6. EXHIBITS

INDEX TO EXHIBITS

Exhibit No.	Description
10.1	Johnson Controls International plc Value Growth Incentive Program (filed herewith)
10.2	Johnson Controls International plc Director Double Taxation Policy (filed herewith)
31.1	Certification by the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
31.2	Certification by the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32.1	Certification of Periodic Financial Report by the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith)
101	The following materials from Johnson Controls International plc's Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, formatted in iXBRL (Inline Extensible Business Reporting Language): (i) the Consolidated Statements of Financial Position, (ii) the Consolidated Statements of Income, (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Shareholders' Equity and (vi) Notes to Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted in iXBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

JOHNSON CONTROLS INTERNATIONAL PLC

Date: July 29, 2026

By: */s/ Marc Vandiepenbeeck*

Marc Vandiepenbeeck
Executive Vice President and
Chief Financial Officer

Johnson Controls International plc
Value Growth Incentive Program
(An Award Under the Johnson Controls International plc 2021 Equity and Incentive Plan)

1. **Purpose**. This Value Growth Incentive Program (as amended from time to time, this "**VGI Program**") of Johnson Controls International plc (the "**Company**") is implemented under the Johnson Controls International plc 2021 Equity and Incentive Plan (as amended from time to time, the "**Equity Plan**"). The purpose of the VGI Program is to provide additional means to retain and attract specified employees through the grant of Options or SARs that link a significant element of their compensation opportunity to the achievement of long-term outstanding Company performance.

2. **Coordination with Equity Plan**. This VGI Program is considered a part of the award agreements that reference this VGI Program and govern the treatment of Awards made hereunder. This VGI Program will be administered by the Administrator in accordance with the terms of the Equity Plan. The terms of the Equity Plan are incorporated by reference into this VGI Program, and if any provision of this VGI Program conflicts with a provision of the Equity Plan, the provision of the Equity Plan shall govern. Capitalized terms used, but not defined, herein have the meanings given in the Equity Plan.

3. **Definitions**. In addition to the terms defined above and in the Equity Plan, the following terms, when capitalized, shall have the following meanings:

   a. **Award** means the grant of an Option or SAR under this VGI Program.

   b. **Award Agreement** means the Option or Share Appreciation Right Award Agreement used to document the grant of an Option or SAR subject to this VGI Program.

   c. **Cause** means the Administrator's determination, made in good faith, that the Participant has committed any of the following: (i) a violation of the provisions of any award agreement, employment agreement, non-competition agreement, confidentiality agreement, or similar agreement with the Company or an Affiliate, or the Company's or an Affiliate's code of ethics or other policy governing the Participant's conduct, as then in effect; (ii) conduct rising to the level of gross negligence or willful misconduct in the course of employment with the Company or an Affiliate, or a Participant's refusal to perform the duties and responsibilities of the Participant's job; (iii) any conduct that does, or is reasonably likely to, bring the Company or an Affiliate negative publicity or cause financial or reputational harm to the Company or its Affiliates; (iv) commission of an act of dishonesty or disloyalty involving the Company or an Affiliate, including but not limited to theft of Company or Affiliate property; (v) violation of any federal, state or local law in connection with the Participant's employment or service; (vi) breach of any fiduciary duty to the Company or an Affiliate; (vii) embezzlement, misappropriation or fraud, whether or not related to the Participant's employment or service; or (viii) the Participant's conviction of or plea of guilty or nolo contendere to a crime that constitutes a felony (or state law equivalent) or a crime that constitutes a misdemeanor involving moral turpitude.

   d. **Exercise Window** means the period from October 1, 2030, through September 30, 2032.

   e. **Market Cap Governor** means the achievement of Market Capitalization of at least the amount designated by the Administrator as the Market Cap Governor.

f. **Market Capitalization** means, as of each Measurement Date, the sum of (i) the average over the 45 consecutive Trading Days preceding such Measurement Date of [the number of outstanding Shares (non-diluted) as of the end of the Trading Day multiplied by the closing price per Share as reported on the New York Stock Exchange for such Trading Day] plus (ii) the aggregate dollar value of Return of Capital to Shareholders from the beginning of the Performance Period through such Measurement Date. The determination of Market Capitalization shall be made in the Administrator's sole discretion.

g. **Measurement Date** means the last day of each of the Company's fiscal year quarters that end during the Performance Period.

h. **Net Sales** means, as of each Measurement Date, commencing with the September 30, 2026, Measurement Date, the Company's net sales (determined on a consolidated basis under GAAP) for the Revenue Measurement Period ending on such Measurement Date, as adjusted for the impacts of foreign exchange, and material acquisitions, mergers, divestitures and other similar material transactions.

i. In the case of a material acquisition, merger or other similar material transaction, the net sales generated solely due to such transaction will be excluded; for this purpose, unless otherwise determined by the Administrator, the net sales generated by the acquired entity or assets for the four fiscal quarters ending coincident with or immediately preceding the date of the acquisition will be treated as excluded sales revenue for each Revenue Measurement Period ending coincident with or following the date of such acquisition (with such amount pro-rated for the Revenue Measurement Period in which such acquisition occurs, if applicable). Organic revenue growth arising following such acquisition, however, will be considered sales revenue.

ii. In the case of a material divestiture or other similar material transaction by the Company of one or more of its subsidiaries or business units (the "**Divested Business**"), the amounts paid to the Company or one of its subsidiaries for such Divested Business shall not be treated as sales revenue; however, unless otherwise determined by the Administrator, the Net Sales for Revenue Measurement Periods ending coincident with or following such divestiture shall be calculated as if such Divested Business continued to contribute the same amount of sales revenue as it had contributed for the most recent Revenue Measurement Period ending coincident with or preceding the date of such divestiture.

The determination of Net Sales for a Revenue Measurement Period shall be made in the Administrator's sole discretion as soon as reasonably practicable following completion of the audited financial statements for each of the fiscal quarters included in such Revenue Measurement Period.

i. **Participant** means an employee of the Company or its Affiliates who has been selected by the Administrator to receive an Award.

j. **Performance Period** means the period from October 1, 2025, through September 30, 2030.

k. **Poor Performance** means the Administrator's determination, made in good faith, that the Participant has failed to satisfactorily perform the duties and obligations required of the Participant's role or failed to perform in a manner that meets the Company's or its Affiliate's expectations for the Participant's role.

l. **Qualifying Termination** means a Company-initiated involuntary Termination of Employment (other than for Cause, Poor Performance, death or Disability) due solely to the elimination of the Participant's position because of a reorganization or a divestiture, as determined by the Administrator in its discretion.

m. **Revenue Measurement Period** means the 12-month period ending on each Measurement Date. The first Revenue Measurement Period is the period from October 1, 2025, through September 30, 2026. The last Revenue Measurement Period is the period from October 1, 2029, through September 30, 2030.

n. **Return of Capital to Shareholders** means any extraordinary return of capital to the Company's shareholders during the Performance Period, as determined in the Administrator's sole discretion. By way of example and not limitation, a special dividend, special buyback, or spin-off will normally be considered a Return of Capital to Shareholders, while typical dividend payments or routine share repurchases conducted under an open-market buyback program consistent with ordinary course capital allocation activities conducted by the Company prior to the Performance Period are not considered a Return of Capital to Shareholders.

o. **Termination of Employment** means, subject to the terms of any Attachment to the Award Agreement, the date of cessation of the Participant's employment relationship with the Company and its Affiliates for any reason, with or without Cause, as determined by the Company.

p. **Trading Day** means each date that the New York Stock Exchange is open for trading.

4. **Vesting During Performance Period**.

a. Net Sales Goal. Fifty percent (50%) of the Award will become vested if, as of a Measurement Date, Net Sales equaled or exceeded the Net Sales goal established by the Administrator with respect to this VGI Program for the Revenue Measurement Period, provided that the Market Cap Governor has been satisfied at any time during the Performance Period through such Measurement Date.

b. Market Capitalization Goal. Fifty percent (50%) of the Award will become vested if, as of a Measurement Date, Market Capitalization equaled or exceeded the Market Capitalization goal established by the Administrator with respect to this VGI Program.

c. Administrator Certification. Following each Measurement Date, the Administrator will certify whether all or a portion of the Award has become vested under subsection a. or b. If one or both goals are achieved, vesting will occur on the date of such certification.

5. **Pro-Rata Vesting at End of Performance Period**.

a. Net Sales Goal. If the Award has not become fully vested under Section 4.a., but Net Sales for the final Revenue Measurement Period is between the threshold level of Net Sales established by the Administrator with respect to this VGI Program (the "**Net Sales Threshold**") and the target level of Net Sales established by the Administrator with respect to this VGI Program (the "**Net Sales Target**"), then fifty percent (50%) of the Award will vest on a pro-rated (linear) basis based on the level of achievement between the Net Sales Threshold and the Net Sales Target, with performance interpolated between the Net Sales Threshold and the Net Sales Target, provided the Market Cap Governor has been satisfied as of the final Measurement Date of the Performance Period.

As an example, assuming the Market Cap Governor has been satisfied, if Net Sales is at the mid-point between the Net Sales Threshold and the Net Sales Target, then one-half of 50% (i.e., 25%) of the Award will become vested.

If Net Sales for the final Revenue Measurement Period is at or below the Net Sales Threshold, or if the Market Cap Governor was not satisfied, then no portion of the Award subject to the Net Sales performance goal will vest, and such portion will be forfeited as of the last day of the Performance Period.

b. Market Capitalization Goal. If the Award has not become fully vested under Section 4.b., but Market Capitalization as determined on the last day of the Performance Period is between the threshold level of Market Capitalization established by the Administrator with respect to this VGI Program (the "**Market Capitalization Threshold**") and the target level of Market Capitalization established by the Administrator with respect to this VGI Program (the "**Market Capitalization Target**"), then fifty percent (50%) of the Award will vest on a pro-rated (linear) basis based on the level of achievement between the Market Capitalization Threshold and the Market Capitalization Target, with performance interpolated between the Market Capitalization Threshold and the Market Capitalization Target.

As an example, if Market Capitalization is at the mid-point between the Market Capitalization Threshold and the Market Capitalization Target, then one-half of 50% (i.e., 25%) of the Award will become vested.

If Market Capitalization as of the end of the Performance Period is at or below the Market Capitalization Threshold, then no portion of the Award subject to the Market Capitalization performance goal will vest, and such portion will be forfeited as of the last day of the Performance Period.

c. Date of Vesting. Vesting under this Section 5 shall occur on the date the Administrator certifies the level of achievement of the relevant goals. Any portion of the Award that does not vest shall be forfeited.

6. **Effect of Change of Control**. Notwithstanding Section 4 or 5, in the event of a Change of Control during the Performance Period, if the Award has not fully vested under Section 4.a. and/or Section 4.b., then effective as of the Change of Control, the Award may vest pro-rata under Section 5.a. and/or Section 5.b. by treating the date immediately preceding the Change of Control as if it were the last day of the Performance Period. For clarity, the final Revenue Measurement Period shall be the 12 months ending with the last day of the most recent fiscal quarter ending before or coincident with the date immediately preceding the

Change of Control. Any portion of the Award that is not vested as of the Change of Control shall be forfeited. Any portion of the Award that is vested as of the Change of Control shall be terminated in consideration for a cash payment to the Participant in an amount equal to the number of Options or SARs so vested multiplied by the excess of the Change of Control Price (as defined in the Equity Plan) over the Exercise Price per share (as set forth in the Award Agreement), less applicable withholding taxes and other authorized deductions. Such payment shall be made no later than thirty (30) days following the Change of Control.

7. **Exercise of Vested Award**. Subject to Section 8, the Participant may exercise the Award, in whole or in part, from time to time, only to the extent the Award is vested and only during the Exercise Window. Any Options or SARs not exercised by the last day of the Exercise Window shall be terminated.

8. **Effect of Termination of Employment**.

a. General. In the event of the Participant's Termination of Employment with the Company or any of its Affiliates for any reason, other than a Termination of Employment on or after the first anniversary of the Grant Date of the Award due to death, Disability or a Qualifying Termination, the Award shall be immediately forfeited, regardless of vesting, and any pending exercises shall be cancelled on the date of termination.

b. Death, Disability or Qualifying Termination.

i. *During Performance Period*. In the event of a Participant's Qualifying Termination or Termination of Employment due to death or Disability (at a time when the Participant could not be terminated for Cause) during the Performance Period, and in each case on or after the first anniversary of the Grant Date of the Award, the Award shall remain eligible to vest during or after the end of the Performance Period under Sections 4, 5 or 6, provided that if vesting occurs (or has occurred as of the date of such Termination of Employment), the number of Options or SARs vesting shall be pro-rated based on the following: (A) if the Participant was employed on the first day of the Performance Period, the number of whole months the Participant was employed from the beginning of the Performance Period to the date of Termination of Employment compared to 60, or (B) if the Participant was not employed on the first day of the Performance Period, the number of whole months the Participant was employed from the Grant Date through the date of the Termination of Employment, compared to the number of whole months from the Grant Date to the end of the Performance Period. In such event, (1) the portion of the Award, if any, that vested under Section 4 shall be exercisable during the first 90 days of the Exercise Window, and (2) the portion of the Award, if any, that vested under Section 5 shall be exercisable during the first 90 days after the vesting date.

ii. *After Performance Period*. In the event of the Participant's Qualifying Termination or Termination of Employment due to death or Disability (in each case, at a time when the Participant could not be terminated for Cause) after the end of the Performance Period, and in each case on or after the first anniversary of the Grant Date of the Award, the Participant may exercise the Award, to the extent vested, for 90 days following such Termination of Employment, or if later, for 90 days following the vesting date under Section 5, if applicable.

iii. *Exercise Following Death*. In the case of the Participant's Termination of Employment due to death, the Award may be exercised by the person to whom the Award is transferred by will or by applicable laws of descent and distribution. In the event of the death of a Participant who experienced a Termination of Employment due to Disability or a Qualifying Termination, the Award may be exercised by the person to whom the Award is transferred, by will or by applicable laws of descent and distribution, during the same period Participant could have exercised the Award had the Participant remained living under clauses i. or ii. above.

c. Waiver of Severance Plan Rights. By executing the Award Agreement or otherwise accepting the Award, the Participant agrees to waive the provisions in any severance plan (including but not limited to the Johnson Controls International Severance and Change of Control Policy for Officers or the Johnson Controls International Severance Plan for Certain U.S. Executives, each as amended from time to time, or any successor policy or plan thereto) that would provide for different vesting treatment of the Award from the treatment described in subsection a. or b. above. This subsection c. shall be treated as an amendment to any such policy or plan to the extent needed to carry this subsection c. into effect.

9. **Amendment**. The Administrator reserves the right to amend this VGI Program in accordance with Section 16(c) of the Equity Plan. For clarity, the Administrator's exercise of discretion as permitted herein or in the Equity Plan shall not be considered an amendment to this VGI Program.

Exhibit 10.2

Johnson Controls International plc
Director Double Taxation Policy

1. Purpose. Johnson Controls International plc (the "Company") seeks to create a Board of Directors ("Board") that is strong in its collective knowledge and has a variety of skills and experience with respect to vision and strategy, management and leadership, business operations, business judgment, crisis management, risk assessment, industry knowledge, accounting and finance, corporate governance and global markets. To fulfill this goal, the Company must be able to identify and recruit director candidates from a variety of regions and countries around the world. This Director Double Taxation Policy (this "Policy") is to allow the Company to effectively recruit and retain directors from a variety of jurisdictions by mitigating the potential impact on director compensation where a non-management director is subject to double taxation in certain jurisdictions outside of Ireland where tax treaties (or lack thereof) do not provide full or partial tax credits with respect to director compensation.

2. Authority and Delegation. The Board has adopted this Policy upon the recommendation of its Governance and Sustainability Committee (the "Committee") and has delegated to the Committee the authority to administer this Policy.

3. Double Taxation Supplemental Retainer. In the event a non-employee director of the Company reasonably anticipates being subject to taxation on some or all of such director's compensation for Board service in both (a) Ireland and (b) the United States ("Double Taxation") and, due to the terms of tax treaties (or the absence of tax treaties), the director will not be eligible for tax credits, deductions, offsets or other mechanisms sufficient fully to avoid such Double Taxation, the non-employee director may notify the Company, specifying that the non-employee director reasonably anticipates being subject to such Double Taxation and the period of time (including the specific dates and number of hours worked) the non-employee director spent performing work related to their service as a non-employee director of the Company in the United States. Such notice must be provided as soon as reasonably practicable, and no later than one (1) year, after the director becomes aware of such Double Taxation. The Company may also request verification from the certified tax professionals responsible for managing the non-employee director's taxes related to their compensation for Board service. Upon timely receipt, review and approval of such notice and any supplemental verification information by the Committee (or the Committee's delegate), the non-employee director shall be entitled to a supplemental retainer fee in the amount of up to $10,000 (but not to exceed the applicable amount of actual or anticipated Double Taxation liability) for each year in which the Board has met to conduct official business in the United States where such non-employee director is or will be subject to Double Taxation, provided that the non-employee director attends the Board meeting(s) creating the Double Taxation in person. Any supplemental retainer fee approved by the Committee (or the Committee's delegate) will be paid in the quarter immediately following the approval if the director remains in service until such quarter.

4. Miscellaneous.

(a) *Authority and Approval*. The Board adopted this Policy on June 4, 2026.

(b) *Scope of Policy*. This Policy shall apply to all non-employee directors of the Company.

(c) *Interpretation*. The Committee has the sole power and authority to interpret this Policy, including the eligibility of non-employee directors to receive payments, and such interpretations will be binding on all persons.

(d) *Amendment*. This Policy may be amended at any time by the Committee.

Exhibit 31.1

CERTIFICATIONS

I, Joakim Weidemanis, of Johnson Controls International plc, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Johnson Controls International plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of registrant’s board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: July 29, 2026

/s/ Joakim Weidemanis

Joakim Weidemanis
Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Marc Vandiepenbeeck, of Johnson Controls International plc, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Johnson Controls International plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2026

/s/ Marc Vandiepenbeeck

Marc Vandiepenbeeck
Executive Vice President and
Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF PERIODIC FINANCIAL REPORTS

We, Joakim Weidemanis and Marc Vandiepenbeeck, of Johnson Controls International plc, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 (Periodic Report) to which this statement is an exhibit fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)) and

2. information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of Johnson Controls International plc.

Date: July 29, 2026

/s/ Joakim Weidemanis
Joakim Weidemanis
Chief Executive Officer

/s/ Marc Vandiepenbeeck
Marc Vandiepenbeeck
Executive Vice President and
Chief Financial Officer