



**EMERSON**

# ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

# ABOUT THIS REPORT

Emerson's 2022 Environmental, Social and Governance Report presents information focused primarily on data collected and activities that occurred during Emerson's fiscal 2022 (October 1, 2021 — September 30, 2022), and is reported based on 81,800 employees and 130 manufacturing locations, except where indicated otherwise. Some data and information in this report is as of the report release date, June 2023. The brands depicted in the presentation are the trademarks and registered trademarks of their respective owners and are not owned by Emerson Electric Co.

On May 31, 2023, the Company completed the sale of a majority stake in its Climate Technologies business (which constitutes the former Climate Technologies segment, excluding Therm-O-Disc which was divested earlier in fiscal 2022) to private equity funds managed by Blackstone. Emerson will retain a 40 percent non-controlling interest in a new standalone joint venture between Emerson and Blackstone. The Climate Technologies business includes the Copeland™ compressor business and the entire portfolio of products and services across all residential and commercial HVAC and refrigeration end-markets.

On October 31, 2022, the Company completed the divestiture of its InSinkErator business, which manufactures food waste disposers, to Whirlpool Corporation. On May 31, 2022, the Company completed the divestiture of its Therm-O-Disc sensing and protection technologies business to an affiliate of One Rock Capital Partners, LLC.

This report does not include information for AspenTech nor Therm-O-Disc, except where specifically indicated.

Certain data, statistics and metrics included in this report, including those related to greenhouse gas emissions, are estimates, have not been prepared in accordance with generally accepted accounting principles. Although this information is based on accepted methodologies and assumptions believed to be reasonable at the time of preparation, they should not be considered as guarantees and may be subject to further revisions.

The content of this report is informed by collaboration and engagement with various stakeholders and considers frameworks and initiatives such as the United Nations Sustainable Development Goals, the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB), and the Task Force on Climate-Related Financial Disclosures (TCFD). In this report, we may use certain terms including those that the GRI or other standards refer to as "material," "substantive," or "significant" to reflect the issues or priorities of that are important to us and our various stakeholders or topics or standards designated as such under the GRI or other applicable standards. These terms as used in this report are not intended to be construed as they have been defined by or construed in accordance with the securities laws or any other laws of the United States or any other jurisdiction, or as these terms are used in the context of financial statements and financial reporting. No part of this report constitutes, or shall be taken to constitute, an invitation or inducement to invest in us or any other entity and shall not be relied upon in any way in connection with any investment decisions. This report is not comprehensive and should be read in conjunction with our Annual Report on Form 10-K and our other SEC filings.

Information on our website does not constitute part of this document.

We expect to update this report annually. However, we undertake no obligation to update any statements herein to reflect later developments.

Any questions or comments regarding this report can be directed to our:

**Chief Sustainability Officer**

8000 West Florissant Avenue  
St. Louis, MO 63136  
+1-314-553-2000

# SAFE HARBOR STATEMENT

This report contains various forward-looking statements and includes assumptions concerning Emerson's operations, future results and prospects. You can identify forward-looking statements by the use of words such as "anticipate," "estimate," "expect," "aim," "project," "intend," "plan," "believe," "will," "should," "could," "target," "goal", "forecast," and other words and terms of similar meaning in connection with any discussion of future operating, financial performance, or business plans or prospects. These forward-looking statements are based on current expectations and are subject to risks and uncertainties. Emerson undertakes no obligation to update any such statements to reflect later developments. In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, Emerson provides the following cautionary statements identifying important economic, political and technological factors, among others, changes in which could cause the actual results or events to differ materially from those set forth in or implied by the forward-looking statements and related assumptions. Such factors include, but are not limited to, the following: (1) the current and future business environment, including capital and consumer spending, potential volatility of the end markets served, interest rates, and currency exchange rates; (2) competitive factors and competitor responses to Emerson initiatives; (3) development and market introduction of anticipated new products; (4) the ability to defend and protect our intellectual property rights; (5) favorable environments for and execution of acquisitions and divestitures, domestic and foreign, including regulatory requirements and market values of candidates; (6) integration of acquisitions and separation of disposed businesses; (7) the availability of raw materials and purchased components; (8) stability of governments and business conditions in countries where we operate which could result in adverse changes in exchange rates, changes in regulation, tariffs or trade barriers, nationalization of facilities or disruption of operations; (9) unrestricted access to capital markets; (10) our ability to attract, develop and retain key personnel; (11) ability to prevent security breaches or disruptions of our information technology systems; (12) impact of potential product failures or similar events caused by product defects, cybersecurity incidents or other intentional acts; (13) Emerson's ability to successfully complete on the terms and conditions contemplated, and the financial impact of, the proposed National Instruments transaction; (14) the scope, duration and ultimate impact of the COVID-19 pandemic (as well as oil and gas price declines and volatility) on the global economy and our customers; (15) changes in tax rates, laws or regulations and the resolution of tax disputes in U.S. and non-U.S. jurisdictions; (16) the impact of improper conduct by our employees, agents or business partners; (17) the outcome of pending and future litigation, including environmental compliance; (18) availability of renewable energy on a commercially reasonable basis; and (19) the Russia-Ukraine conflict, among others that are set forth in Emerson's most recent Annual Report on Form 10-K and subsequent reports filed with the U.S. Securities and Exchange Commission. Statements in this report regarding our aspirational purpose, causes, values, and related commitments, goals or targets, including those regarding sustainability, greenhouse gas emissions, our net zero ambition and related goals, diversity, equity and inclusion or other initiatives, contain forward looking statements and are also intended to qualify for the protections of the "safe harbor" protections of the Private Securities Litigation Reform Act of 1995. Such statements are intended to help Emerson adapt and rise to the call of our various stakeholders and are not intended to create legal rights or obligations. Because success in these areas depends on the collective efforts of others and other factors such as competing economic and regulatory factors, technical advances, policy changes, labor markets, availability of candidates, and supplier and customer engagement, there may be times where actual outcomes vary from those aimed for or expected. While we strive to live our purpose and make a positive impact on society while continuing to advance toward our commitments, sometimes challenges may delay or block progress and we cannot assure that the results reflected or implied by any such statements will be realized or achieved.

# Table of Contents

About Emerson	Value Creation	Environmental Sustainability	Social Responsibility	Governance and Accountability	Reporting
6 CEO Message	13 Our Path Forward	24 Overview	73 Overview	100 Overview	130 UN Sustainable Development Goals
7 Chair Message	14 What We Do	27 Greening Of Emerson	74 Evolving Our Culture	101 Corporate Governance	132 GRI Index
8 Company Profile	16 Organic Growth	47 Greening By Emerson	75 Diversity, Equity and Inclusion	106 Integrity and Ethics	141 SASB Index
9 Our Purpose	18 Portfolio Management	61 Greening With Emerson	84 Employee Engagement	110 Workplace Safety	143 TCFD Index
10 Awards and Recognitions	19 Operational Excellence		87 Talent Development	116 Supply Chain	147 ESG Data
11 Report At-A-Glance	20 Management System		93 Workforce Development	127 Cybersecurity	
	21 Culture		95 Corporate Philanthropy		
	22 Financial Targets				



# ABOUT

## About Emerson

This section encapsulates who we are and the purpose and values that drive our business, laying out our commitment to driving progress in Environmental, Social and Governance (ESG) matters and summarizing our performance, awards and recognitions.

### IN THIS SECTION

CEO Message

Chair Message

Company Profile

Our Purpose

Awards and Recognitions

Report At-A-Glance

# Dear Stakeholders,

*It has been a momentous year as we have reshaped Emerson, transforming into a global automation leader. Advancing meaningful change is not easy, and I credit our momentum to our team's continued focus on managing our portfolio, modernizing our culture and excelling in operations.*

Our collective efforts have been strengthened by our Emerson management system, which prioritizes balanced risk taking and innovation with equal dedication to operational execution and growth. This operating model is critical as we progress the cohesive, higher-growth, higher-margin portfolio we have built over the past two years. We have made many bold and strategic moves on this portfolio journey, most recently announcing a definitive agreement to acquire National Instruments (NI), a leader in software-connected automated test and measurement systems, and closing the Climate Technologies transaction. We are pleased to share our value creation progress, supported by our environmental, social and governance (ESG) efforts, in more detail in the "Value Creation" section of this report.

As we share our noteworthy ESG advancements, we are proud to highlight not only the achievements from fiscal year 2022 but also those that have taken place through the date of this report:

- Through rigorous energy efficiency improvements and accelerating renewable electricity sourcing, we achieved a 42% reduction in greenhouse gas emissions intensity (GHG) from the 2018 baseline, surpassing our original Scope 1 and 2 GHG emissions reduction goal of 20% six years ahead of schedule.
- To showcase our dedication to transparently reporting climate-related data, Emerson voluntarily participates in the Carbon Disclosure Project (CDP), and has steadily improved our CDP scores from a C in 2019 to an A- in 2022. We were also included in the CDP's

Supplier Engagement Leaderboard, representing the top 8% of companies assessed for supplier engagement on climate change.

- Recognizing our efforts to implement innovative measures to conserve energy across our facilities globally, Emerson was named a 2023 ENERGY STAR® Partner of the Year for energy management by the U.S. Environmental Protection Agency and the U.S. Department of Energy.
- We continue to progress in the "Greening By" pillar of our environmental sustainability efforts by investing in technologies, solutions and expertise to support customers in their energy transition. This includes our leading automation capabilities in LNG, nuclear, renewable power generation, carbon capture, clean fuels, battery storage and hydrogen.
- Demonstrating our commitment to governance and board refreshment, we announced two new directors, Leticia Gonçalves and Jim McKelvey, both of whom will assist in driving our growth efforts.
- We also recently launched our employee value proposition, *Let's Go*. We continue to make progress on our goal of doubling the representation of women globally and U.S. minorities in leadership positions by 2030, and in 2022, we were named a "Best Employer for Diversity" by *Forbes*.



Our global organization has made tremendous strides over the last year as we strengthened Emerson's position as a global automation leader. Our people and culture are pivotal to this progress. Looking ahead, with our large portfolio actions now announced, we are excited to continue executing on the plans we have outlined and eager to accelerate value creation for all stakeholders.

Thanks for joining us as we go boldly and confidently into the future.

Sincerely,

**Lal Karsanbhai**  
President and Chief Executive Officer

## Dear Stakeholders,

*As we look back on Emerson's 2022 fiscal year and 2023 so far, the Board of Directors is proud of the incredible progress Emerson has made toward its ESG commitments.*



We take our role as stewards of Emerson's ESG and diversity, equity and inclusion priorities seriously, and we work actively with Emerson's management team to diligently track progress and ensure accountability. In support of this, we introduced new leadership compensation programs that are metrics-based both on financial and ESG targets: GHG emissions reductions and diversity targets (women and U.S. minorities in leadership).

We will continue to consider ESG priorities in total compensation discussions and programs.

Further, the Board is committed to ongoing refreshment efforts and — following the addition of two new directors in May 2023 — is now comprised of 31% women and 46% women or persons of color. Additionally, two out of three required committees are led by women.

We also introduced a new Board committee — the Technology and Environmental Sustainability Committee — tasked with overseeing the strategy related to technology and R&D, the Company's product cybersecurity practices and guiding Emerson's environmental sustainability goals and programs.

While we are proud of Emerson's progress, we are even more energized by Emerson's future

opportunities. We are focused on ESG. We are cultivating an inclusive, growth-oriented culture. And we are maintaining our focus on operational excellence. We are ready for the next chapter.

Sincerely,

A handwritten signature in black ink that reads "James E. Turley". The signature is written in a cursive, flowing style.

**James Turley**  
Chair,  
Emerson Board of Directors

# Emerson At-A-Glance

# EMR

NYSE

Headquarters



Founded

# 1890

# 16,600

active patents worldwide

# 66

completed years of increased dividends

## COMPANY PROFILE

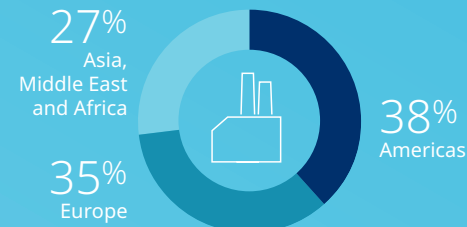
Emerson is a global leader in automation technology and software. We help customers in critical industries, like energy, chemical, power and renewables, life sciences and factory automation operate more sustainably while improving productivity, energy security and reliability.



# 130

manufacturing locations

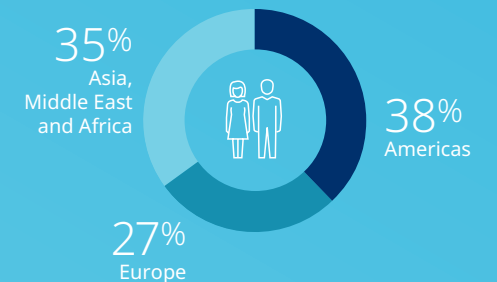
Geographic distribution



# 66,000

employees

Geographic distribution





# OUR PURPOSE

**WE DRIVE INNOVATION THAT MAKES THE WORLD HEALTHIER, SAFER, SMARTER AND MORE SUSTAINABLE.**

**Our Purpose is much more than words.** It is a collective call-to-action, brought to life through the collaboration of our global workforce, reinforcing our steadfast commitment to our stakeholders, communities and the world.

Every day, around the globe, we drive meaningful change. Our Causes and Values are the driving forces behind our Purpose, and serve as the foundation for how we make decisions, act and react. They inform our direction as an organization, reflect our culture and establish the foundation of how we show up and lead in the world.

## Our Causes



## Our Values

### INTEGRITY

We are uncompromising in our honest and ethical behavior, which creates trusting relationships with one another, customers, suppliers and communities.

### SAFETY & QUALITY

We are unwavering in our commitment to the highest standards of safety and quality for ourselves and our customers.

### SUPPORT OUR PEOPLE

We attract, develop and retain exceptional people in an inclusive work environment, where all employees can reach their greatest potential.

### CUSTOMER FOCUS

We actively listen to our customers to deeply understand their needs and deliver the unique solutions that ensure their success.

### CONTINUOUS IMPROVEMENT

We constantly strive for improvement in all aspects of our business, guided by metrics, feedback and our disciplined management process.

### COLLABORATION

We work seamlessly across geographies and functions to fully leverage our breadth and expertise.

### INNOVATION

We passionately pursue new technologies, capabilities and approaches to drive tangible value for our customers.

# Awards and Recognitions

Emerson is taking bold action to deliver progress toward our ESG goals, such as our 2045 net zero value chain and 2030 net zero operations emission targets, as well as our 2030 diversity targets.

We still have work to do, but the intentional focus on specific ESG topics across our teams worldwide is reflected in our performance, as demonstrated by the recognitions and awards from some of the world's top organizations displayed here.



Rated 'A-' by CDP on climate change leadership



CDP Supplier Engagement Leader 2022  
Among the top 8% assessed for supplier engagement on climate change



Awarded bronze in first EcoVadis rating  
EcoVadis Carbon Management Leader



Won ENERGY STAR® Partner of the Year Award for distinguished corporate energy management



Won 'Top Project of the Year' at 10th-annual Environment+ Energy Leader Awards



Earned score of 100 on Human Rights Campaign's 2022 Corporate Equity Index



2022 Readers' Choice Top 50 Employer, *STEM Workforce Diversity Magazine*, Ranked #22



*Forbes America's Best-In-State Employers*, Ranked #10 in Iowa, #25 in Minnesota, #7 in Missouri, #14 in Pennsylvania



2022 Readers' Choice Top 50 Employer, *Woman Engineer Magazine*, Ranked #13



2022 Readers' Choice Top 50 Employer, *Minority Engineer Magazine*, Ranked #45



*Newsweek's America's Most Responsible Companies*, Ranked #162



AHR Expo Innovation Awards  
Copeland™ Compression Technologies won top honors in refrigeration and heating



Won Industrial IOT Breakthrough Award five of the past six years



Won most "Best In Class" votes (35) for automation technology and software in CONTROL 2022 Reader's Choice Awards



Among America's Most Innovative Companies in FORTUNE Magazine

# Report At-A-Glance

## Environment

**Net Zero Value Chain** emissions by 2045 from a 2021 baseline

Achieved our goal of decreasing emissions intensity 20% from 2018, **6 years ahead of schedule**

**Net Zero Operations** by 2030 from a 2021 baseline

Reduced Scope 1 and 2 GHG emissions intensity by **42%** since 2018

Near-term and net zero targets have been

**approved** by the **Science Based Targets initiative (SBTi)\***

**30%** of electricity procured from renewable sources at Emerson locations worldwide

Announced new waste target **Zero Waste to Landfill** by 2032 from a fiscal 2022 baseline

## Social

**40%** of global leadership targeted to be women and **30%** of U.S. leadership targeted to be minorities by 2030

Employee Resource Groups have grown to **over 13,000 members**

Initiated company-wide **continuous listening** strategy with 85% employee participation and an employee engagement score of 78%\*

**\$200M** pledged to address education equity over 10 years

Launched Emerson's Employee Value Proposition: **Let's Go\***

## Governance

**ESG targets** integrated in compensation programs for leadership

**46%** of Directors are women or persons of color\*

Introduced a new **Technology and Environmental Sustainability** Board committee\*

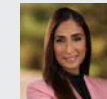
**40%** decrease in total recordable rate of injuries since 2018



**Peter Zornio**  
Appointed Chief Technology Officer, November 2022



**Mike Baughman**  
Appointed Chief Financial Officer, May 2023



**Vidya Ramnath**  
Appointed Chief Marketing Officer, June 2023

Great Smoky Mountains National Park, U.S.  
Photo By:  
**Jesse Renfro**  
Emerson Employee

\*Depicts data/information as of June 2023.

# WALL WE

## Value Creation: Our Path Forward

Emerson's transformation into a focused automation leader offers exciting opportunities to accelerate value for all stakeholders. This section provides detail on this transformation strategy, our organic growth initiatives and continued operational excellence delivered through our Emerson Management System.

### IN THIS SECTION

[Our Path Forward](#)

[What We Do](#)

[Organic Growth](#)

[Portfolio Management](#)

[Operational Excellence](#)

[Management System](#)

[Culture](#)

[Financial Targets](#)

# OUR PATH FORWARD

These are busy times at Emerson. We have been working diligently with our Board of Directors to shape the future of the company in a world that is constantly evolving. We are intently focused on our culture and making sure we have an exceptional team empowered to deliver on value creation for our customers and shareholders. We have been actively sharpening our portfolio to showcase automation and the pivotal role it plays across a broad set of industries in digitalizing operations, enhancing sustainability and accelerating the pace of energy transition. We continue to build on Emerson's strong legacy and dedication to operational excellence in a complex global environment.

This report provides information on the Emerson business we owned and operated through the 2022 fiscal year, and, where indicated, incorporates updates on progress made as of June 2023. We are proud of our organization and the impact we make on the world. The people at Emerson, no matter the job function or strategic initiative, bring a high level of passion, integrity, creativity and professionalism to what they do.

Going forward, we have declared a focus on being a cohesive global automation company and have taken numerous actions to move Emerson forward in this direction. In May 2022, we completed a landmark transaction with AspenTech, acquiring a majority ownership in one of the premier industrial software companies. Emerson, together with AspenTech, has one of the industry's most comprehensive portfolios of advanced automation technologies and software.

In October 2022, we completed the sale of InSinkErator, a long-term Emerson business focused on kitchen-based waste disposal and water products, to Whirlpool Corporation, a great home for a great business. Also in October 2022, we announced a definitive agreement to sell a majority stake in our Climate Technologies business to Blackstone. We completed this transaction in May 2023. The Climate Technologies business has now been rebranded as Copeland™, and is a global leader in critical heating, air conditioning and refrigeration technologies. We feel Copeland™ has an essential role to play in energy efficiency and energy transition going forward.

In April 2023, Emerson and NI announced a definitive agreement under which Emerson will acquire NI. NI provides software-connected automated test and measurement systems that enable enterprises to bring products to market faster and at a lower cost. The transaction is expected to close in the first half of Emerson's 2024 fiscal year, subject to the completion of customary closing conditions, including regulatory approvals and approval by NI shareholders.

With these changes, Emerson is now positioning itself as a cohesive global automation company with differentiated capabilities to help customers pursue their sustainability and productivity objectives across process, hybrid and discrete industries.

# WHAT WE DO

Emerson's intelligent devices, control systems and software solutions automate a diverse set of industries that are essential to daily life. Customers rely on Emerson technologies to manage their operations better, increase productivity, reduce energy usage and emissions, improve safety and enhance reliability. A typical Emerson customer manages long-lived plants that operate continuously for 20 to 40 or more years. Our worldwide operational footprint provides a high level of intimacy with customers throughout the lifecycle of their facilities.

We are often involved early in the conception of new greenfield facilities to provide expertise on the best digitalization strategies and support the project implementation process. Once operations are established, we provide local support, service and spare parts to help customers make sure their facilities keep running. In many of the industries we serve, customers will replace and enhance their automation assets during pre-planned shutdown events, for which we frequently provide support on planning and implementation. Finally, we provide add-on software and hardware automation technology options such as our suite of wireless instrumentation products and our AspenTech optimization software offerings that can create additional value in existing facilities. Emerson's installed base is estimated at \$130 billion, and more than half of our annual automation revenue comes from supporting these existing installations.

70%

Currently, approximately 70% of Emerson sales are tied to sustainability enabling technologies.\*

**Sustainability Enabling Technologies are defined as Emerson's technologies which are capable of being utilized for sustainability enabling activities based on the following criteria:**

**Energy Source Decarbonization**

Products or solutions that assist in the production of renewable and clean power (such as wind, solar, hydro, geothermal or nuclear power) as well as products or solutions that assist in the production of clean and low-carbon fuels (such as biofuels, biomass or hydrogen).

**Energy & Emissions Management**

Products or solutions that contribute to improvements and the optimization of energy usage, reduction of harmful emissions, and the capture, utilization and storage of carbon emissions.

**Electrification & Grid Systems**

Products or solutions that support energy storage, electricity transmission and distribution, workforce safety and productivity, and the value chain of critical minerals and batteries.

**Circularity & Waste Management**

Products or solutions that support the production of bio-based and lower carbon materials, resource efficiency and waste management, improved circularity and recycling efforts, as well as water management activities.

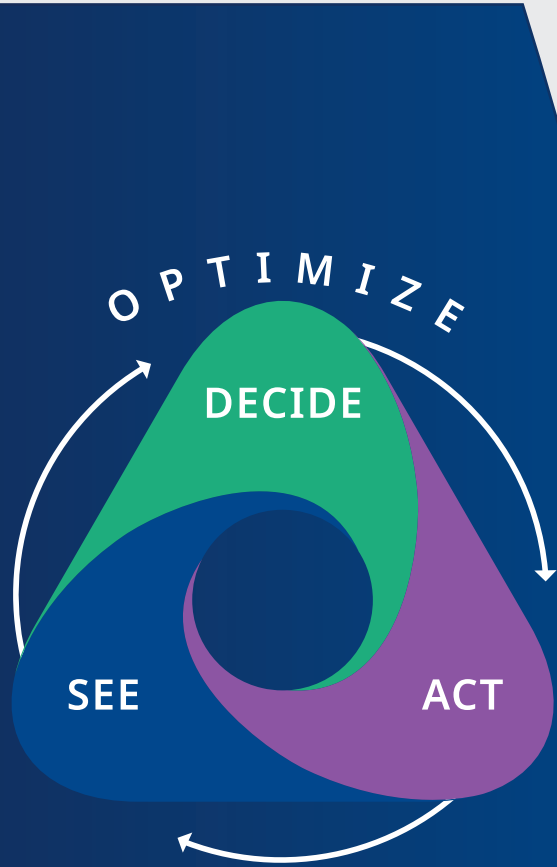
*\*Neutral technologies such as services, enclosures, mechanical devices and buyouts are excluded from sustainability enabling technologies as they do not have a direct impact enabling any of the criteria discussed. Emerson's definition of sustainability enabling technologies is not intended to and does not align to any governmental or other third-party taxonomy or framework.*

One of Emerson’s unique aspects is the global leadership positions established by our intelligent devices, control systems and software businesses. Our technology portfolio supports the foundational functions of automation through its complete cycle: See-Decide-Act-Optimize.

Our intelligent devices measure variables such as pressure, temperature, flow rate, analytical properties, density and level to support the See function. These variables are then communicated to the control system, which is constantly evaluating inputs and judging how to best adjust processes in real time, serving as the

Decide function. The control system then sends signals to intelligent actuators and valve elements to make physical adjustments to the process, fulfilling the Act function.

Software technologies like those in the AspenTech portfolio utilize data provided by intelligent devices and control systems to analyze trends over time, simulate potential enhancements and offer options for incorporation into the control system logic as part of the Optimize function. Emerson has established global leadership in each of the intelligent device, control system and software functions, and serves as a steward and thought leader in the future direction of automation in the diverse industries we support.



# ORGANIC GROWTH

In our strategy work, we have identified global macroeconomic trends that we anticipate will drive Emerson opportunities going forward. Digital transformation remains a key theme of the industrial world where technological advancements provide new value creation opportunities for safety and productivity. Sustainability and decarbonization are critical drivers in a world that is rapidly embracing and deploying solutions to meet global net zero goals by 2050. Energy security and availability remain important themes as this energy transition process takes place, given its importance in supporting economies and livelihoods around the world. And finally, we are investing in regionalization and nearshoring to provide resilience across a wide set of critical industries and value chains.

Providing more intentional exposure to these global macro trends is at the center of Emerson's growth plan, and at the heart of our innovation focus as we consider the most impactful value we can create for the industries we serve. We believe these three strategies will also create superior market growth and expand opportunities for Emerson in both the near-term and long-term.

## Energy Transition

Much of the world's energy systems are undergoing comprehensive change with a focus on substantially reducing carbon dioxide emissions. Over time, we are seeing the significant deployment of renewable energy, hydrogen, carbon capture, biofuels and biogas from waste, resource circularity, electrification and smart grid management. Emerson's automation portfolio is strongly aligned with global sustainability imperatives, and actively supports each of these critical energy transition solutions. These energy transition solutions are expected to provide opportunity to grow Emerson's future relevance and impact.

## Industrial Software

It is our belief that automation will become more software centric over time. Building additional strength and depth in AspenTech and Emerson software will become increasingly important for enhancing the impact of automation.

## Priority Discrete and Hybrid Markets

Emerson has a strong presence and leadership position in process-related industries. We have a strong presence in hybrid and discrete-related industries such as life sciences, metals and mining, and factory automation, but have room to expand through innovation and M&A portfolio moves.

## GLOBAL MACROECONOMIC TRENDS

Digital Transformation



Energy Security & Affordability



Sustainability & Decarbonization



Nearshoring







## Emerson Ventures

In 2021, we announced a \$100 million commitment to Emerson Ventures, our corporate venture capital initiative designed to accelerate innovation by providing early access to cutting edge technologies that solve real customer challenges.

Emerson Ventures has made five investments in early-stage technology companies that are strategically relevant to our businesses. Two of these investments directly relate to our environmental sustainability objectives: an electrical grid modernization platform for power demand management through distributed energy resources, and a next-generation greenhouse gas leak detection technology. We also invested in the areas of wireless communications and edge virtualization. Emerson Ventures targets investments in disruptive discrete automation technologies, industrial software, environmental sustainability solutions and associated enabling technologies.

### FOR MORE INFORMATION



Please refer to the [Emerson Venture Capital Investments webpage](#).

# \$100M

*In 2021, we committed to investing \$100 million in Emerson Ventures.*

# PORTFOLIO MANAGEMENT

During our most recent Investor Conference in November 2022, we described four adjacent market spaces for potential M&A targets that we feel have the best combination of end-market growth dynamics, Emerson technology stack alignment and market-entry opportunities that can allow for building sufficient scale over time.

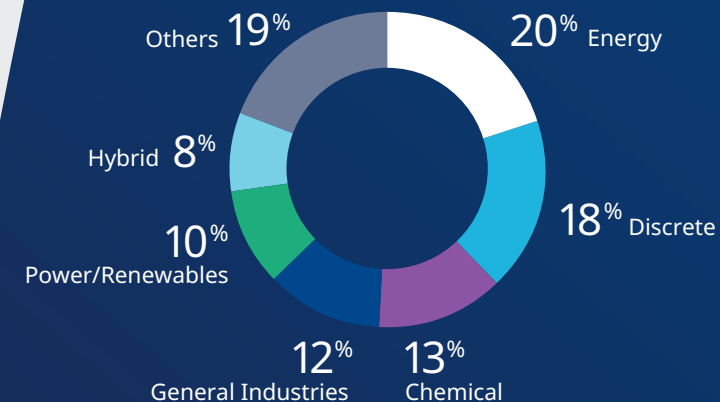
Industrial software is the first adjacency that we addressed with the AspenTech transaction, and we expect to continue to scale that business with its own potential M&A activities to build a broader set of capabilities and market opportunities.

The second adjacent market space consists of specific segments of the test and measurement sector that offer additional exposure to the semiconductor, aerospace and automotive markets. The technology stack in this sector is similar to our existing set of intelligent devices, control and software, and offers opportunities for sharing and leverage. The announced agreement with NI referenced earlier is an example of a scale-size entry opportunity into an adjacent market space.

The third attractive adjacent market space is factory automation. While our world-scale discrete automation business provides intelligent devices and solid control system IIoT capabilities, there is room to broaden our sensing, vision, safety and motion functionality through M&A and innovation.

The fourth priority market space is smart grid-related solutions. A broad focus on electrification in energy transition roadmaps and the modernization of electricity distribution systems to accommodate a variety of distributed renewable generation and storage assets will offer unique opportunities in the future. Our AspenTech OSI software business is already providing leading-edge electricity load management capabilities to utilities worldwide, and we will continue evolving these systems as renewable energy resources, electricity vehicle charging and utility-scale battery storage systems continue to gain prominence.

## POST-AQUISITIONS END MARKETS



*Post-Acquisitions Emerson includes 2022 full-year heritage AspenTech and NI fiscal year 2022, and excludes Micromine and any announced or completed divestitures.*

# OPERATIONAL EXCELLENCE

Emerson has established well-acknowledged operational capabilities across the world. Emerson teams have experience managing relevant phases of the global economy and utilize some of the best toolkits to understand, plan and maximize agility and value creation. Over time, we have regionalized our operational and supply chain footprint to provide responsiveness to customers while supporting a focus on best cost and resiliency.

Our process is integral to driving top-quartile performance within our global business operations. The execution of short-range plans is reviewed quarterly, and medium-range and long-range plans are reviewed annually. The cadence of review balances delivery of near-term goals with planning for continuous operational improvement. Established tools and analytics provide comprehensive visibility into plans and execution performance. Operating margin improvements have reflected this process over the past three years with achievement of cost reset targets.

As we undergo portfolio changes, we are focusing on right-sizing all functional areas and leveraging the enterprise through shared services and overhead management. We are also increasing our focus and investment in automation and efficiency in our own manufacturing operations, as well as enhancing the value of our facilities footprint.



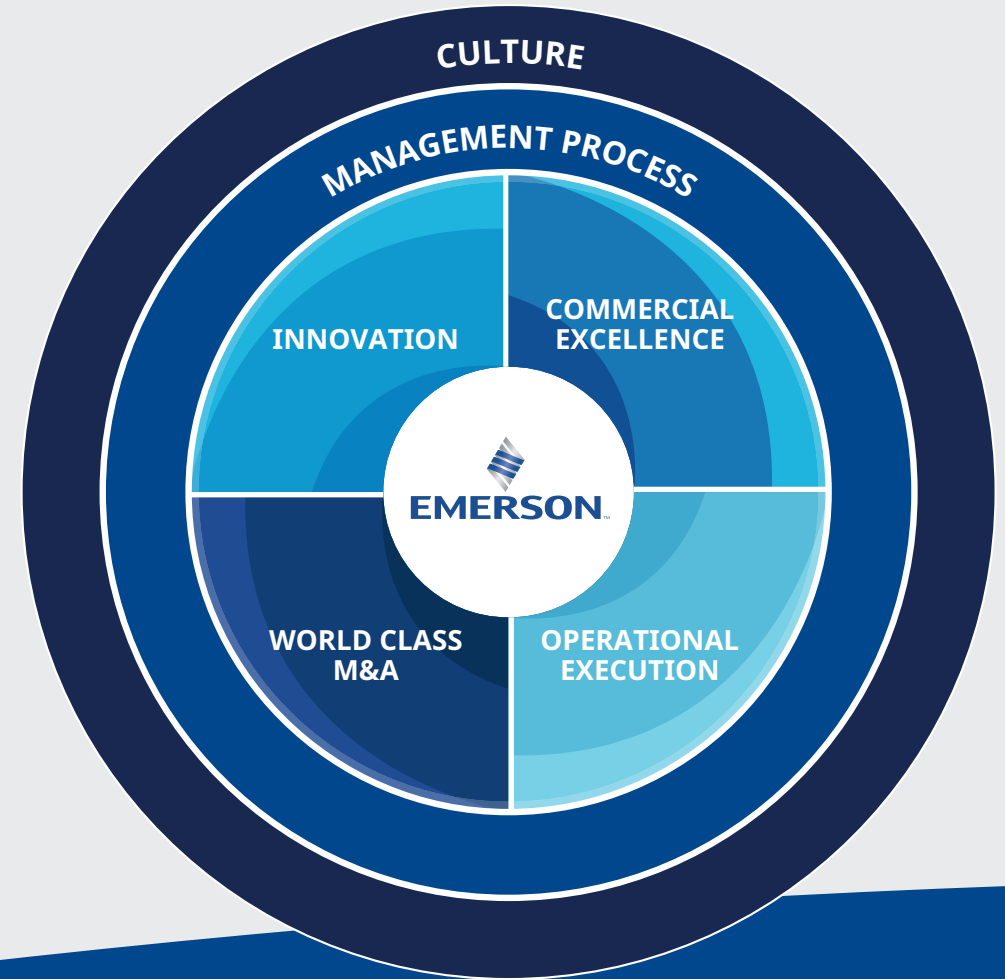
# EMERSON MANAGEMENT SYSTEM

As we transition to a more cohesive automation company, we are taking the opportunity to evolve the Emerson management process. Our prior management process was designed for a time with more distinct operating units.

We have designed the Emerson Management System to be comprehensive and focused on the enterprise as a cohesive entity, dedicated to both operational execution and enhanced growth, providing more efficient use of leadership time and resources and promoting a more balanced approach to innovation and risk management.

We have identified six central elements of the Emerson Management System. The first element is innovation, which involves developing key technologies to unlock more organic growth and value creation. This is coupled with commercial excellence, building on our ability to address customer needs, leverage our installed base and drive enhanced customer intimacy and impact. The third element is operational execution, which maintains a strong focus on operational and supply chain excellence. The fourth element is world-class M&A, maximizing value through disciplined and expert portfolio management and integration.

While these four elements form a strong nucleus of capabilities, we believe there are two additional elements that are essential to a complete system approach. Our management process and the cadence of how and when we interact with each other in the company enhances efficiency and our agility in decision making. The final element is driving a modern culture and empowering our teams to achieve results. We believe the Emerson Management System represents a significant step forward in delivering on our key strategies for value creation.



# CULTURE IS A KEY VALUE ENABLER

One of the hallmarks of a great organization is a [positive culture](#). Emerson has outstanding cultural attributes, including a strong focus on achievement, integrity, ethics and safety. Many of our team members have chosen Emerson as their long-term career option and have built a broad set of skills over decades of experience.

Looking forward, we plan to keep modernizing our processes. This starts with setting the tone from the top of the company and prioritizing efforts to enhance our culture. We're focused on increasing diversity and inclusion in our workforce, promoting honesty and openness in communication and embracing change and new ideas.

[Attracting top talent](#) is important for any company today. We believe enhancing Emerson's culture will help us attract the best and brightest workforce possible. It's our mission to offer a constructive and positive work environment, provide opportunities for personal growth and enable the ability of our employees to make real impact in the world through our global automation capabilities.

## Diversity, Equity and Inclusion Goals

*In 2021, we announced a longer-term diversity target to double the representation of women globally to 40% of our leadership and U.S. minorities to 30% of our leadership by the year 2030.*

4-7%  
*through-the-cycle organic growth.*

~35%  
*incremental margins.*

Double-digit  
*adjusted EPS growth.*

~100%  
*free cash flow conversion.*

*\*Incremental margins is defined as the ratio of the change in adjusted segment EBITA for the current period less the prior period, divided by the change in the net sales for the current period less the prior period.*

# DIFFERENTIATED FINANCIAL TARGETS

To conclude, we would like to highlight a specific set of financial targets that differentiate Emerson. Our goal is to deliver a through-the-cycle organic growth rate of 4-7%, along with approximately 35% incremental profit margins, and double-digit adjusted earnings per share (EPS) growth. We are also focused on maintaining approximately 100% free cash flow conversion and a disciplined capital allocation framework.

Emerson recognizes the importance of performing for a diverse range of stakeholders, including shareholders, employees, customers, partners, governments and communities. In addition to our financial

targets, delivering on the strategies outlined in this report are also important to advancing the needs of these stakeholders, fulfilling our purpose and growing as a more sustainable company.

Lastly, we wish to reiterate that the majority of the information presented in this report pertains to Emerson's performance as it was owned and operated through our 2022 fiscal year, but also includes progress updates to June 2023 where indicated.

## FOR MORE INFORMATION



Please refer to the [Emerson Investor Relations webpage](#).



# ENVIRONMENT

A worker in a yellow hard hat and safety vest is looking at a tablet on a solar farm. The background shows rows of solar panels stretching into the distance under a clear blue sky.

## Environmental Sustainability

Environmental sustainability is a business imperative for Emerson and our value chain partners, from suppliers and customers to employees and communities. This section provides key insights into the progress made in advancing our sustainability strategy and supporting that of our suppliers and customers.

### IN THIS SECTION

Overview

Greening Of: Improving Our Performance

Greening By: Enabling Customer Progress

Greening With: Engaging All Stakeholders

# Environmental Sustainability Overview

## Greening Of Emerson

**Net Zero Operations** by 2030 from 2021 baseline

Named ENERGY STAR® Partner of the Year

**Net Zero Value Chain** by 2045 from 2021 baseline

Achieve **100% renewable electricity** sourcing by 2030

**Zero Waste to Landfill** by 2032 from a fiscal 2022 baseline

CDP Climate Change **A- score**

**42%** reduction in Scope 1 and 2 emissions intensity since 2018, surpassing original 20% emissions intensity reduction target **six years early**

**1.1%** reduction in Scope 3 emissions since 2021

**30%** of electricity procured from renewable sources at Emerson locations worldwide

**77%** waste diversion rate across our manufacturing sites globally

**+1,500** employees trained on sustainability

## Greening By Emerson

**Continue to progress** our environmental sustainability efforts and investing in technologies, solutions and expertise to support customers in their energy transition

Automated KOHYGEN, the **world's largest** hydrogen fueling station

Partnered with Chevron to deploy a **Real-time Autonomous Optimizer** to reduce methane emissions in the Permian Basin

## Greening With Emerson

Participation in **12 hydrogen associations** or groups worldwide

**Signatory** of the UAE Climate-Responsible Companies Pledge

Emerson chosen as **chair** of The Korea Hydrogen Industry Association (KHIA) H2 Equipment Committee



Bornholm Island, Denmark  
Photo By: **Mikael Larsson** | Emerson Employee



## Our Approach to Environmental Sustainability and a Net Zero Future

### Emerson is Deploying Environmental Sustainability Strategies and Accelerating Decarbonization Across the Globe

To achieve the goals of the Paris Agreement, countries worldwide are striving to halve their greenhouse gas emissions by 2030 and reach net zero emissions by 2050. Recent scientific reports indicate that while the curve of global greenhouse gas emissions is starting to bend, it is not happening quickly enough. The world is making progress in certain areas of the economy, but there is still much work to be done. This is why it's important to accelerate the deployment of clean technologies and support continued innovation.

This transformation of the global economy within a 30-year timeframe requires unprecedented levels of collective resolve, ingenuity, collaboration and commitment. The sectors that deliver essential needs to society, such as manufacturing, transportation, the built environment and the food value chain, are at the heart of this transformation. The energy systems that support these activities are rapidly transitioning toward more electrified, cleaner and renewable forms of energy.

We believe that leveraging the impact of Emerson's broad automation capabilities can help bring about a net zero future. Emerson is committed to serving as a technology enabler in the world's low-carbon transition, with our biggest positive environmental and

climate contributions coming from the solutions and expertise we provide to our customers.

Our set of valuable technologies, expertise and customer relationships should increasingly play a critical role in enabling the decarbonization of hard-to-abate sectors, including power, energy, chemicals and metals production, as well as the cold chain, waste management and heating and cooling in commercial and residential buildings. As a company, we must deliver on these solutions while setting our own emission reduction targets.

### Emerson's Goal to Achieve Net Zero Emissions

Emerson recognizes that a net zero ambition for our own company is a significant step forward as we build a more sustainable business and contribute to a more sustainable world. To ensure our goals are robust and follow the latest climate science, we have aligned our Greenhouse Gas (GHG) emissions targets with the Net Zero Standard from the Science Based Targets initiative's (SBTi), the world's leading organization in driving the adoption of science-based targets.

In fiscal 2022, Emerson established a target to reach net zero greenhouse gas emissions across Scopes 1, 2 and 3 of the GHG Protocol standard by 2045 compared to a 2021 baseline. This translates into an absolute reduction of greenhouse gas emissions of at least 90%,

allowing for high-quality carbon neutralization in other parts of the ecosystem for any residual emissions, which cannot be otherwise abated. To ensure we are on the right path, we also set near-term targets to achieve a 90% reduction across our operations (inclusive of Scope 1 and 2) and to reduce our Scope 3 emissions across our value chain by 25% by 2030.

*In fiscal 2022, the SBTi approved our near-term 2030 emissions targets. SBTi has also approved Emerson's long-term net zero targets as being consistent with levels required to limit global average temperature rise to 1.5°C.*



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



Reforestation efforts in San Jose, Costa Rica.

## Creating a Culture of Sustainability to Promote Change

Establishing targets on greenhouse gas emissions, energy and waste has helped define a shared vision for Emerson's role in advancing environmental sustainability. By developing organizational structures, allocating resources, making investments and integrating sustainability into our operation and strategic management process, our leadership is demonstrating a strong focus on sustainability. However, transitioning to a net zero economy on a macro scale requires micro-scale changes in the actions and decisions made by individuals across our organization. This involves both a well-defined sustainability strategy and a collective effort.

At the heart of our culture are our employees, and together, we have a responsibility to understand our part in advancing the company's sustainability objectives. However, creating a sustainable culture is a journey. Translating a powerful purpose statement and a set of targets into a culture that everyone, from our Board of Directors to our new hires, can support and believe in is no small task. A sustainability-minded culture must be reflected in the way employees interact with each other and how they execute daily activities and decisions.

Employees throughout our organization are making positive contributions in many different ways, from driving improvements in the energy use of our operations and working with customers on their sustainability strategies, to collaborating with external experts on innovative solutions and engaging governments on key policy discussions. The passion of our people for sustainability is ultimately what drives our impact in the world and shapes our culture.

### Our Environmental Sustainability Framework

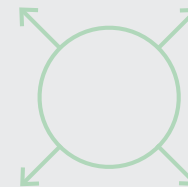
Emerson utilizes a framework that groups our environmental sustainability efforts into three broad pillars: Greening Of Emerson, Greening By Emerson and Greening With Emerson. This framework has resonated strongly with customers, employees, investors, governments and communities over the past few years.

The following sections are organized according to this framework:



#### GREENING OF

*How we improve our internal environmental sustainability performance.*



#### GREENING BY

*How we support and enable our customers' decarbonization and environmental sustainability efforts.*



#### GREENING WITH

*How we foster collaboration among stakeholders.*

# DRIVING NET ZERO OPERATIONS: GREENING OF EMERSON



WE ARE WORKING TO IMPROVE INTERNAL ENVIRONMENTAL PERFORMANCE ACROSS OUR GLOBAL BUSINESS.

## Making Progress in our Environmental Sustainability Journey

At Emerson, we approach sustainability by focusing our efforts on areas where we can make the greatest impact. This guides our work in strategic focus areas like greenhouse gas emissions, energy, waste and water, and informs how we can most effectively achieve change and deliver progress toward our environmental targets.

To showcase our focus on transparently reporting on our climate strategy and progress, Emerson voluntarily discloses its climate-related data as a participant in the CDP (formerly Carbon Disclosure Project). Over the past four years, since establishing our first emission reduction goal, we have steadily improved our CDP scores, increasing from a C in 2019 to an A- in 2022. Emerson was recently added to the CDP's Supplier Engagement Leaderboard, representing the top 8% of companies assessed for supplier engagement on climate change.

We believe tracking and sharing progress publicly builds trust and demonstrates successful strategies, which in turn may serve as an example for others in their sustainability journey. To this end, we disclose relevant environmental data, net zero targets and roadmaps

for meeting these targets annually through our ESG reports and CDP disclosures.

For more information on the reporting frameworks that guide the information included in this report, including the Global Reporting Initiative (GRI), CDP, Task Force on Climate-Related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB) and the United Nations Sustainable Development Goals (SDGs), please see the [Reporting section](#).

As a global business leader, we remain dedicated to operational excellence and driving tangible, sustainable business practices, as well as helping our customers around the world to do the same. Our commitment to improving sustainability is an integral part of the company's strategy, management processes and operational practices across all our businesses. To guide our efforts, we have published a [global environmental management and sustainability policy](#) that sets forth our objectives and guiding principles. This policy outlines our commitment and emphasizes that employees at Emerson have an active role to play.

### FOR MORE INFORMATION



Please refer to [Emerson's Environmental Sustainability webpage](#).

Kerala, India  
Photo By:  
**Nikhila Pola**  
Emerson Employee



**CDP**  
A- rating on CDP Climate Change

**CDP**  
CDP Supplier Engagement Leader

**SBTI**  
Approved near-term and long-term net zero targets

**TCFD**  
Report in alignment with TCFD guidelines: see our response [here](#)

## Reinforcing Our Commitment as a Sustainability Leader with Strong Governance

Emerson takes its commitment to environmental sustainability seriously and has established a strong governance structure to help ensure accountability and progress. Mike Train, Emerson's Senior Vice President and Chief Sustainability Officer, leads the company's environmental sustainability strategy and oversees the Environmental Sustainability Steering Committee. Mike reports directly to Emerson's President and CEO Lal Karsanbhai and regularly presents to the Board of Directors on Emerson's sustainability initiatives. Additionally, Mike's central sustainability team works collaboratively with teams across the company to develop and implement sustainability strategies and embed sustainable practices into daily decision-making and culture.

Under Mike's leadership, Emerson's Environmental Sustainability Steering Committee is active in coordinating environmental sustainability-related activities and initiatives across the company's global value chain. This committee connects the priorities of our Board, leadership team and colleagues around the world, and includes representatives from all functional areas of the company. This includes Emerson's executive leadership and management teams, sales and strategy planning, legal, finance and accounting, operations, information technology, human resources, marketing, supply chain, technology, engineering, governmental affairs, internal audit and investor relations. The aim is to ensure that environmental sustainability is widely integrated into the company's business.

Recent committee activities include:

- A climate scenario analysis conducted to identify and quantify transitional and physical climate risks and opportunities, as identified by the TCFD that are most material to Emerson's business. Our methodology and key findings were reported in our CDP questionnaire for 2022 and are discussed in the [Governance section](#).
- The introduction of internal carbon valuation in our capital appropriation processes to track programs that drive carbon emissions reductions and to evaluate investments as we make progress toward our net zero targets.
- The development of Emerson's Zero Waste To Landfill goal, which will help us to be more intentional in reducing the waste generated at our sites worldwide.
- The establishment of a Responsible Sourcing Committee that is in charge of driving Emerson's responsible sourcing program, including environmental, social and governance aspects across our supply chain activities and efforts.

Beyond this, we also drive action on focused topics through more specialized groups, for example:

- The Energy Sourcing Committee acts as a focal point for reviewing opportunities and engaging in more active sourcing of renewable energy. This group has representatives from sustainability, supply chain, finance and legal functions and works closely with our businesses to evaluate and implement renewable energy purchases. We also utilize third-party energy specialists who are active in energy markets and aware of emerging opportunities.
- The Scope 3 Emissions Data Governance Group is in charge of reviewing any improvements or changes to our calculation methodologies, data sources, internal controls and reporting efforts. This group has representatives from all the relevant functions touching our value chain emissions, from supply chain and logistics to sales and operations.

### FOR MORE INFORMATION



Please refer to [Emerson's 2022 Climate Change CDP Report](#).

In coordination with the Board, Emerson updated its leadership compensation programs to be metrics-based both on financial and ESG targets: greenhouse gas emissions reductions and diversity targets (women and U.S. minorities in leadership). These are reviewed regularly and updated according to progress. Doing so helps drive alignment and culture change across our organization.

Achieving large-scale changes for a global company necessitates integrating environmental sustainability into our management process and, ultimately, into our culture. At the facility operations level, we have appointed a sustainability team and leader at all major sites worldwide. These employees lead our local environmental sustainability efforts, which include reducing energy use and associated greenhouse gas intensity, as well as our existing programs for managing water use and responsible waste disposal.

## Net Zero Operations Progress

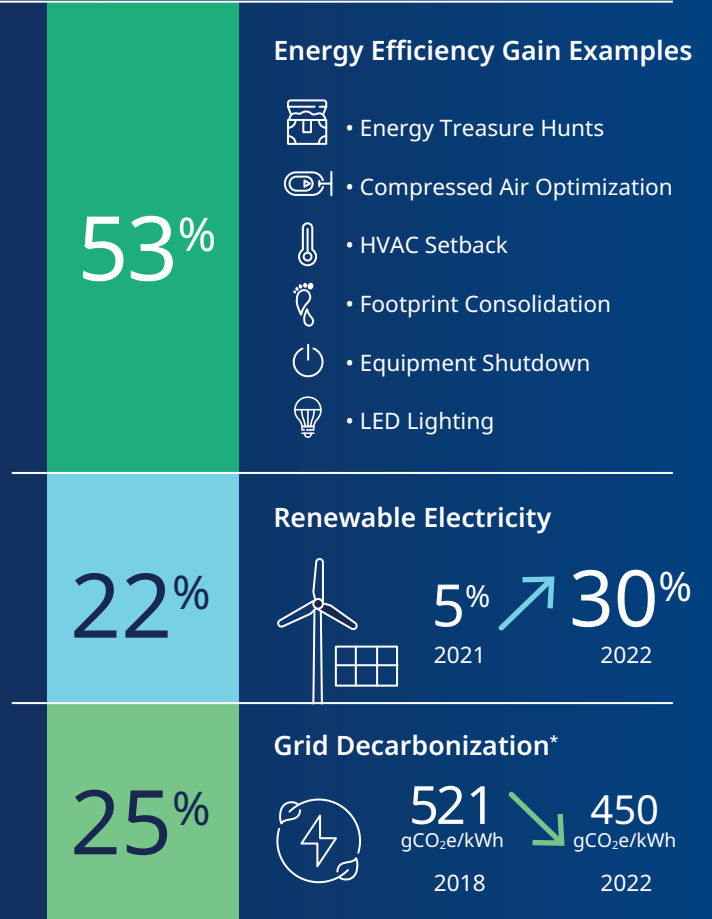
### Emerson Achieves its Initial Emissions Target

In 2019, we announced our goal to reduce Scope 1 and 2 greenhouse gas emissions by 20%, normalized to sales, across our entire global manufacturing footprint by 2028, compared to our 2018 baseline. Through significant energy efficiency improvements and accelerated renewable electricity sourcing, we have proudly surpassed this initial goal in fiscal 2022, six years ahead of schedule.

The early achievement of Emerson’s 20% greenhouse gas intensity reduction target helped to instill in Emerson teams the confidence and acumen to pursue the bolder goal of a 90% reduction in absolute Scope 1 and 2 emissions by 2030 from 2021 baseline. As Emerson works to deliver progress toward this new reduction target, we will continue to prioritize energy efficiency and renewable electricity sourcing as key levers, along with Scope 1 emission abatement strategies discussed later in this section.

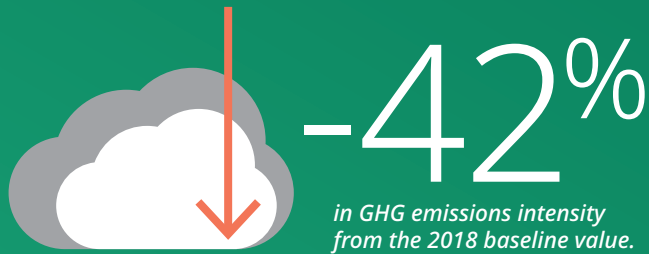
The chart to the right shows the sources of the emission reductions that helped us achieve our initial target over the past five years.

### Progress on Emissions Intensity Target Since 2018



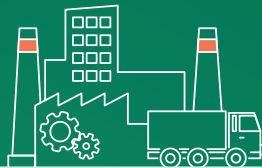
\*Grid emission factors represent computed, weighted average values accounting for Emerson’s geographical mix of global electricity consumption in each year. The International Energy Agency (IEA) emission factors are generally used, with more granular, regional factors also employed in certain cases (e.g. eGRID factors in the United States).

# Scope 1 and 2 Emissions Data



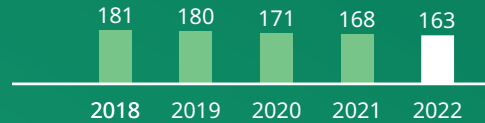
## SCOPE 1

emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization.



### SCOPE 1 GHG EMISSIONS

(thousands mtCO<sub>2</sub>e)



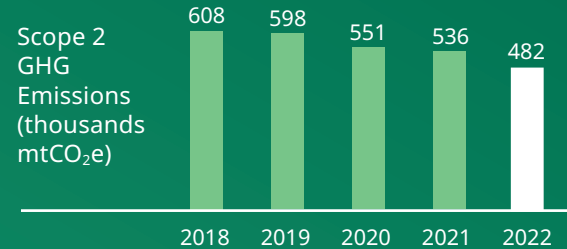
## SCOPE 2

emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling.



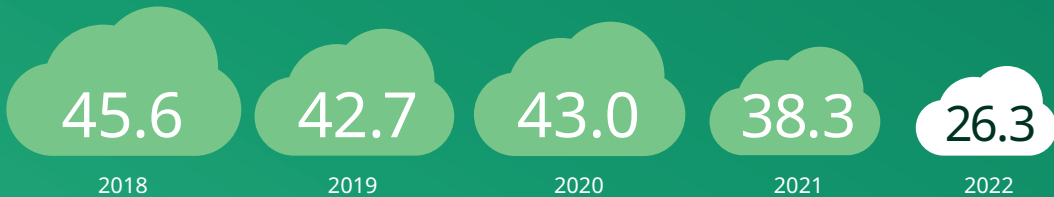
### LOCATION-BASED

Scope 2 GHG Emissions (thousands mtCO<sub>2</sub>e)



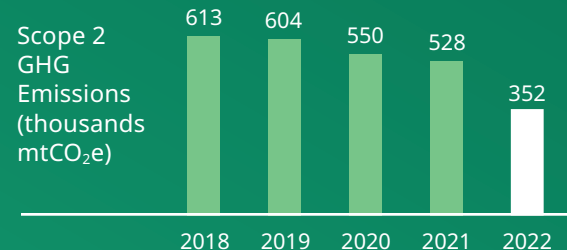
### MARKET-BASED EMISSIONS INTENSITY

(mtCO<sub>2</sub>e per million dollars in sales)



### MARKET BASED

Scope 2 GHG Emissions (thousands mtCO<sub>2</sub>e)



**LOCATION-BASED EMISSIONS** include grid electricity emission factor averages multiplied by the total purchased electricity.

**MARKET-BASED EMISSIONS** include supplier emission factors, net residual factors and renewable energy.

Greenhouse gas emission intensity is measured in Scope 1 and Scope 2 (market-based) metric tons of carbon dioxide equivalent (mtCO<sub>2</sub>e) per million dollars in sales.

Emerson's full Scope 1 and Scope 2 emissions reporting includes all sites within our operational control including manufacturing and nonmanufacturing facilities (e.g. distribution centers, headquarter buildings, sales offices, service centers) along with mobile emissions from leased or owned vehicles, aircraft, and fugitive emissions from leaked refrigerants. Our total greenhouse gas emissions for fiscal year 2022 included 223 major energy consuming facilities reporting actual energy usage data as well as the 447 remaining facilities under Emerson's operational control. Where primary activity data was not available, we have made estimations based on square footage, site use, and other factors.

We also conducted a thorough review of all historical energy consumption data, striving to more accurately document and disclose our carbon footprint. Noteworthy revisions to historical energy consumption and emission data previously reported for fiscal years 2018-2021 were driven by the divestiture of the Sensing & Protection business unit and corrections made to our estimated emissions inventory.

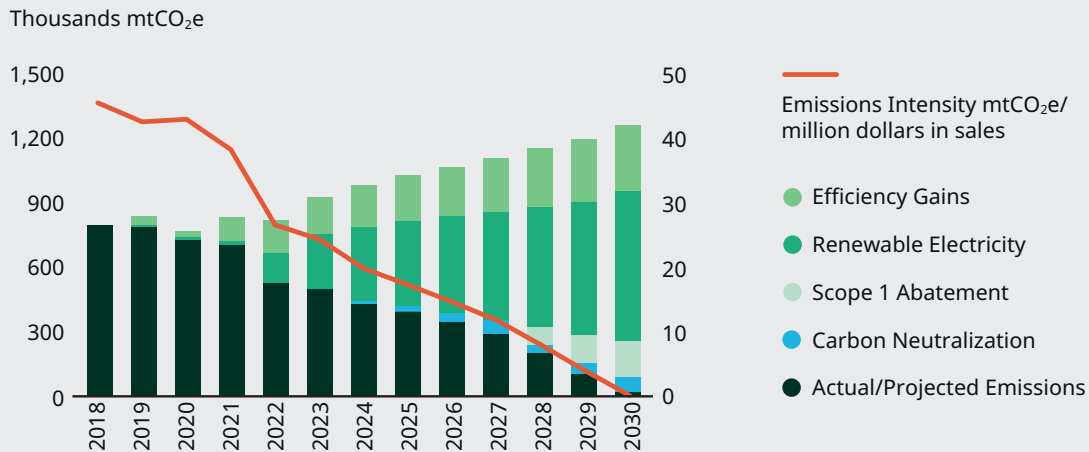
Limited assurance of this data set has been provided by ERM CVS. Please see the assurance statement on [page 156](#) for further details.

## Net Zero Operations — 2030 Roadmap

Emerson’s roadmap for achieving net zero emissions across our operational footprint consists of four primary levers: energy efficiency improvements, renewable electricity sourcing, Scope 1 emissions abatement through electrification and low carbon fuels and neutralization. Notably, Emerson can directly control the first three levers, which have been the focus of our efforts to date. Neutralizing carbon emissions through high-quality technological and nature-based solutions will be considered for residual emissions when all other reduction tactics have been exhausted.

The chart below provides the anticipated emissions profile and projected impact of strategies to reduce emissions for our 2030 net zero operations target.

Energy efficiency has been foundational to Emerson’s strategy in reducing our emissions in recent years, and will continue to be a focal point of our decarbonization roadmap into the future. Renewable electricity sourcing will play a role of increasing importance in reducing our carbon footprint as Emerson progresses toward our net zero operations target, given the proportional split of our Scope 1 and Scope 2 emissions.



Emission and intensity calculations include data from all Emerson manufacturing and non-manufacturing facilities worldwide. Data from 2018-2022 represents actual emissions, and data for 2023 and beyond are estimates.

## Energy Efficiency Project Examples

Below are several examples of energy reduction projects driving noteworthy savings across world areas.

LED LIGHTING RETROFIT



67

MWh saved

Actuation Technologies, Italy



TIMERS TO SHUT DOWN PROCESS EQUIPMENT



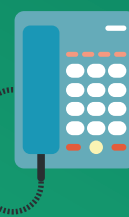
500

MWh saved

Measurement & Analytical, Mexico



DESK PHONE REMOVAL



82

MWh saved

Corporate Shared Services, Philippines





### Championing Energy Efficiency Across Global Operations — Tunde Beno, Director of Sustainability, Europe

📍 Cluj, Romania

Tunde Beno is the Director of Facilities & Sustainability for Emerson's European operations. She has been involved in Emerson's energy management and sustainability efforts for several years as the leader of our Cluj, Romania, campus Green Team. In this role, Tunde has coordinated employee awareness campaigns, Energy Treasure Hunts, and a variety of sustainability events with engagement from the local community. Overseeing Emerson's Greening Of program in Europe, Tunde has coordinated energy reduction programs at key operations across the continent, identifying nearly \$1.5 million in annual savings opportunities to date. Tunde and her European colleagues were recognized with an Emerson Environmental Sustainability Award in fiscal 2022.

## Improving Energy Efficiency Across our Operations

Energy efficiency measures have been particularly effective in reducing emissions across Emerson's operations. More than half of our emission intensity reductions to date can be attributed to actions that drive energy efficiency, such as expanding our Energy Treasure Hunt program, prioritizing energy efficiency projects, and consolidating facility footprints. We expect these activities to continue playing a key role in the decarbonization of our facilities in the years to come.

## Energy Treasure Hunt Program Continues to Save Energy and Reduce Emissions

Energy Treasure Hunts are proving to be a major factor in enhancing Emerson's energy efficiency efforts. These are multi-day events led by a local team and facilitated by one of our energy experts. The event begins with evaluating the operation on a low production day to determine how energy is being managed. The same process is repeated on a high production day to understand energy flows and opportunities. The team reviews and prioritizes a set of specific initiatives to reduce energy and associated emissions while also documenting any required capital investments.

We typically identify 10-15% in energy savings opportunities during an Energy Treasure Hunt, which acts as a great catalyst on our broader journey to reduce energy intensity by 25% by 2030. These events also help identify best practices that can be shared with other Emerson facilities. Our businesses are embracing energy efficiency in their operating metrics and are tracking the progress made in implementing identified savings opportunities. Emerson teams have completed over 50 Energy Treasure Hunts across our global facility base.

### Identifying Energy Savings Globally

📍 Remscheid, Germany

Emerson's Klauke Tools headquarters in Remscheid, Germany, conducted an Energy Treasure Hunt that identified a combination of low-cost savings and capital investment opportunities. Noteworthy findings from this event included potential LED lighting retrofits, automated CNC machine shutdowns, centralized building controls and exhaust systems enhancements to optimize HVAC energy consumption.

10-15%

*We typically identify 10-15% in energy savings opportunities during an Energy Treasure Hunt.*





📍 Sorocaba, Brazil

Emerson's shared services facility in Sorocaba, Brazil, installed a 1.0 MW capacity solar array which provides approximately 70% of the site's total annual electricity supply.

📍 Rayong, Thailand

Emerson's largest single-site solar array in Rayong, Thailand, has an installed capacity of 3.3 MW, generating approximately 10% of the site's total annual electricity needs.

## Renewable Electricity Sourcing and On-Site Generation Systems

In light of our goal to procure 100% of our electricity from renewable sources by 2030, we have made significant progress in recent years to increase the proportion of renewable electricity used in our operations. Currently, renewable sources account for 30% of the power consumed by global operations. Our Energy Sourcing Committee leads renewable electricity procurement worldwide, ensuring our purchases are compliant with standards outlined by the RE100 global corporate renewable energy initiative. Most of the progress made in the last year has been with grid-sourced renewables in the United States and Europe. For example, a recent agreement

between our Copeland™ Compressor manufacturing operations in Lebanon and Ava, Missouri, and their local municipal power providers led to the sourcing of 80,000 megawatt-hours (MWh) in clean energy from the Cimarron Bend Wind Farm, located in Clark County, Kansas.

We have also made investments in on-site renewable electricity generation at our operations across the world. Nearly 15 megawatts (MW) of wind and solar generating assets are currently installed and operational across Emerson's facilities. We expect to continue driving investments in on-site clean energy generation in the years to come.

30%

Currently, renewable sources account for 30% of the power consumed by global operations.





📍 *Boulder, Colorado*

Emerson's Measurement & Analytical site in Boulder, Colorado, recently completed a significant facility renovation and expansion project that showcases many best practices central to sustainable development and energy performance. The backbone of the site's success is premium efficiency building and process equipment, which exceeds the baseline established in ASHRAE's 90.1 standard by 33%. Control systems automate HVAC and large air compressors to optimize energy consumption, and 17% of the total energy needs are met by an expanded rooftop solar installation. The design of the facility also emphasizes human connection with nature, as LED lighting systems take advantage of daylight, adjusting brightness and light patterns to maximize occupant comfort. The outdoors are brought inside as natural patterns and materials occur throughout the buildings, and 90% of occupied spaces have external facing views.

## Scope 1 Emission Abatement Through Electrification and Low-Carbon Fuels

Emerson's Scope 1 footprint primarily results from the combustion of fuel in company facilities, either in manufacturing processes or comfort space heating, as well as mobile vehicles owned or leased by the company.

### Electrification

In addition to energy efficiency measures, Emerson is implementing decarbonized solutions to convert from combustion-based to electrified processes. Emerson's operation in Ede, Netherlands, completed a significant heat pump retrofit project, eliminating approximately 95% of the site's Scope 1 emissions. Heat pumps remain a promising approach for decarbonizing Emerson's Scope 1 emissions from comfort and low-level process heating required in many of the company's manufacturing operations.

### Renewable Natural Gas and Alternative Fuels

Emerson is actively engaged with stakeholders across the renewable natural gas (RNG) value chain and we are currently evaluating opportunities to enter our first RNG off-take agreement. Over the longer term, we will also consider the use of hydrogen as an alternative fuel for high temperature processes where electrification is not practical.

### Electric Vehicles

We plan to transition Emerson's fleet vehicles to zero emissions models as the supply of these vehicles becomes more prevalent. In the United States and Europe, policies have been updated so that Emerson employees with company vehicles increasingly have access to electric vehicles and plug in hybrid vehicles. We intend to expand this approach across world areas as zero emission vehicle models and associated infrastructure develops regionally.

### Enabling Global Facility Decarbonization Through Sustainable Building Standards

We believe that new facilities and major upgrades are significant opportunities to prioritize sustainable operations. Emerson's Sustainable Building Standards provide guidance for benchmarking, designing, constructing and commissioning buildings. These standards are designed to guide building projects toward exceeding the minimum energy performance baseline described by the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) by 25% and give due consideration to adaptive reuse, occupant well-being and renewable electricity sourcing.

### Assigning a Carbon Value to Drive Incremental Decarbonization Project Investment

We have introduced an internal carbon price to place a monetary value on carbon emissions and evaluate capital investments considering both financial and environmental impacts. The internal carbon valuation process allows us to understand and prioritize opportunities that generate the highest emission reductions, in light of projected future decarbonization costs.

We leveraged extensive university research, benchmarked existing carbon markets around the world and ran a series of internal pilot investment analyses to determine an appropriate internal carbon value. Emerson assesses this annually based on current prices and historic trends of actively traded carbon markets worldwide. For 2023, the internal carbon value has been set at \$90. Emerson's operation in Luce, France, recently initiated a project to replace a gas fired boiler with an electrified version, using the internal carbon valuation to strengthen the case for investment.

### Neutralization Through Technological Solutions

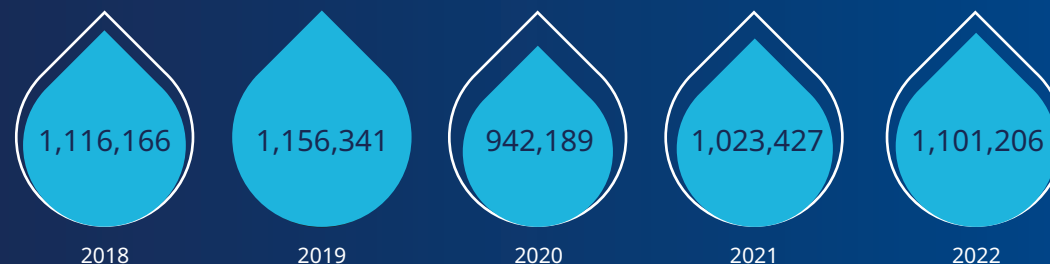
An important component to achieving net zero operations by 2030 relies on the implementation of high-quality neutralization tactics. There are currently three major approaches to neutralize carbon emissions: taking carbon out of the atmosphere and permanently storing it underground through technological solutions, storing carbon in some form of natural sink such as trees and soil, or recycling emitted carbon back into some form of permanent product use such as building materials. Emerson recognizes that some of these approaches depend on technologies that are still being developed.

For net zero targets to add up at scale, we support the principle that offsets should not replace mitigation efforts and should only be used to remove residual emissions that organizations cannot reduce. We believe companies should strive for neutralization activities that deliver permanent removals. We support the implementation of a global system in which carbon offsets comply with a consistent high level of quality and where requirements, such as additionality and permanence, are assured.

## Water Management

Emerson has established processes for effective wastewater management and water conservation. Water usage is tracked and reported on a quarterly basis by our major facilities. By analyzing water usage patterns, we can identify opportunities for reducing water consumption. Water infrastructure is routinely inspected to ensure that it is functioning properly. In numerous locations, we treat and reuse water in downstream processes. While water is not heavily utilized in our manufacturing processes, it is crucial to many of our operations.

### Water Consumption (in thousands U.S. gallons)



*\*Emerson's water usage in thousand U.S. gallons, as reported by our manufacturing facilities worldwide. Increased water consumption for 2021 is attributed to additional non-manufacturing facilities reporting their water usage.*

## Driving Toward Zero Waste to Landfill

### Evolving Emerson's Waste Compliance Program

For decades, Emerson manufacturing sites have implemented a waste compliance program, adhering to both applicable regulatory requirements and our own internal waste management standards. Our internal environmental management standards outline our approach to categorizing, separating, storing, labeling, properly disposing of waste and personnel training. These practices are founded on the waste hierarchy, which prioritizes waste prevention, followed by waste reduction at source, material reuse, recycling, energy recovery and sending waste to landfills as a last resort.

Waste management is part of our environmental audit

program, which assesses compliance with laws and regulations, as well as internal standards. Site personnel or third-party consultants regularly audit waste service providers as part of our effort to ensure compliance with regulations.

For more information about environmental compliance, go to [Environmental Compliance section](#).

### Diving Deeper into Emerson's Generated Waste

As a key first step in developing Emerson's waste target and strategy, in fiscal 2022, we quantified our current manufacturing waste footprint. We collected detailed data on the types and amounts of waste coming from our manufacturing facilities around the world, as well as the general disposal methods used. This will serve

as the baseline from which we will measure progress in the coming years.

To support this effort, we also started implementing a more comprehensive waste assessment at some of our largest manufacturing facilities worldwide. These site visits are designed to provide insights into site-level waste management efforts, best practices, key barriers, waste diversion opportunities, data collection processes and gaps in waste data collection and reporting.

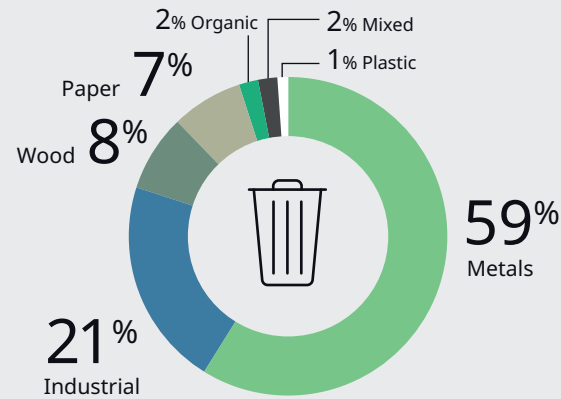
In broad terms, waste is classified as either hazardous or non-hazardous, with the classification varying depending on local legislation at each of our manufacturing sites around the world. Due to the nature of our operations, the majority of Emerson's total manufacturing waste generated is classified as non-hazardous.



### Non-Hazardous Waste Spotlight

Our Cluj facility has exemplary waste management infrastructure and engaged employees. Onsite, they have a dedicated waste sorting center where each waste stream undergoes secondary sorting to ensure proper disposal and diversion of all recyclable materials. The sorting center separates plastics by plastic type, and all recyclable materials improperly disposed of in the general waste streams are recycled. Our Cluj team developed Waste Hub, an internal website dedicated to non-hazardous waste management resources for both site-specific practices and Emerson sites across Europe. The site provides employee training, explanations of zero-waste best practices and downloadable signage.

### Waste by Type



In fiscal year 2022, Emerson’s overall waste diversion rate at our manufacturing sites was 77%. However, the waste profile generated by Emerson’s portfolio varies significantly across our businesses. During this same period, our business previously known as Commercial & Residential Solutions generated 113 kilotons of waste, representing 72% of Emerson’s total waste. Almost three quarters of this waste is scrap metal. Because metal is widely recycled at our sites globally, the diversion rate from landfill and incineration in fiscal 2022 for these businesses was 83%. This high diversion rate positions these businesses very well in their journey to reaching zero waste to landfill.

In comparison, our previously defined Automation Solutions businesses have significantly less scrap metal to recycle, resulting in a diversion rate of 60%. In fiscal 2022 these manufacturing facilities generated 43 kilotons of waste consisting of metal, wood, paper and cardboard, organic, industrial waste and mixed non-hazardous waste.

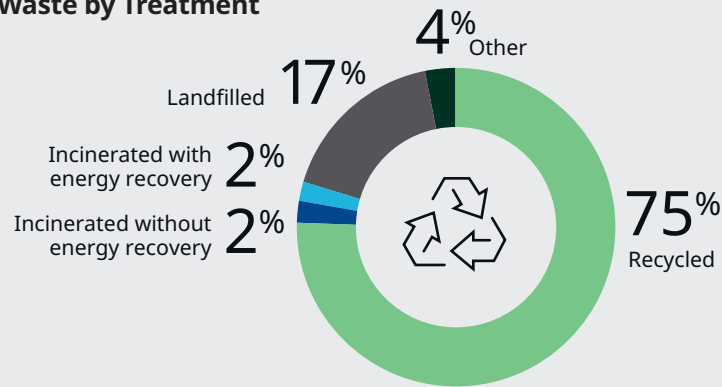
### Designing Emerson’s Zero Waste to Landfill Goal

Establishing a long-term waste management strategy is meaningful for multiple reasons. Avoiding and reducing waste generation helps us conserve resources, improve operational efficiency and costs, reduces greenhouse gas emissions, minimizes environmental pollution and supports global biodiversity efforts.

To drive a more intentional and focused waste program, Emerson is establishing a zero waste to landfill goal. Our goal is to achieve zero waste to landfill in our manufacturing facilities by 2032, from a 2022 fiscal year baseline, wherever this is compatible with local conditions and regulations. In line with widely accepted certification programs and best-practice industry standards, we define zero waste to landfill as at least 90% diversion rate from landfill and incineration. As defined by the Zero Waste International Alliance, we understand that diverted waste streams must be reduced, reused, recycled, composted or recovered for productive use in nature or the economy.

In practice, this means we need to increase Emerson’s total manufacturing waste diversion rate from 77% in fiscal 2022 to 90% by fiscal year 2032. [Learn more](#) about Emerson’s waste metrics.

### Waste by Treatment



## Zero Waste to Landfill by 2032

*Our goal is to achieve zero waste to landfill in our manufacturing facilities by 2032, from a 2022 fiscal year baseline, wherever this is compatible with local conditions and regulations.*

## Taking Action Toward Zero Waste Following Best Practices and Guided by Local Contexts

To design our waste reduction and diversion roadmaps, we take guidance from well-established certification programs. These roadmaps consider local contexts, treatment options and regulations, with the support of external experts.

A priority of Emerson’s environmental sustainability strategy is to create a zero-waste mindset and culture within Emerson. Engaging our employees and supply chain partners is critical to our success. Our strategy will follow the waste hierarchy, prioritizing waste avoidance, reuse and recycling. We consider incineration with energy recovery of non-hazardous waste as a last resort and in accordance with best practices.

### MOVING FORWARD, WE WILL FOCUS ON FOUR MAIN INITIATIVES:

1

Improving data collection and recordkeeping systems for waste materials, including employee communication, training and adoption of new systems and resources.

2

Exploring certification program options that can guide our global manufacturing sites on their journey toward achieving zero waste. These certifications should provide recommendations for best practices tailored to their local conditions and regulatory environments.

3

Diverting and eliminating incoming packaging waste from our suppliers, which accounts for 25% of our total waste and includes wood, plastic, paper and cardboard. When elimination or reduction of waste is not feasible, we will explore ways to reuse or recycle it.

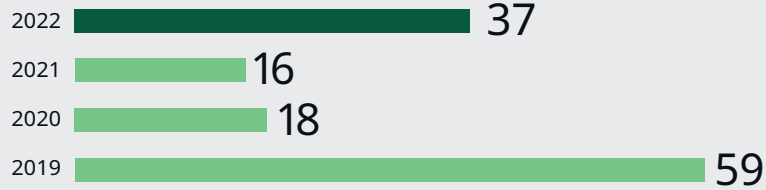
4

Diverting and eliminating mixed non-hazardous waste, which accounts for over 10% of our total waste. This will require implementation of better segregation practices, employee training and waste disposal options.

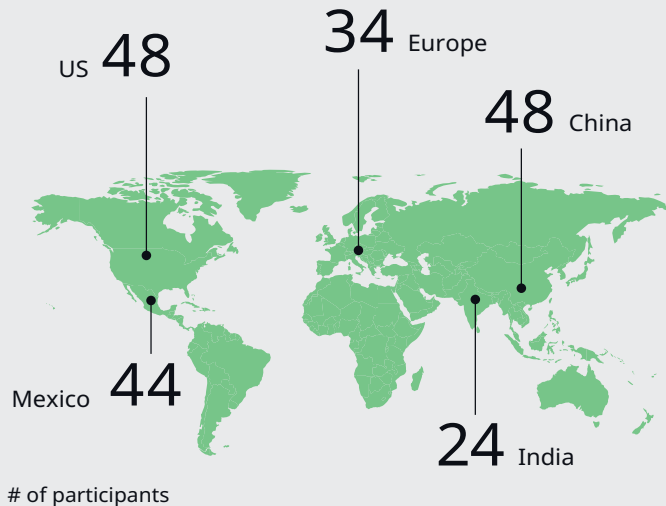
The key to success in these initiatives lies in our relationship and collaboration with our upstream supply chain and other value chain partners. We will need to further develop and strengthen our partnerships with suppliers, recyclers and waste service providers to implement effective and innovative solutions across all of our waste streams.



### Number of Environmental Audits



### Environmental Compliance Trainings



## Environmental Compliance

### Ensuring Environmental Compliance

Environmental compliance involves meeting a variety of sustainability goals and adhering to legislation concerning different aspects of the environment. By implementing best practices and complying with environmental regulations, we can improve our carbon footprint, reduce waste and conserve water. Furthermore, compliance impacts our business practices and can lead to improved operational excellence and profitability.

Our environmental compliance practices are focused on emissions management, wastewater compliance and responsible waste disposal. We comply with applicable environmental laws and regulations. Our environmental compliance program consists of company-wide standardized practices that aim to prevent pollution and environmental damage. These practices generally meet or exceed applicable local regulatory requirements and minimize risks while reducing long-term operating costs.

Emerson has established an environmental management and sustainability policy that describes the principles guiding our approach to environmental compliance and sustainability.

### Environmental Auditing

Emerson’s environmental compliance management consists of a periodic third-party environmental compliance audit for our manufacturing sites. During these audits, independent auditors

conduct detailed inspections of the facility and its environmental records to evaluate both compliance with regulations and overall environmental management practices.

In years when these facilities do not have a third-party compliance audit, local management teams complete a self-assessment to confirm compliance with environmental regulations. Our enterprise environmental compliance team oversees this process.

### Environmental Compliance Training

To help ensure that our organization maintains leadership in environmental sustainability, Emerson regularly conducts environmental training programs for our plant environmental managers, business unit environmental coordinators and other key personnel worldwide. These training sessions are tailored to the specific needs of each region where our facilities are located and aim to provide practical knowledge of environmental laws and regulations applicable to our company. The training also shares best practices for reducing waste, enhancing environmental quality and conserving energy. In the 2022 fiscal year, we conducted five world area training sessions, which were attended by a total of 198 participants.

### Environmental Facility Inspections & Incidents

Emerson facilities are routinely inspected by environmental authorities in the jurisdictions where we operate. It is Emerson’s policy to cooperate fully with environmental authorities. Most inspections by authorities do not result in monetary fines, penalties or citations. When environmental fines or penalties have been imposed, the costs have been minimal in comparison with the size of our operations. In fiscal year 2022, environmental regulators inspected our facilities or were notified of incidents on 41 different occasions worldwide. In fiscal 2022 Emerson paid less than \$8,000 in monetary fines.

## Net Zero Value Chain Progress

### Emerson's Estimated Scope 3 Indirect Emissions

Scope 3 emissions are both large and indirect — covering an extensive range of activities across our value chain, which are not directly owned or controlled by Emerson. These indirect value chain emissions represent about 99% of our total carbon footprint, primarily driven by the use-phase electricity consumption of our long-lived products and the upstream purchase of raw materials, equipment and services. The complete Scope 3 footprint for fiscal 2022 is shown in the accompanying table.

In fiscal 2022, Emerson's Scope 3 footprint is dominated by downstream Category 11: Use of Sold Products emissions. Within our product portfolio, over 95% of Category 11 emissions relate to the compressors in the business previously known as Climate Technologies. Millions of these compressors are used worldwide for essential heating, cooling and refrigeration applications that help keep fresh food safe, avoid food waste, and create the comfortable and controllable indoor environments that ensure livability at home and higher productivity at work.

Our second largest emissions category relates to the materials and components that we use as inputs into our products (Category 1: Purchased Goods and Services). For Emerson, this primarily includes material commodities such as steel, castings, other non-ferrous metals, electronics and plastics.

### Enhancing Our Scope 3 Emissions Footprint Data and Calculations

By design and as outlined in the Greenhouse Gas (GHG) Protocol guidance, the current accepted industry norm, Scope 3 footprints are largely estimates obtained by combining available primary data with models, expert knowledge, assumptions, and secondary data provided by business partners and other third parties. For this reason, we will continue to enhance the granularity of our Scope 3 emissions reporting process.

In 2021, we published Emerson's first complete Scope 3 greenhouse gas emissions footprint, which served as a baseline for measuring progress. Since then, we have made progress in enhancing our data and methodology across key emission categories.

Calculating Scope 3 emissions broadly requires two types of data: activity data, which represents the level of activities leading to greenhouse gas emissions (e.g., watts of electricity used, or kilograms of material purchased); and information about emissions factors that convert these quantified activities into reportable emissions.

## FISCAL 2022 ESTIMATED SCOPE 3 EMISSIONS

Value Chain	Metric Tons of CO <sub>2</sub> e
Purchased Goods & Services and Capital Goods (Category 1+2)	2,853,100
Upstream Fuel & Energy Related Activities (Category 3)	144,000
Upstream Transportation & Distribution (Category 4)	264,200
Waste in Operations (Category 5)	40,300
Business Travel (Category 6)	36,100
Employee Commuting (Category 7)	135,900
Downstream Transportation & Distribution (Category 9)	142,100
Use Of Sold Product (Category 11)	592,100,000
End-of-life Treatment (Category 12)	85,900
Investments (Category 15)	2,100

**Total 595,803,700** mtCO<sub>2</sub>e

*Scope 3 Category 10 is negligible, categories 13 and 14 not applicable*

## SCOPE 3

encompasses emissions that are not produced by the company itself, and not the result of activities from assets owned or controlled by them, but by those that it's indirectly responsible for, up and down its value chain.





To the right is a table summarizing the calculation approach for each of the relevant Scope 3 categories in our footprint.

This year we focused our efforts on improving the data and methodology of our key emissions categories by refining emissions factors, collecting more granular product data across our portfolio, reducing the use of proxies where possible, widening the coverage of products or activities included, and refining key assumptions.

For example, consistent with the GHG protocol, our current calculations for Categories 1 and 2 on our purchased goods and services, are largely based on spend amounts and associated emissions factors. Over time, we expect to enhance the granularity of this information. Streamlining and automating the data collection

process is a priority moving forward to reduce the time and resources required for data collection and reporting.

Following the guidance of the GHG Protocol and the U.S. Environmental Protection Agency (EPA), we have developed an Emissions Inventory Management Plan to manage the quality of our greenhouse gas emissions inventory. This is the record of the data sources, collection and calculation methodologies, assumptions, systems and internal controls used to prepare our emissions data for internal and external reporting.

Overseeing Emerson’s Scope 3 emissions calculation and reporting is our Scope 3 Data Governance Group, which is responsible for reviewing any improvements or changes to our calculation methodologies, data sources, internal controls, and reporting efforts. Part of

this group’s objectives is the establishment of appropriate internal controls, which are intended to provide additional assurance that the data collection, calculation and documentation processes are properly designed and operating effectively.

Today, Scope 3 emissions measurement and reporting remains an emerging field. Collective improvements still need to happen to ensure that the reported data can provide meaningful information to key stakeholders. Given the shared nature of Scope 3 emissions and the distributed ownership of the underlying data, we will need further collaboration across value chain partners to have more actionable and comprehensive data sets.

View our Scope 3 emissions footprint and additional emissions data on [page 149](#).

### Scope 3 Emissions Calculation Approach

CATEGORIES	% OF TOTAL FOOTPRINT	CALCULATION METHOD
<b>Categories 1 &amp; 2</b> Purchased Goods and Services and Capital Goods	<0.5%	Our total direct and indirect spend is aggregated into standard vendor sector categories. The spend in each category is multiplied by sector-specific cradle-to-gate emission factors.
<b>Category 3</b> Fuel- and Energy-Related Activities	<0.05%	The activity data used to quantify these activities' emissions are the quantity consumed of each energy type, such as electricity or natural gas. This is then multiplied by emission factors for upstream purchased electricity, upstream purchased fuels and transmission and distribution losses.
<b>Category 4</b> Upstream Transportation & Distribution	<0.05%	Data on the tonnage and mileage, by transport mode, for Emerson-managed and paid distribution is collected at a shipment level. The resulting ton-mile for truck, ocean, air, parcel and rail, are then multiplied by the specific emission factors.
<b>Category 5</b> Waste in Operations	<0.05%	Collecting primary waste data from manufacturing sites and estimating waste for sales offices representing <20% of the footprint.
<b>Category 6</b> Business Travel	<0.05%	Primarily collect data directly from travel agencies and vendors. This includes air travel, rental car, rail travel and hotel stays. Activity data includes passenger miles and hotel nights.
<b>Category 7</b> Employee Commuting	<0.05%	Primary data obtained from representatively sampled employee surveys, and human resources databases.
<b>Category 9</b> Downstream Transportation & Distribution	<0.05%	Representative sample of customer shipping data on the weight, mode and distance traveled.
<b>Category 11</b> Use of Sold Products	99%	Collect primary activity data on units sold and location for over 95% of the portfolio emissions. Power use and running hour data is largely obtained from product specification sheets, more sophisticated use-phase models or from life cycle assessments. Estimated lifetime information is obtained through internal and external expert knowledge.
<b>Category 12</b> End-of-Life Treatment of Products	<0.05%	Representative sample of primary data in the form of product weights and assumptions about the end-of-life treatment for its products.
<b>Category 15</b> Investments	<0.05%	Calculated at a screening level using an average emission factor for the investment sector for which the specific investment is in.

Scope 3 category 10 is negligible, categories 13 and 14 are not applicable.

## Progress Toward our Scope 3 Emission Targets

While Scope 3 emissions as defined by the GHG Protocol are not directly controlled by the reporting company, there is still an opportunity to influence these emissions and work with others to find effective ways to reduce them.

In fiscal year 2022, Emerson's underlying sales growth contributed to an increase in absolute indirect emissions. Despite the increase in sales, our total Scope 3 emissions decreased from the baseline year (FY21) due to several factors. The first factor was the introduction of more energy efficient products and a sales mix that favored more energy efficient products versus the prior year. The second relates to the sales mix of where we sell our products and the fact that the relative carbon intensity grid factors of those countries were more favorable. And finally, electricity grids worldwide are becoming greener, reflected in lower carbon emission factors compared to previous years.

More details on the strategies that will help us drive progress in our Scope 3 indirect emissions are described in the following sections, including the development of more sustainable product and packaging designs, our engagement with strategic supply chain partners and the advocacy for greener electricity grids.

### Catalyzing Engagement Across our Supply Chain

Many of the sectors in our supply chain, such as steel, electronics and plastics, are considered hard-to-abate industries that will require the use of cleaner forms of energy, recycled inputs, electrification and the development of innovative low-carbon technologies to substitute fossil fuels in higher-temperature manufacturing processes. Collaboration is important to drive progress throughout our supply chain, and Emerson will need to work together with suppliers on the solutions and best practices that will help reduce our collective carbon footprint.

We continue to engage with strategic suppliers around the world to exchange views on sustainability and carbon emission reductions. One initiative that stands out is our Greening Together Summits, where we gather with strategic suppliers across our key material commodities in each region to share best practices and discuss future expectations, challenges and collaborative efforts. For more information on our initiatives with our suppliers, see [page 116](#).

### Promoting Decarbonization of the Grid

Power generation is a large source of global carbon emissions, but it is also leading the net zero transition through the expansion of cleaner energy sources like wind and solar. Despite growth in global electricity demand of almost 2%, low-carbon power generation experienced divergent trends in 2022, with wind and solar expanding while nuclear and hydropower output declined.

In Europe, CO<sub>2</sub> intensity increased due to higher coal and gas usage and drops in output from hydropower and nuclear power. However, the European Union's REPowerEU plan lays out more ambitious measures to improve energy efficiency and increase the share of renewable power. Meanwhile, the U.S. Inflation Reduction Act is advancing policy visibility for wind and solar projects, and China and India are implementing new renewable energy targets, market reforms and government support. These developments are expected to accelerate the emergence of a new clean energy economy in the coming years.

In recent years, Emerson has been supporting customers with our technology to optimize the production of wind, solar, hydroelectric, RNG and nuclear energy. Emerson's global presence and unique technical perspective in the power generation and distribution sector, means that the company is well-positioned to proactively support pathways to cleaner electricity capacity in markets around the world. This will play an important role in our goal to achieve net zero emissions within our operations (Scope 1 and 2) by 2030, as well as in reducing our Scope 3 emissions by 25% by 2030 from a 2021 baseline.

In fiscal 2022, Emerson continued to actively engage with third-party organizations, including the Clean Energy Buyer's Association and RE100, to promote the increased use of renewable and clean energy worldwide. In the [Greening With section](#) of this report, we provide additional insight into how Emerson is leveraging its technical perspective and global reach to advocate for policy options that influence sector-wide emissions reductions.

## Improving Sustainable Design of Products and Packaging

One of the prime strategies for reducing Emerson’s organizational emissions is to understand the life cycle footprint of its products and solutions portfolio. To achieve this, we have started to use life cycle assessments (LCA) as a key tool to help identify the amount of carbon embodied in key products and to prioritize improvement actions for product design teams. Emerson follows widely accepted processes and leverages industry-leading software and databases to conduct LCA studies.

Over the past year, we have made progress in several fronts to reduce our carbon footprint and embed sustainability into the design of our products and our operations. The company has expanded the number of LCA studies conducted across its portfolio and has established a Center of Excellence to drive best practices and standardization across its global organization. We have also started to formally integrate sustainability considerations into the new product development process across our businesses and delivered training on sustainable design best practices to over 500 employees.

Our technologies and solutions are utilized by leading companies in critical industries worldwide. Because our products can have average lifetimes that exceed 10-15 years, and some even go past 20 years, the efficiency and sustainability of our products can impact global environmental targets at scale for years to come. We acknowledge this impact and will work to promote greater energy efficiency throughout our product portfolio, while supporting increasingly rigorous standards for energy efficiency and reduced emissions impact.

One example is the Copeland™ ZPK7 and Copeland™ ZPKZ scroll compressors for residential and commercial air conditioning applications. These new scroll compressor platforms are the most efficient fixed-speed and two-stage compressors to date and will help

customers meet the upcoming 2023 U.S. Department of Energy (DOE) higher-efficiency and lower GWP refrigerant requirements.

Another example is our recently launched Appleton™ IHC Series of high-lumen output LED luminaires designed to support heavy industrial facilities. This new series supplies up to 250% more light output than standard LED fixtures and offers opportunities to use fewer luminaires and consume 60 percent less energy than traditional High Intensity Discharge lighting.

Beyond the focus on product design, there are also opportunities to improve the environmental performance of our product packaging. The packaging used to transport and distribute products and components worldwide plays a key role in ensuring products arrive safely and in proper condition. This is especially important in the context of industrial products that need to fulfill mission-critical, high-performance functions. This often means that our packaging needs to be purpose-built to suit particular products that are used on a large scale. As customer expectations shift and the demand for more sustainable packaging options grows, we will continue to research, trial and implement innovative sustainable packaging solutions.

Emerson conducted its first collaborative LCA with a key packaging supplier as part of its goal of delivering more sustainable packaging. Building strong relationships with stakeholders across the value chain is fundamental to our success. Emerson is focused on establishing such collaborations with both upstream and downstream stakeholders, such as strategic suppliers, customers and regional alliances to improve our global packaging practices. We have also developed a Sustainable Packaging Playbook to drive best-practice adoption across the organization. More about this can be found on [page 119](#).



### Post-Consumer Recycled Materials

Soft tool bags and hard tool cases in our Professional Tools portfolio have traditionally been made from virgin materials. PET was utilized for tool bags and HDPE was used for blow molded tool cases. For both plastics, post-consumer recycled material options are now available and being used in these products, helping to reduce landfill waste.

## Employee Engagement: Unleashing our People's Creativity

Progress in our journey to net zero cannot be achieved by relying on a small team of dedicated employees. To speed up climate action, we strive to align our company to our ambitious goals. This requires fostering integration throughout the many layers of the organization, which, if done with care, can better unleash the creativity of our people to make a positive impact, regardless of job function.

Even though climate mitigation and the clean energy transition are increasingly present in the news, they are still complex topics that can feel overwhelming for many. Emerson strives to meet our employees where they are, leveraging their passion to live our purpose, and demonstrating how they can make an impact and contribute to our sustainability targets. We have established a framework to embed environmental sustainability in the various stages of our employees' lifecycles and we are working to ensure that our employees are brought along in the journey, whether they are new hires or sustainability veterans. To achieve that, there are many opportunities available for our workforce to increase their awareness and improve their knowledge on the technical, business and behavioral aspects of sustainability.

### Educating Employees on Sustainability through Internal Communications and Training

Over the last year, we have developed an internal communications program that caters to the development needs of employees in various functions and roles. The program is delivered to our Sustainability Aficionados Community, a global group of Emerson employees now counting over 2,600 people who have opted in to receive regular communications. These include a monthly newsletter, a monthly blog post written by Emerson subject matter experts and a monthly webinar featuring outside speakers from a wide range of organizations, including leading companies, universities, think tanks and non-governmental organizations (NGOs). These events aim to help our employees develop thought leadership, understand the foundational technical challenges behind the energy transition and put our products and solutions in the context of the world's decarbonization strategies.

For employees wishing to take more in-depth training, Emerson has rolled out a global environmental sustainability course covering six topics: an introduction to sustainability, carbon, energy systems, electrons, molecules and materials. The training program was developed internally by drawing together material from authoritative sources, such as the Intergovernmental Panel on Climate Change and the International Energy Agency (IEA), and connecting it to Emerson's business and role.

The objective is to help employees understand why sustainability is important and what fundamental technologies are needed to achieve the world's net zero targets. So far, over 1,700 Emerson employees have voluntarily taken at least one of the five 30-minute modules already available. To further leverage this engagement, we will encourage employees to complete one of these training courses as a sustainability goal in their yearly performance and development plans.



### Sustainability Strategy Meeting

Leaders from a breadth of functions across our organization came together in October of 2022 to discuss progress made, improvement opportunities available and challenges faced in the deployment of Emerson's sustainability strategies. These discussions informed our long-term plans around key sustainability topics.



Scottsdale, Arizona  
Photo By:  
**Kevin Rhodes** | Emerson Employee

## Raising Awareness and Driving Employee Engagement on Sustainability

Emerson understands that the daily behaviors and decisions of employees have a crucial impact on our consumption of energy and resources, whether they work in an office or in a manufacturing environment. To increase awareness of environmental principles and empower our employees to contribute to our journey to sustainability, we launched a sustainability awareness program that focused on energy efficiency, waste management and sustainable living.

The campaign promoted sustainable habits in the workplace through posters and flyers displayed on billboards and digital screens. Local sustainability leaders also hosted engagement activities such as idea generation workshops, sustainability trivia games and energy and waste walks to identify opportunities for improvement. The program was successfully implemented in many of our facilities around the world, from waste management practices in our Sorocaba plant in Brazil, to trivia quizzes at our office in Florham Park, New Jersey, to brainstorming sessions and posters translated into the local language at our Kobe site in Japan. The campaign brought sustainability into daily conversations and made it top-of-mind for our employees.

In April of 2022, as part of Earth Day celebrations, Emerson took part in the Earth Month Ecochallenge, a global online competition to inspire individuals to implement science-based, sustainable behaviors in their daily lives. Throughout the month of April, participants commit to take concrete actions grouped around the UN SDGs, such as carpooling, conducting a water audit, cooking zero-waste meals, or spending more time outside volunteering in their communities. Points are awarded for each action taken, and actions are recorded systematically on the [Ecochallenge.org](https://www.ecochallenge.org) platform to demonstrate the participants' cumulative impact.

This engagement initiative was a tremendous learning opportunity for us. With over 1,300 people from 43 countries participating, Emerson employees saved an estimated 500 kilograms of CO<sub>2</sub> emissions, conducted 59 energy audits and cooked over 3,000 zero-waste meals. In 2023, we supported [Ecochallenge.org](https://www.ecochallenge.org) as a presenting sponsor and worked to amplify our impact by inviting our customers, suppliers and partners to join us in the competition.

### Establishing Local Green Teams to Develop a Network of Passionate Influencers

Beyond raising general employee awareness on the topic, Emerson is working to develop a network of local influencers, who can lead teams and drive action toward global sustainability goals. The company has already established Green Teams at major facilities worldwide. These teams encourage employees to incorporate sustainability in their mindset and behavior, improve the environmental sustainability of local facilities and practices and spread Emerson's passion and expertise to local communities. For instance, the Green Team in San Jose, Costa Rica, organized electric vehicle test drives, led reforestation efforts and participated in clean-up events to collect and sort waste from beaches and other natural spots.

### Recognizing Exceptional Action with Environmental Sustainability Awards

Recognizing the creativity and effort of our employees is fundamental to incentivizing further sustainability action and innovation across our organization.

This year, we expanded the Emerson Environmental Sustainability Award, first given out in 2021, to include three categories based on our strategic framework: Greening Of, Greening By and Greening With Emerson. The number of nominations received this year from our global operations was impressive: more than 70 across the three categories, three times as many as last year.

Two Greening Of Awards were given out this year, one to a Europe-wide team for their outstanding work in reducing energy consumption and engaging employees, and one to a team in China who developed optimized packaging for a sensing product. The Greening By Award was given to the team supporting a customer, PureCycle Technologies, and their Born Digital program, which aims to bring recycled polypropylene to the world. Finally, the Greening With Award was given to our team in Korea for their leadership role in the Korea Hydrogen Industry Association.

### Environmental Sustainability Greening With Award 2022

HyoYoung Kim — Measurement & Analytical leader and Chairman of the H2 Equipment Committee, and Jiho Ha — Sustainability leader of Korea, receiving the award from CSO Michael H. Train and Global Sustainability VP Veronica Constantin for their outstanding contributions to KHIA.



# SOLVING FOR NET ZERO IN ESSENTIAL INDUSTRIES: GREENING BY EMERSON

**APPLYING OUR TECHNOLOGIES AND EXPERTISE TO HELP CUSTOMERS  
ACHIEVE THEIR SUSTAINABILITY GOALS.**

As the world works to create a lower carbon future, the challenge of the energy transition requires innovation, collaboration, investment and the resolve to change aspects of how we create, transport and use resources. To accomplish this in a few decades, there is a heightened need for countries, companies and individuals to come together and deploy sustainable solutions, at scale, across major sectors of our economy: energy, buildings, manufacturing, agriculture, and transportation.

Emerson has a broad portfolio of digitalization and automation technologies, expertise, global reach and drive to enable many of the critical roadmaps that will help guide the energy transition. In some cases, our technologies are utilized to digitally transform existing operations in chemicals, power generation, mining, life sciences, food and beverage and traditional energy. In other cases, Emerson technologies are being used as the digital foundation for emerging industries such as biofuels, renewable energy, hydrogen, carbon capture, energy storage, new bio-based materials and recycling and circularity efforts with plastics and batteries. Across all of these activities, automation is critical to improving energy efficiency and minimizing emissions.

Our solutions support the environmental sustainability progress of our customers in four strategic areas: Energy Source Decarbonization, Energy & Emissions Management, Electrification and Grid Systems, and Circularity & Waste Management.

## 1 ENERGY SOURCE DECARBONIZATION

Low-carbon power  
(solar, wind, hydro,  
nuclear, biomass)

Low carbon fuels  
(biofuels, biogas,  
LNG)

Hydrogen and  
hydrogen-based  
fuels

## 2 ENERGY & EMISSIONS MANAGEMENT

Emissions  
monitoring and  
control

Carbon capture,  
utilization, storage  
and removal

Advanced controls,  
analytics and  
simulation

## 3 ELECTRIFICATION & GRID SYSTEMS

Smart grid and  
network  
management

Energy transport  
and storage

Workforce safety  
and productivity

Critical minerals  
value chains

## 4 CIRCULARITY & WASTE REDUCTION

New molecules  
production (Bio-  
based materials)

Materials and  
minerals recycling  
and circulation

Water and waste  
management

## Accelerating Learning and Driving Collaboration



### Sustainability Leadership Summit

During the 2022 Emerson Exchange customer conference in Dallas, Texas, executives from across the energy landscape gathered to discuss challenges, priorities and progress in their sustainability efforts. Heads of Operations, Engineering, Technology and Sustainability discussed how to move from pledges to progress, how sustainability goals were affecting capital project investment, how technology drives decarbonization progress and how to create a more sustainable supply chain. Leaders from traditional energy and chemical companies connected with leaders from emerging sectors like plastics recycling, carbon capture and renewable electricity production. Emerson will continue to host these forums as executives are finding that despite industry sector differences, common challenges and new insights emerge when peers connect and share challenges and strategies.



### Green Innovation Day

Around the world, Emerson's "Green Innovation Day" events bring together Emerson automation experts and customer operations and technology leaders to understand how automation is paving the roadmap to greater sustainability. Organized around key decarbonization topics like Emissions Reduction, Energy Management, Carbon Capture and more, customers learn about new technologies and new ways to leverage automation to drive the operating performance they are seeking. Customer leaders take away practical and actionable ideas they can apply in their own operations right away, while also planning for the future.





**ENERGY SOURCE  
DECARBONIZATION**

Low-carbon power  
(solar, wind, hydro,  
nuclear, biomass)

Low carbon fuels  
(biofuels, biogas, LNG)

Hydrogen &  
hydrogen-based  
fuels

**Expanding The World’s Supply of Low Carbon Energy**

To make meaningful progress toward net zero goals, the long-term evolution of the energy system requires a dependable and scalable supply of lower carbon forms of primary energy. According to the IEA and other industry sources, cleaner energy sources such as wind, solar, hydroelectric, geothermal and nuclear are growing and will help substantially reduce greenhouse gas emissions. Replacing coal-fired power generation with natural gas remains a critical strategy to reducing emissions in the near term. Innovation and investment in hydrogen, biofuels and biochemicals, and RNG are accelerating.

Two challenges face many of these newer alternatives. The first is scalability and the ability to bring production to a significant capacity to replace traditional energy sources. A second challenge is gaining confidence in anticipated demand and building the infrastructure that will help drive confidence in wider adoption. In some cases, leveraging existing infrastructure like gas distribution systems can help provide a short-term momentum to address both challenges.

Emerson’s project engineering and execution expertise, backed by its Plantweb™ digital ecosystem — one of the most comprehensive automation technology and software portfolios — is helping leaders in emerging energy sources commercialize essential solutions for energy decarbonization.

**Accelerating the Adoption of Wind Energy**

Bolstered by the acquisition of Mita-Teknik, a leader in control automation technology for wind power generation, Emerson has extended its decades-long leadership in power generation to create one of the industry’s most complete technology and software portfolio for wind power. Emerson now offers a comprehensive approach to wind power management including turbine pitch control, wind farm optimization, supervisory controls, condition monitoring and turbine retrofits.

Emerson’s comprehensive green automation portfolio will serve a growing Wind production capacity in China, as Taiyuan Heavy Industry builds three greenfield wind farms in the Shanxi province, providing renewable power to more than 35 million residents in Beijing and other Northern China cities.





### Emerson Helps Neste Expand Sustainable Aviation Fuels Production

Neste is one of the world's largest producers of renewable diesel and sustainable aviation fuel produced from renewable waste and residue raw materials. Emerson's automation systems and software were chosen to help Neste achieve high-performance, efficient operations, supporting Neste's plans to increase production by up to 1.3 million tons (Mt) per year by 2023 from the company's Singapore refinery. The expanded refinery will have additional capacity to produce sustainable aviation fuel and renewable raw materials for polymers and chemicals, supporting Neste's goal to reduce customers' greenhouse gas emissions by at least 20 Mt annually by 2030. [Read more.](#)

## Biofuels: Transforming Waste Into Transportation

As transportation accounts for approximately 30% of all greenhouse gases, there is demand for more sustainable approaches for transportation. Electric vehicles will be an important contributor, especially for passenger vehicles. Another important strategy is the adoption of more sustainable transportation fuels to support commercial and public transportation, including long-haul cargo, locomotives and aviation.

By 2030, renewable fuels are estimated to be a \$210 billion market. Unlike traditional ethanol-based fuels generated from edible crops like corn, new renewable fuels are created from biologic waste like cooking oils, switchgrass and animal waste and will offer more sustainable fuels in forms such as green diesel and Sustainable Aviation Fuel (SAF), which produce 70% less carbon than fossil-based fuels. Emerson's Plantweb™ digital ecosystem is being utilized to accelerate this trend and deliver on both product quality and lower carbon intensity:

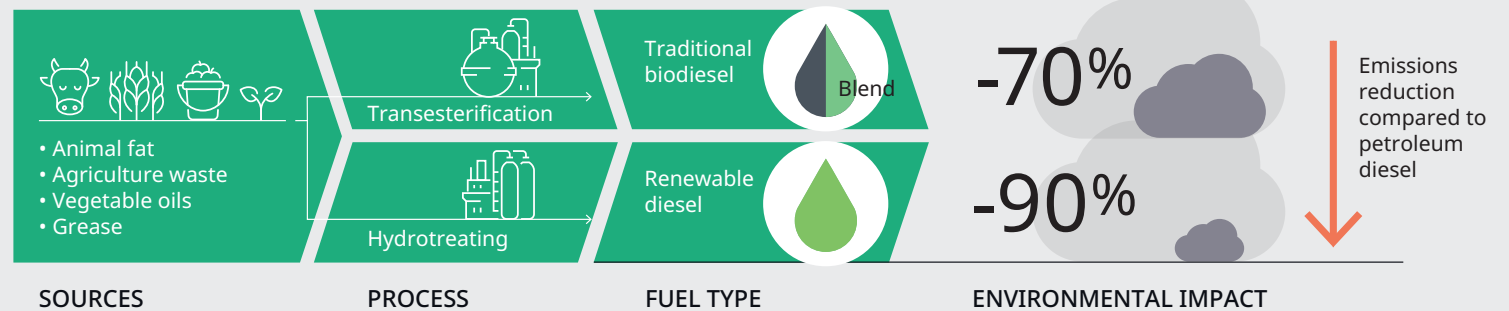
Smart instrumentation and advanced control systems allow producers to better profile feedstocks and their relative carbon intensity from grass, oils or animal waste sources. This helps to ensure consistent product quality and more reliable reporting.

Sensors and software are combined to detect important process conditions like corrosion which can damage operating equipment and increase risk of environmental events.

AspenTech energy management software helps customers optimize energy consumption, reduce energy waste and maximize efficiency across a facility, further lowering the carbon intensity of renewable fuels.

Analytics and data management systems enhance data analysis and reporting to regulatory agencies like the EPA and similar regulatory bodies around the world who require accurate reporting of carbon intensity related data for producers operating in the biofuels sector.

### Emissions Advantages of Biofuels



### KOHYGEN: Korea's Advanced Hydrogen Transportation Fuel Initiative

In fiscal 2022, *Emerson worked with the Korea Hydrogen Green Energy Network (KOHYGEN)* to complete development of the Jeonju Pyeonghwa Hydrogen Refueling Station, the first of 35 high-capacity hydrogen refueling stations KOHYGEN plans to construct across Korea by 2025. The first station has a dispensing capacity of 300 kilograms per hour, which can refuel 15 buses and trucks per hour — 12 times more than an average capacity hydrogen station. The project is an important step toward reducing emissions, driving investment in hydrogen and accelerating the transition to a net zero global economy.



## Hydrogen: Off The Periodic Table, Into Our Energy Future

Elemental hydrogen, in gaseous or liquid form, has the highest energy content by weight of all known fuels — three times greater than gasoline — and is a critical feedstock for the ammonia, steel and cement industries. Its unique characteristics also make it one of the most flexible energy carriers on the planet.

The International Energy Agency (IEA) views hydrogen as a key pillar in the 2050 net zero emissions scenario, and believes increased production capacity is critically necessary to support growing demand. While electrolyzer production capacity is doubling annually, according to the IEA, acceleration of capacity is needed to reach 2050 net zero emissions targets.

Beyond traditional industrial uses like fertilizer production, hydrogen is emerging as a viable alternative for several applications, including long-haul road and marine cargo transportation, agriculture and construction, mining, hard to abate manufacturing industries like steel and cement and longer duration power storage. Building confidence in these use cases requires significant scale-up in production, distribution infrastructure and enabling technologies.

Renewable or “green” hydrogen derived from renewable or clean electricity sources such as wind, solar and nuclear is ultimately the cleanest form of hydrogen. These clean energy sources will be utilized in electrolyzers to separate water into hydrogen and oxygen streams. There is focus on designing and building large format electrolyzers and the IEA estimates that a 10-fold increase in electrolyzer capacity by 2030 could achieve 60 Mt of renewable hydrogen production.

In the near term, lower-carbon or “blue” hydrogen will be important to scaling and enabling hydrogen use cases. These processes typically use natural gas as a feedstock and utilize carbon capture, utilization and storage to capture and store carbon emissions from the production process.

Emerson’s broad technology and software portfolio provides one of the most comprehensive automation offerings for hydrogen production, transmission and consumption. Our automation solutions help to enable safe, reliable operations and lowers the cost of energy consumed during production processes. Intelligent sensor and control networks combined with advanced software gives operators the predictive insight needed to operate safely and achieve their performance targets, while control devices like valves maintain safe containment and flow management in high pressure applications.

#### FOR MORE INFORMATION



Learn more about [Emerson’s Hydrogen solutions.](#)



**ENERGY & EMISSIONS MANAGEMENT**

Emissions monitoring & control

Carbon capture, utilization, storage & removal

Advanced controls, analytics & simulation

**Improving Resource Efficiency and Reducing Impact**

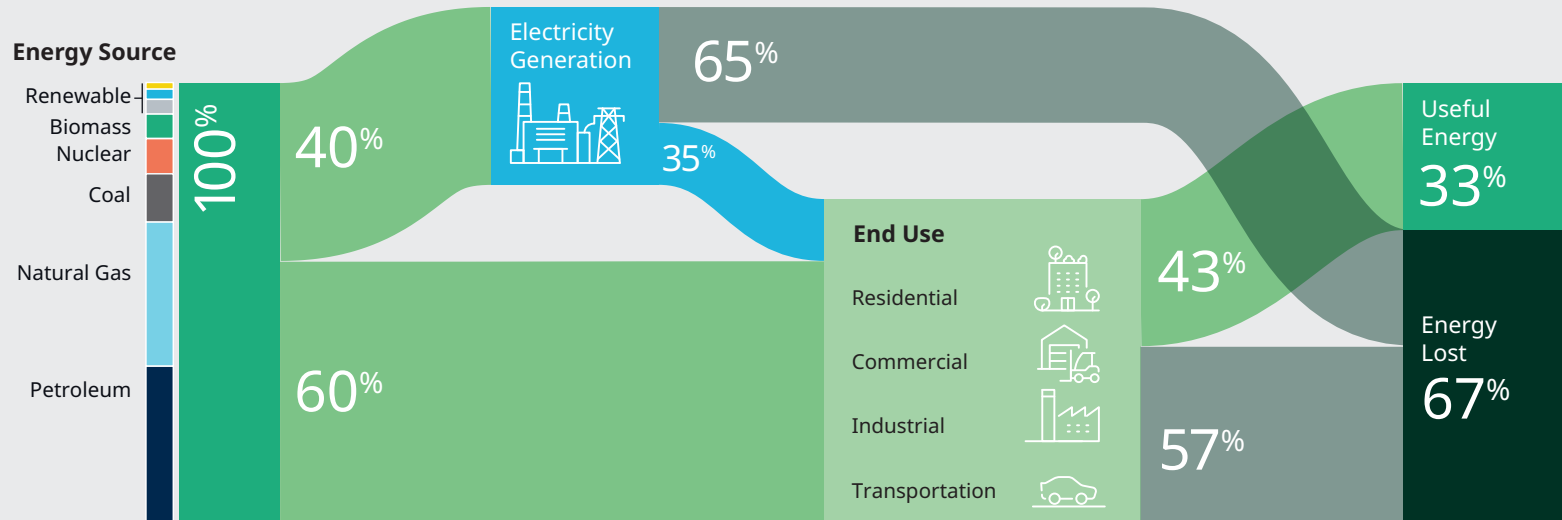
One of the most important areas of opportunity is improving resource efficiency and reducing impact. In the accompanying graphic summarizing a depiction of the U.S. energy system published by Lawrence Livermore Laboratory, sources of energy are introduced into the system, some energy is transformed into other forms such as electricity, and energy is then utilized in different use cases such as industry and transportation.

Energy is lost or wasted in the process at every step and in the U.S. context, about one-third of the energy introduced into the system actually performs an intended service and about two-thirds of the energy is lost. Other countries may have different ratios of energy sources and uses but have similar opportunities for enhanced efficiency.

Energy efficiency and associated emissions remains a very important strategy across the entire energy system. Emerson automation technologies and software can play a significant role in these activities.

**U.S. Energy System Map**

Source: Lawrence Livermore Laboratory



*While improving energy efficiency continues to be a key lever to reduce carbon emissions globally and much opportunity remains, it is worth noting that efficiency improvements are limited by the laws of thermodynamics.*

**FOR MORE INFORMATION**



Listen to [Mike Train, Emerson CSO](#) explain the U.S. Energy Sankey Diagram.



### Albioma Reduced Emissions 84%

French independent energy provider [Albioma](#) is taking a bold step to reduce its emissions by 84% while continuing to supply the electricity needs of its customers. Albioma chose Emerson to help convert its coal-fired Reunion Island Bois Rouge facility to 100% renewable electricity from biomass, eliminating 640 thousand tons of CO<sub>2</sub> equivalent annually.

### QatarEnergy Reduces Emissions From LNG Production

QatarEnergy recently announced its new sustainability strategy, aiming to reduce the emissions intensity of its liquefied natural gas (LNG) facilities by 25%. They will be developing carbon capture and utilization processes leveraging its automation partnership with Emerson. Qatar is the world's largest LNG producer and exporter and is in the process of building a large extension to increase LNG production by 40% while reducing its carbon footprint.

## Taking Control of Industrial Energy Efficiency

Industrial companies can reduce site energy usage by 15% or more by using energy management technologies and software that provide better energy measurement, monitoring, targeting and reporting. In fact, top quartile producers use 20% less energy than their bottom quartile counterparts. While environmentally more responsible, these improvements can also provide direct financial savings in a single large-scale facility.

There are opportunities for energy efficiency improvement in industrial facilities. A few examples include:

### Combustion and Process Optimization

Process units like boilers and furnaces consume significant energy to heat and run the process. The use of advanced process control in systems like DeltaV and Ovation, energy analytics and software modeling, combined with automation equipment like intelligent sensors and valves, can optimize combustion processes to extract greater value from energy sources. Saudi Aramco saw meaningful energy and associated emissions savings implementing Emerson's energy management solutions.

### Steam Leak Detection

A critical utility in many plants, steam is created onsite and delivered to units which require pressure and heating. Steam leaks are common and often undetected. Emerson offers a novel acoustic sensor that can 'hear' leaks and notify maintenance personnel of a potential problem. Companies like [Denka](#) have seen as much as a 7% energy savings simply by dynamically assessing their steam equipment with acoustic sensors and remote monitoring services.

### Improving Heat Exchanger Performance

A common challenge is the fouling of plant heat exchangers, reducing production performance and increasing maintenance costs and energy usage. [Chevron](#) has implemented real-time, cloud-enabled heat exchanger fouling detection solutions from Emerson and is targeting broad deployment across their worldwide facilities.

### Improving Use of Compressed Air

As part of our Discrete Automation "floor-to-cloud" automation portfolio, Emerson's AVENTICS™ pneumatic sensors and Industrial Internet of Things-enabled software architecture monitor compressed air flow in real-time to identify leaks, optimize pneumatic processes and improve air flow efficiency. Using these technologies to optimize compressed air systems, [Colgate](#) has seen a 15% reduction in energy usage on several toothpaste and toothbrush packaging lines and expects significant impact as this technology is rolled out more widely.

### Chevron Tackles Methane Emissions in the Permian Basin

Reducing methane emissions is one of the highest priorities for traditional energy companies, as methane is invisible, odorless and 25 times more potent than CO<sub>2</sub> at trapping heat in the atmosphere. Chevron is taking bold steps in the Permian Basin utilizing a real-time autonomous optimizer based on Emerson instrumentation and controls technology. By proactively detecting production upsets which may lead to excess flaring of gases, Chevron operators can respond much faster to mitigate any potential issues. In pilot tests, Chevron achieved an 80% reduction in flaring and a 40% reduction in well shutdowns, all translating to significant reductions in emissions.

## The Emission Mission: Predict, Detect, Prevent

Increased use of decarbonized energy sources will contribute to lower emissions. But the energy transition to cleaner sources will take time. While we accelerate development and adoption of cleaner sources, we must simultaneously better manage the known emissions resulting from existing production processes and find hidden emissions leaks in equipment and other infrastructure.

### Fugitive Emissions

Other forms of emissions known as fugitive emissions are the result of poor containment that can go unseen for weeks, months, even years.

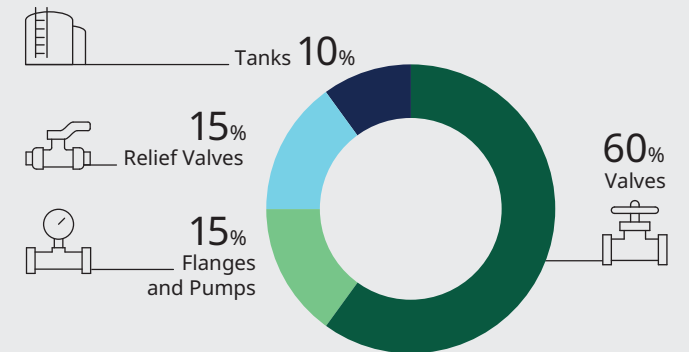
While companies invest in new, cleaner energy alternatives, they must also look for other complementary ways to reduce emissions in the short, medium and long term. Emissions management technologies are being utilized to detect and measure emissions, prevent emissions leaks with enhanced equipment approaches and operate with more efficient combustion processes.

*Emerson valve technologies* provide a major opportunity to reduce fugitive emissions. Enhanced valve designs, including highly efficient stem sealing systems, higher flow capacities and packing for temperature variations, meet or exceed some of the most stringent emissions requirements. In addition, advanced real-time monitoring of pressure relief valves and storage tanks helps identify and minimize emissions.

### Greenhouse Gas Emissions

The release of controlled and uncontrolled greenhouse gas emissions has been a persistent challenge. Given that industrial manufacturing and power generation account for nearly 50% of the world's greenhouse gas emissions according to the IEA, many companies are continually looking for new and better ways to detect, control and reduce emissions.

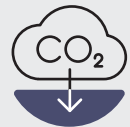
### Share in Fugitive Emissions



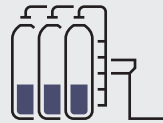
## Carbon Capture and Storage

Carbon capture and storage (CCS) technology is emerging as an important pathway to net zero. Capturing carbon at the point of emission and either utilizing it in products or storing it safely in underground geological formations will be critical to getting to a net zero world. CCS capacity is expected to grow from an estimated 35 commercial facilities worldwide today, to more than 2,000 facilities by 2050, according to the Carbon Capture and Storage Institute, with governments and industry committing to significant investment.

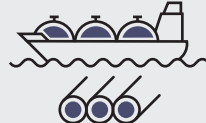
Emerson has a broad portfolio of technology to support the various stages across the value chain of carbon capture, transportation and permanent storage:



Capture & Purification



Compression/ Liquefaction



Transportation



Geologic Storage

**Capture and separation** of CO<sub>2</sub> from other contaminants at the source ensures a high-purity CO<sub>2</sub> that can reduce the risk of contamination and equipment damage. This process can also enable regulatory reporting of processed CO<sub>2</sub>. Emerson's sensing and measurement technologies provide higher accuracy profiling of waste gases, enabling more energy efficient separation of CO<sub>2</sub> from other gases, and supporting removal rather than being released to atmosphere.

**Compression and liquefaction** of CO<sub>2</sub> is an important step. The desired CO<sub>2</sub> state, whether gas, liquid or supercritical, must be maintained throughout transmission, and the process is often energy intensive, so optimization ensures a lower cost of operation and maximum utilization of resources. Compressor monitoring and advanced control technologies from Emerson ensure high reliability and uptime of equipment.

**Transportation** of CO<sub>2</sub> requires maintaining a stable state of pressure and temperature. Preventing pipeline corrosion and damage to piping and equipment is critical to system integrity, while also achieving highly accurate fiscal accounting. Emerson's measurement solutions deliver precise, accurate monitoring and control of process and equipment, providing the data needed by advanced software to properly manage the process.

**Permanent storage** of CO<sub>2</sub> typically requires various forms of automation and software to support the reservoir management process. Emerson measurement and control systems along with geological science and engineering tools from our industrial software partner AspenTech can help support these crucial installations.





**ELECTRIFICATION & GRID SYSTEMS**

Smart grid & network management

Energy transport & storage

Workforce safety & productivity

Critical minerals value chains

**Electrifying the Energy Transition From End to End**

One of the key strategies in reducing emissions is to electrify end-use processes that were traditionally based on the combustion of fossil-based energy. Once these processes are electrified, the objective is to supply these applications with lower carbon electricity. The IEA and other leading organizations project that electrification may account for 50% of the world’s energy mix by 2050, with 90% of it coming from cleaner sources like wind, solar, hydroelectric and nuclear. This will potentially drive a tripling in the demand for electricity by 2050.

**Heat Pumps**

An example of a major approach to decarbonizing buildings is to convert traditional combustion-based heating and hot water applications to heat pump systems which can provide heating, hot water and cooling using electrified compressor-based systems. The usage of heat pump systems is growing rapidly around the world as policies are being established to drive major adoption. The IEA 2050 net zero scenario expects the installed heat pump stock to reach 600 million units by 2030, from about 180 million in 2020. Copeland™ scroll compressor technology is broadly utilized in heat pump applications for residential, commercial, large facility and district level heating applications.

**Heat Pump Technology Provides District Heating in China**

Zhao County in central China sought an extensive upgrade to their district heating resources, needing a highly efficient, sustainable approach to heating homes and businesses in a territory routinely facing long cold winters. The Zhao County government chose Copeland™ scroll compressor technology as the foundation for their heat pump technology, achieving more than a 20% increased efficiency in energy performance and ability to operate reliably below 0 degrees.

**Emerson’s Professional Tools are Used by Most of the Top U.S. Utilities for Their Electrical Installations**

90% of the top 100 U.S. utilities use Emerson’s Professional Tools, which service 70% of the meters. From building grid capacity to strategic undergrounding, we have the tools that professionals use to support the world’s electrification strategy. With safety being paramount for customers, our innovative solutions provide the full suite of capabilities needed to Construct, Connect & Confirm for complete electrical installations while optimizing productivity. Our unique offering includes a patent-pending cordless tool line with 1000V insulation barriers, industry-leading remote control capable tool suite and award-winning cutting tools that that help workers accomplish electrification work.







### Texas-Sized Battery Backup System

One key need of electricity systems utilizing more intermittent renewable sources is the use of batteries in large scale storage and end-use applications. Emerson is utilizing its technologies and expertise to help utilities control and remotely manage their large scale battery systems. These systems help to match demand to supply and provide better stability of the grid.

In 2022, *Burns & McDonnell* completed construction of three West Texas Battery Energy Storage Systems (BESS) delivering 60 MWh of capacity. Designed as stand-alone energy resources to provide support for the Texas power grid, the BESS facilities use Emerson's Ovation automation technologies and software to provide secure, dependable control as well as reliable, robust asset monitoring. Ovation provides operators visibility into battery operations and simplifies system management, allowing them to adapt control strategies as conditions demand.

### Battery Production

A critical part of the electrification of energy will be the availability of high-capacity, reliable batteries. Lithium-based batteries are a fast growing segment, driven by passenger vehicles, utility scale storage, personal electronics, tools and other equipment. Emerson has one of the broadest sets of automation technologies, software and expertise that can be utilized across the battery value chain.

From mining and refining of lithium and other critical minerals to the production of high quality, critical battery components like cathode and anode materials to battery assembly and recycling, Emerson works with companies across the various stages of the battery supply chain to help accelerate electrification globally.

Emerson is supporting German energy equipment and solutions provider CMBlu in its development of an organic redox flow carbon-based battery, a first of its kind. This battery approach promises to be more efficient, scalable and affordable than existing battery techniques. Targeted applications are focused on electric vehicle charging infrastructure and large-scale storage. Emerson is providing our Branson advanced joining technology to help ensure the integrity of the battery membrane seal.

### Grid Management

The distribution of energy through grid systems is at the core of an energy system transition. Emerson automation technologies help automate and manage the generation, distribution and transmission of electricity throughout the world's electrical grids. As generation evolves to include a higher mix of renewable sources, Emerson's technologies and software help provide reliable, resilient production with an ability to adapt to fluctuating demand.

While power generation is undergoing tremendous innovation, technologies and software to manage the grid are also rapidly evolving. Greater demand and wider distribution will require greater resiliency, stability and flexibility for transmission and distribution. Through our industrial software partner AspenTech, OSI Digital Grid Management solutions will provide real-time control and optimization of increasingly complex networks.

#### FOR MORE INFORMATION



Please refer to [Emerson's Electric Vehicle Batteries webpage](#).

## Renewable Hydrogen Reinforces Western U.S. Electrical Grid

### FOR MORE INFORMATION



Learn about the [\*world's largest Hydrogen storage-to-electricity project.\*](#)

### Mitsubishi Power & Intermountain Power Agency Avoid Curtailments, Stabilize Electricity Supply and Demand

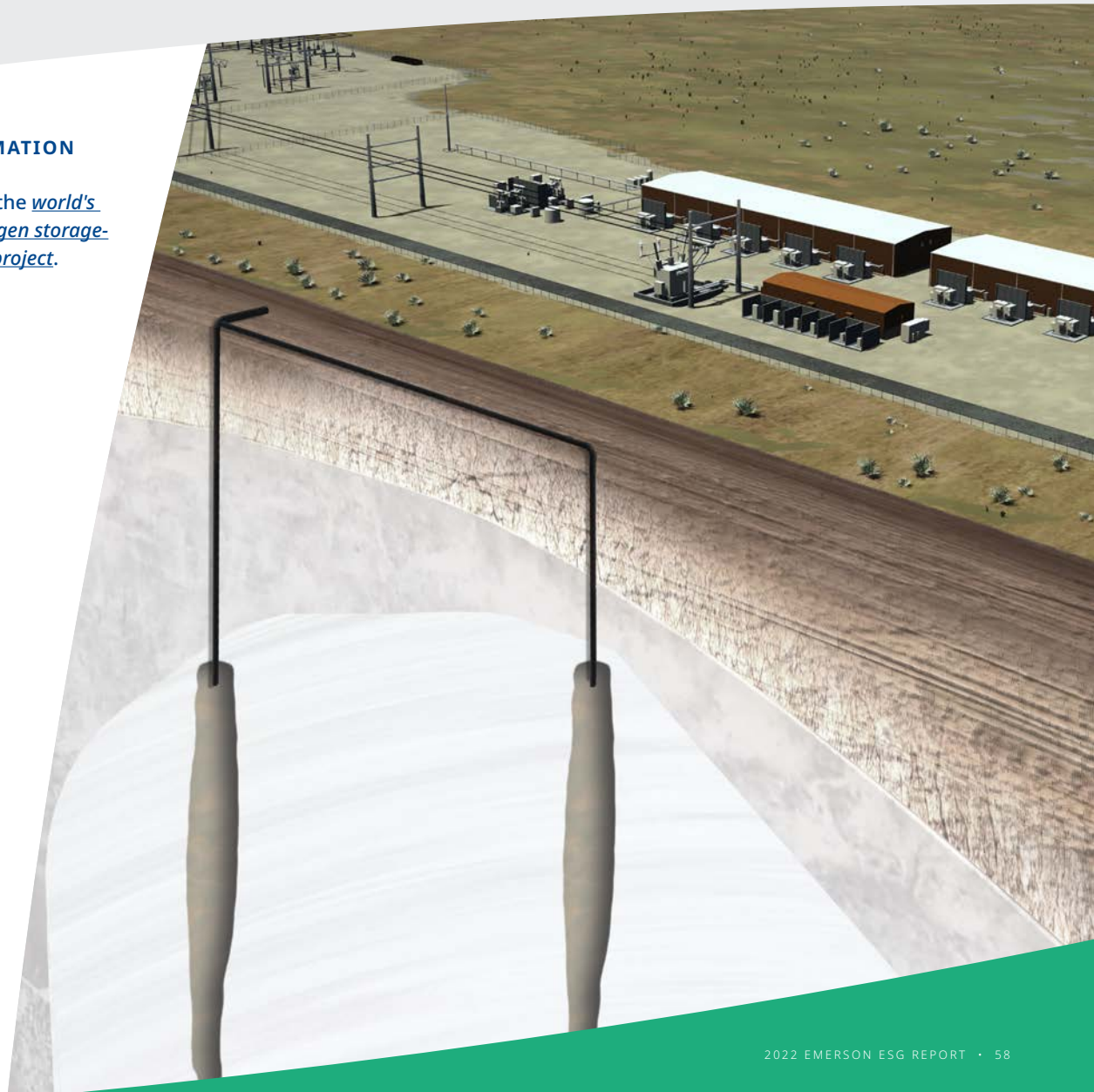
As communities around the world increase their renewable electricity production from sources like wind and solar, an imbalance of supply and demand can result in curtailment or the intentional reduction in electrical output when supply exceeds demand. The capacity to produce renewable electricity is there but the grid doesn't always have the capacity or an immediate opportunity to utilize this energy.

While only producing what you need makes sense, imagine the opportunity to take advantage of that extra renewable electricity capacity to create a reserve for future peak demand periods. Mitsubishi Power, in conjunction with the Intermountain Power Agency, are resolving this supply-demand imbalance in an innovative way: renewable hydrogen.

Mitsubishi Power plans to take advantage of this excess renewable electricity to utilize electrolyzers to create hydrogen and store it deep underground in massive salt caverns for weeks or months. Two salt caverns will provide the world's largest storage capacity of renewable or green Hydrogen with a capacity equivalent to over 9 million combined barrels of fossil fuels.

Currently, the Intermountain Power Agency supplies energy to millions of residents and businesses in Utah and California. In winter, when peak electricity demand exceeds production capacity, power utilities like the [\*Intermountain Power Agency\*](#) can dispatch the hydrogen to drive hydrogen-capable gas turbines that create electricity. The entire exchange begins and ends with renewable energy.

Emerson's Ovation control system and advanced automation technologies will enable Mitsubishi Power and the Intermountain Power Agency to manage their hydrogen production, storage and electricity conversion processes. In addition to electricity production, hydrogen converted from excess electricity also can support other verticals like long-haul transportation and other heavy industrial applications.





**CIRCULARITY & WASTE REDUCTION**

New molecules production (Bio-based materials)

Materials & minerals recycling & circulation

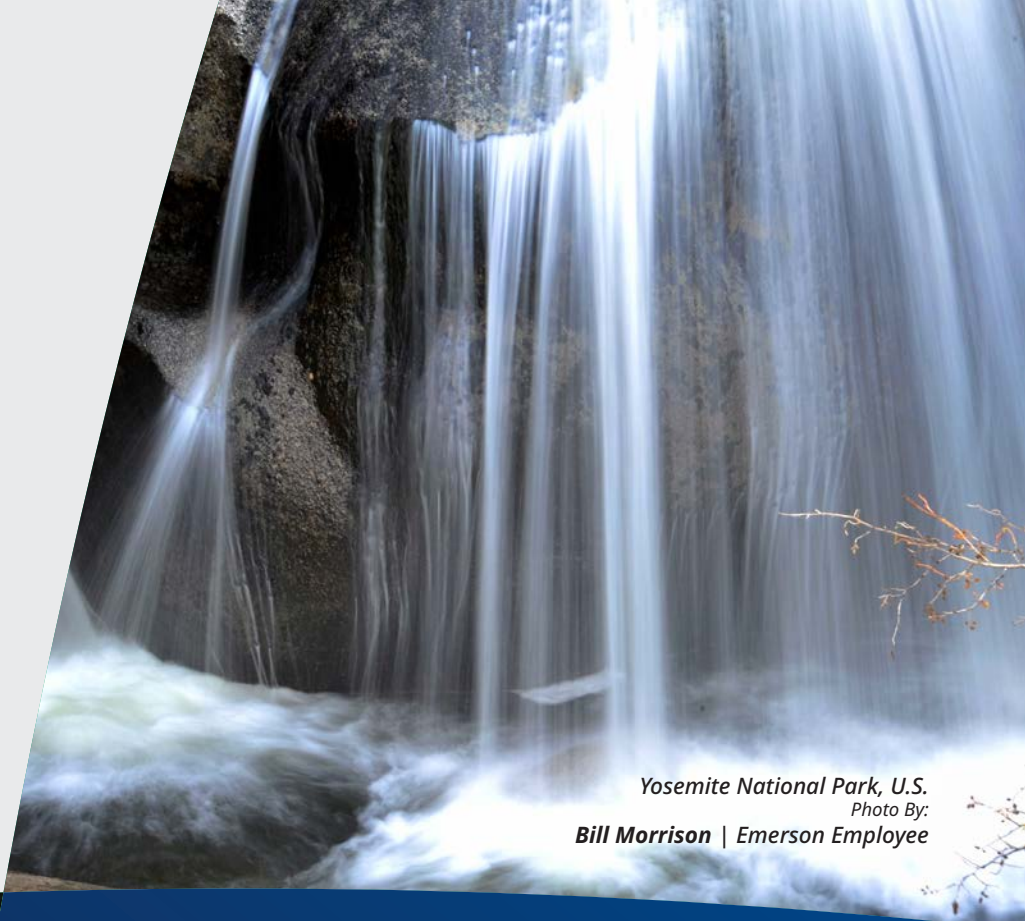
Water & waste management

**Circularity and Waste Management**

A fundamental way to cultivate a more sustainable society is to explore the trapped value of materials and resources at the end of their useful life. Circularity and reducing waste has become a primary discussion.

Emerson is working with a wide set of industries ranging from better water stewardship in industrial applications, to recycling the essential materials in a rapidly growing collection of spent batteries, to the conversion of biologic feedstocks like wood chips into useful materials like plastics.

In each application, producers depend on advanced automation technologies and software to operate efficiently, reliably and safely. Emerson's Plantweb™ digital ecosystem provides the instrumentation and automation systems, control equipment and advanced industrial software to achieve greater sustainability while delivering on financial performance.



*Yosemite National Park, U.S.*  
Photo By:  
**Bill Morrison | Emerson Employee**



*Suceava, Romania*  
Photo By:  
**Romulus Holhos | Emerson Employee**

**Water Treatment**

A North American water authority that serves almost 4 million residents provides safe drinking water and wastewater treatment services to keep the local waterway safe and clean for agriculture and recreation. The authority, which operates one of the largest single-site wastewater treatment facilities in North America, entrusted the automation of their aeration and control process to Emerson and the Ovation control system. Achieving optimal water quality requires precise control of aeration and oxygenation consistency. Not only will Emerson's technology help save nearly \$1 million annually, it will be vital to helping the authority to return water back to the environment that is often cleaner than the environment it is re-entering.

## Circularity in Action



### Origin Materials: From Wood to Plastic

Plastics touch most aspects of our lives, thanks to its flexibility, weight and relative strength. Yet as the world seeks to decarbonize and reduce consumption of fossil fuels, alternative sources of feedstocks to create plastics are in high demand.

[Origin Materials](#) is revolutionizing plastics production by converting cellulosic material such as woody biomass into four building block chemicals with zero carbon loss in the process. As trees and plants naturally harvest carbon dioxide from the air, these raw materials are rich with the carbon needed to produce plastics, but do so in a more sustainable way.

Emerson measurement and software is helping Origin profile feedstocks and manage chemical synthesis accurately and safely to drive greater yields and extract the maximum utility of its resources.



### Li-Cycle: Bringing Batteries Full Circle

The electrification of traditional fossil-fuel applications is driving unprecedented demand for batteries. Yet assembled batteries have a finite rechargeable life, and ultimately are discarded. Built with highly valuable — and potentially toxic — materials, lithium batteries require specialized handling at the end of their life.

Emerson works with a pioneering company in lithium-ion battery recycling called [Li-Cycle](#), which brings lithium-ion batteries back to their elemental compounds, including aluminum, copper, nickel, manganese, cobalt and lithium. Using water-based chemistries called hydrometallurgy, Li-Cycle can sustainably recover up to 95% of a battery's materials for future use.

In facilities across North America, Li-Cycle collects and recycles lithium-ion batteries into the metals and critical materials used in many applications. Using a specialized process aided by Emerson's automation software and technologies, Li-Cycle can maintain precise control over their process, ensuring safe recovery and transformation of batteries into many uses to help create a circular lithium-ion battery supply chain.



### PureCycle: Revolutionizing Plastic Recycling

Of the nearly 170 billion pounds of polypropylene produced annually, barely 10% is recaptured and recycled. Yet polypropylene is one of the most desirable plastics available used in a wide range of custom applications from cosmetics and food service to packaged goods. The ability of polypropylene to be shaped and colored gives it tremendous commercial value. Yet that also creates a challenge to recover polypropylene back to a useful feedstock which does not require being downgraded to less commercially attractive uses.

[PureCycle Technologies](#) is revolutionizing plastics recycling, taking discarded polypropylene, marked as resin code #5, and non-destructively returning it to a near-virgin state for reuse in its most desirable forms. Employing a progressive "born digital" strategy, PureCycle is building world class digitally enabled production facilities utilizing Emerson's Plantweb™ digital ecosystem. PureCycle will fully utilize smart instrumentation, software, simulation, control devices, DeltaV control systems, analytics and other advanced automation to drive maximum operational performance.

PureCycle recently celebrated an important milestone with the mechanical completion of their Ironton, Ohio, facility.

# COLLABORATING FOR A NET ZERO WORLD: GREENING WITH EMERSON

**UTILIZING OUR TECHNICAL PERSPECTIVE AND GLOBAL REACH TO COLLABORATE WITH KEY STAKEHOLDERS TO DISCUSS THE WAY FORWARD TO A MORE SUSTAINABLE FUTURE.**

To transition to a low-carbon economy and decarbonize the systems that govern the way we live, it is essential that we work across our entire value chain and sphere of influence. Emerson believes that working in partnership with governments, industry groups and other leading organizations is crucial to achieving our shared sustainability goals.

We are using our unique technical expertise and global presence to engage and dialogue with governments and policy groups, research institutions, NGOs, industry associations and communities on the path toward a more sustainable future. These collaborations frequently include meaningful conversations on innovation, policy options, scaling of novel solutions, and formulating essential strategies for the roadmaps to a net zero world.

## **EMERSON'S COLLABORATION EFFORTS ARE DRIVEN BY THREE MAIN STRATEGIES:**

- 1** Engaging governments and industry groups.
- 2** Collaborating with leading research and educational institutions.
- 3** Convening leaders and communities.

Emerson team visiting The University of Texas at Austin.



# Collaborating to Accelerate Climate Action

## AMERICAS

### Government & Policy

Air-Conditioning, Heating, and Refrigeration Institute (AHRI)

Carbon Management Canada

Energy Policy Research Foundation Inc. (EPRINC)

U.S. Environmental Protection Agency (EPA)

U.S. Department of Energy (DOE)

Clean Energy Buyers Association

The Conference Board of Canada

### Innovation & Industry

UN Global Compact

Clean Energy Smart

Manufacturing Innovation Institute (CESMII)

National Renewable Energy Laboratory (NREL)

Oak Ridge National Laboratory

Texas A&M University

The University of Texas

H2Peru

H2Ar

## EUROPE

### Government & Policy

European Clean Hydrogen Alliance

European Heat Pump Association (EHPA)

European Partnership for Energy and the Environment (EPEE)

European Raw Materials Alliance (ERMA)

France Hydrogene

UK Hydrogen and Fuel Cell Association

### Innovation & Industry

EMB3RS Heat and Cold matching platform

Resource Efficiency Collective (University of Cambridge)

Sustainability Association (Institute for Manufacturing)

United Kingdom's Future Industrial Resource Efficiency Strategy (UK FIRES)

University of Cambridge

EnTranCe (Netherlands)

## ASIA & MEA

### Government & Policy

Australian Hydrogen Council

Emirates Green Building Council

H2 Korea (Hydrogen Korea)

Republic of Korea Ministry of Trade, Industry and Energy

U.S. India Strategic Partnership Forum

Hydrogen Fuel Cell Association of Singapore

### Innovation & Industry

Nanyang Technological University Singapore

The Energy and Resources Institute (TERI)

Tongji University

Tsinghua University

Indian Institute of Technology Bombay

Monash University

Singapore Polytechnic

Korea Hydrogen Industry Association (KHIA)



Chief Sustainability Officer Mike Train on a panel at the Sustainable Innovation Forum at COP27.

## Engaging with Governments and Industry Groups

In recent years, we have worked to identify key organizations that we believe are effective for change and promoting best practices. We are active members of several organizations specifically dedicated to climate action and the collective achievement of shared decarbonization goals, such as:

- The UN Global Compact, the world's largest corporate sustainability initiative, with over 17,000 participants from 160 countries.
- Business Ambition for 1.5°C partnership, which unites businesses committed to a science-based target in the near term and a clear net zero goal in the long term.
- RE100 and the Clean Energy Buyer's Association (CEBA), which bring together global corporations committed to sourcing 100% renewable electricity.
- Renewable Natural Gas Coalition, which advocates for sustainable development, deployment and utilization of renewable natural gas.
- The EPA's Energy Star Partnership, where like-minded companies collaborate to share energy efficiency best practices.
- The DOE's Better Climate Challenge, a network of industry leaders that have committed to working with the DOE to plan for their organizations' future success.

### HOW WE ENGAGE:

- We meet with government officials and policymakers worldwide in an effort to understand their priorities and the technical obstacles encountered in creating new regulations and policies.
- We provide government agencies, policymakers, and standards bodies with relevant technical perspective and expertise.
- We work with industry groups to exchange best practices, discuss shared challenges, and promote the accelerated adoption of sustainable technologies.
- We participate in international forums and initiatives to advance global sustainability concerns and encourage collective action.

## Emerson Policy Engagement

Emerson continues to be engaged in various European policy initiatives, primarily as part of the European Union's (EU) Green Deal, a package of policy initiatives aimed at making the EU climate-neutral by 2050. We employ a proactive and collaborative approach to engage with governments, sharing practical considerations and ideas for implementation. We engage in dialogues with both EU-level policymakers and Member State officials to help inform how digitalization and automation technologies can support their respective energy transition objectives.

As a member of the European Clean Hydrogen Alliance, Emerson is actively engaged with the European Commission to focus on harmonized standards for measurement equipment to facilitate efficient emissions control, energy measurement and utilization. In particular, Emerson is supporting the evaluation of the EU Measurement Instruments Directive to better facilitate the smooth energy transition and support various industries in achieving their net zero goals.

In the United States, Emerson works with the DOE, the EPA and trade associations to promote sustainability investments and ensure access to critical supply chains required for broader-scale adoption of energy-efficient technologies. Similarly, we connect with governments around the world to discuss sustainability roadmaps and ways Emerson's knowledge can be helpful. Recent discussions have focused on industrial decarbonization, hydrogen production, heat pumps, energy efficiency requirements in schools, and critical mineral availability.



Emerson Team accepting the 2022 ENERGY STAR® Partner of the Year Award for distinguished corporate energy management.



## Accelerating the Deployment of Hydrogen

Emerson actively participates in several local hydrogen groups and alliances worldwide focused on advancing hydrogen as a clean energy solution. These groups include the European Clean Hydrogen Alliance, the Australian Hydrogen Council, Hydrogen Connexion by Business France, Norwegian Hydrogen Association, H2AR in Argentina, H2 Perú and the Korean Hydrogen Convergence Alliance (H2KOREA).

An overview of the associations that we are part of is shown to the right.

In 2021, Emerson Korea was elected to lead the hydrogen equipment committee of The Korea Hydrogen Industry Association (KHIA). This work includes leading research and development projects with the Korea Marine Equipment Research Institute, organizing a major hydrogen solution seminar, participating in policy and regulatory dialogues and joining the Hydrogen Town project in the city of Ulsan as part of the country's effort to build a hydrogen industry hub.

An example of a collaborative initiative that Emerson is involved in to help accelerate the deployment of hydrogen value chains is our participation in the RHeadHy project. Co-funded by the EU Horizon Europe Program under the Clean Hydrogen Partnership initiative and supported by a European consortium of companies, RHeadHy is anticipated to represent a major step forward in unlocking the hydrogen heavy duty mobility market.

The project, coordinated by ENGIE, focuses on heavy-duty vehicle high-pressure hydrogen refilling stations. As partners, we work together to design the key components that will be critical to provide ultra-fast hydrogen filling speeds. The new refueling protocols and equipment developed should enable the fueling of a 100-kilogram heavy duty truck storage system in 10 minutes, a fivefold reduction in refueling time.

Emerson is investing in innovative solutions like new instrumentation and valves designed for the high-pressure and high-flow dispensing needs of the refilling stations manufactured by Hydrogen Refueling Solutions. This project can help pave the way for the creation of an extensive network of high-capacity hydrogen refueling stations.

AMERICAS	EUROPE	ASIA & MEA
H2AR in Argentina	EU Horizon Europe Program — Clean Hydrogen Partnership	Australian Hydrogen Council
H2 Perú	European Clean Hydrogen Alliance	Hydrogen and Fuel Cell Association of Singapore (HFCAS)
Hydrogen Connexion by Business France	France Hydrogène	Korean Hydrogen Convergence Alliance (H2KOREA)
	Norwegian Hydrogen Association	The Korea Hydrogen Industry Association (KHIA)
	UK Hydrogen and Fuel Cell Association (UK HFCA)	
	VDMA P2X4A	

### FOR MORE INFORMATION



Please refer to the [RHeadHy project webpage](#).

## Participation in Standards Development

Emerson has a history of involvement in developing technical standards in areas of automation, including instruments, digital communication, automation software, cybersecurity, and many others. We frequently participate in specialized technical committees and working groups, providing industry knowledge, and on-the-ground experience to help establish industry standards and drive operational excellence forward.

As new industry sectors develop and evolve, such as hydrogen production, distribution, storage and dispensing, Emerson has engaged in helping to shape the development of sustainability-focused standards. In fiscal 2022, Emerson contributed to the development of the International Organization for Standardization's (ISO) Net Zero Guidelines (IWA 42), commissioned by Our 2050 World, a global collaboration to accelerate action toward net zero through standards.

In Europe, Emerson is engaged as the hydrogen value chain continues to develop and evolve. For example, we are part of the European Committee for Electrotechnical Standardization's (CENELEC) working group on industrial valves for mixed gas-hydrogen or pure hydrogen applications and networks (CEN/TC 69/WG 19). Participating in these groups enables us to understand different stakeholder perspectives, gain knowledge, and create a network of experts on hydrogen service.

Through these engagements we hope to bring a practical and global perspective to the discussions, leveraging our deep technical expertise and our long-standing experience working with our customers, across a broad range of industry sectors.

## Advancing Heat Pump Adoption to Decarbonize the Heating Sector

Emerson played an active role in industry working groups, regulatory committees, and research and development (R&D) efforts to help advance best-fit heat pump technologies and promote opportunities to electrify HVACR equipment. We also helped the industry to set the standard for cold climate heat pump applications and prepare for broader usage of these technologies.

In fiscal 2022, Emerson was invited to join the White House National Security Council for a United States-EU Energy Security Task Force to explore ways to increase the adoption of energy efficient technologies in the European Union. Emerson's participation in these discussions helped identify synergies between the public and private sectors to accelerate electrification of heating in the EU by increasing heat pump production and alleviating supply chain disruptions. The U.S. is also promoting electrification and the use of heat pumps, as reflected in the Inflation Reduction Act's tax credits and investments in these technologies.

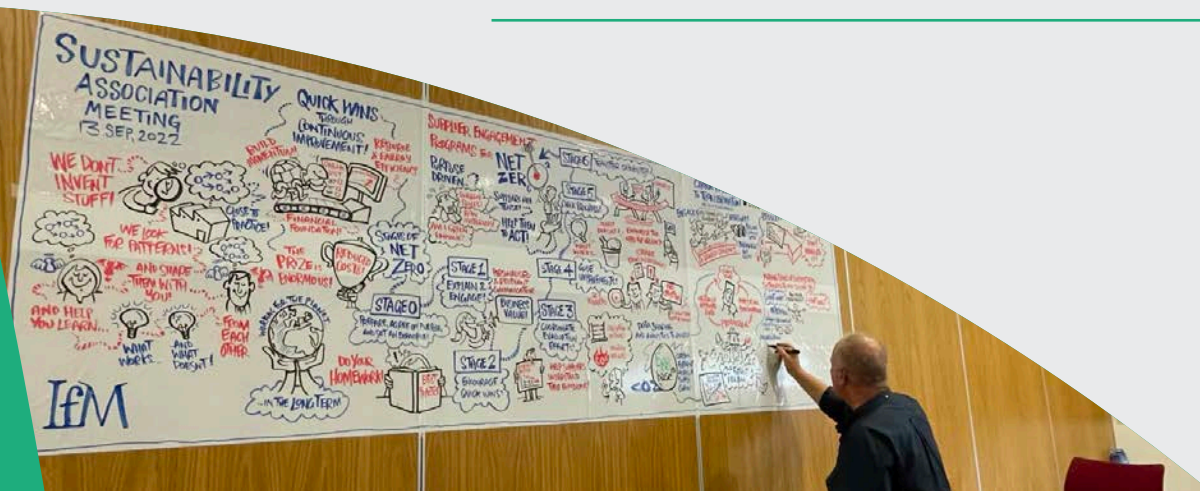
In the EU, Emerson is engaged with key stakeholders to encourage regulators to take a holistic approach when establishing targets and policies, and in doing so appropriately balance potential trade-offs or conflicting factors. A prime example is the trade off between direct CO<sub>2</sub> emissions from leaking refrigerants and indirect emissions from electricity production further upstream. Because the choice of refrigerant can impact the energy efficiency of a compressor, both factors need to be considered jointly to limit the overall impact of climate change. Through the European Partnership for Energy and the Environment (EPEE), Emerson is providing technical support to the European Commission in order to help illustrate how to better optimize policies driving targets on these two types of CO<sub>2</sub> emissions for specific product groups, such as condensing units.



## Collaborating with Leading Research and Educational Institutions

Emerson invests in research and development capabilities as we strive to solve our customers’ challenges in transitioning to a sustainable, low-carbon economy. Our engineers work to develop new products to support emerging sustainability markets, such as hydrogen, battery value chains, or new methods of plastic recycling, as well as for existing sectors facing new challenges, such as steel, power, or chemicals. But achieving a net zero future will require the development and deployment of innovative technologies at an unprecedented scale and speed. For this reason, Emerson works closely with a number of researchers and educators around the world.

An artist’s rendering of the topics discussed during a Sustainability Association meeting at the Institute for Manufacturing, University of Cambridge.



### HOW WE ENGAGE:

- Sponsoring long-term research to drive innovation in key sustainability topics through partnerships with universities and research institutions.
- Engaging in short-term research projects with university students to complement their research with our industry perspective.
- Participating in public-private research consortia where we work with multiple stakeholders to develop new sustainability practices and thought leadership.
- Inviting external experts to share recent trends and innovative technologies with our employees and share our own expertise with our community more broadly.

### Long-Standing Partnership with the University of Cambridge

Emerson has been working with different groups at the University of Cambridge for almost a decade.

Emerson has been partnering with the Resource Efficiency Collective, a research initiative within the Department of Engineering at the University of Cambridge, since 2014. Over the past nine years, we have sponsored three PhD students, worked with several master thesis candidates and supported a number of research grants. The research has focused primarily on developing new tools to measure resource efficiency in hard-to-abate process industries, and on developing new artificial intelligence techniques to control energy use more effectively in buildings.

Emerson is also an industry partner in UK FIRES, a research program aiming to stimulate industrial growth in the United Kingdom that is compatible with a rapid transition to zero emissions. UK FIRES is a collaboration between the universities of Cambridge, Oxford, Nottingham, Bath and Imperial College London. Together with other companies, we work to highlight opportunities for accelerated deployment and innovation primarily relying on mature technologies that have been proven to work at scale.

Alongside this, in fiscal 2022, Emerson became a founding member of the Sustainability Association within the Institute for Manufacturing (IfM). This group aims to develop a ‘community of practice’ that can support companies like ours in accessing the right knowledge, expertise and network to accelerate sustainable change within our organization.

### Partnering with the DOE Laboratories for Increased Energy Efficiency

Emerson continues to serve as a partner of the DOE to develop more sustainable climate technologies and energy management. Recently, we completed our participation in five projects and we are currently engaged in nine active projects with Oak Ridge National Lab focused on increasing energy efficiency in applications such as novel heat pump architectures, lower-cost cooling mechanisms, and geothermal storage and heating.

We also partner with the National Renewable Energy Laboratory (NREL) to advance research and development of the operational efficiency of buildings and building systems. NREL is developing grid-interactive building technology that strengthens the resiliency, efficiency and affordability of energy systems.

Partnerships like these allow Emerson to share our knowledge in areas such as building energy management, sensing, refrigeration, heating and air conditioning to collaborate in the development of innovative solutions and policies that will shape the future. By bringing together our shared perspectives, these partnerships can potentially increase the speed to market for new, more sustainable solutions.

Internally, at our testing and R&D facilities, we're focused on integrating sustainable solutions that balance the key variables of the greenhouse gas emissions reduction equation in HVACR applications. These include load reduction through insulation and energy-efficient technologies, continued evolution toward cleaner sources of energy generation at the grid and regionally tailored solutions for comfort heating.

### Collaborating with IITB-Monash Research Academy to Drive Sustainable Innovation

One of our key partnerships with world-renowned universities is our collaboration with the IITB-Monash Research Academy — a major Australian-Indian research collaboration formed in 2008 between the Indian Institute of Technology Bombay (IITB) and Monash University. The aim of this collaboration is for both partners to leverage their expertise and resources to tackle complex challenges and develop industry ready solutions in several focus areas, including circular economy, clean energy and sustainable society.

Specifically, in the past few years, two PhD students sponsored by Emerson have been exploring a range of topics, from designing new catalysts for CCS processes to studying the factors that influence electricity demand in rural settings in India. Through this research we aim to accelerate the deployment of low-carbon innovative technologies and, where relevant, inform the development of effective policies and strategies for sustainable electricity generation and management.



### Improving Technical Skills and Knowledge Through Sustainability Training

Emerson is helping to advance sustainability education and innovation by collaborating with expert organizations and higher education institutions. In fiscal 2022, Emerson entered a formal partnership with Singapore Polytechnic to help upskill students and employees from over 30 companies from the energy and chemicals, and pharmaceutical sectors. Delivered over two years, this program will help close critical skills gaps and harness advanced digital technologies to reduce emissions and energy consumption.

Spanning an area of 1,430 square meters, the Energy and Chemicals Training Centre (ECTC) is a one-stop training and solution center. It houses an Interactive Plant Environment (IPE), a Virtualization Room equipped with augmented reality and virtual reality technologies, a suite of chemical engineering laboratories, and key unit operations under one roof. This center allows students in chemical engineering

degree programs and practitioners from the process industry to conduct experiments, build prototypes and operate equipment. Part of this partnership also includes co-developing capstone decarbonization projects to facilitate learning and adoption, and co-hosting industry outreach events.

Emerson's engagement with stakeholders on key principles of energy engineering is demonstrated through our long-term corporate membership with the Association of Energy Engineers (AEE). Emerson employees attend regional and international conferences annually to reinforce foundational knowledge, explore industry trends, and share best practices. Emerson has also actively qualified Emerson personnel through AEE's intensive, full-week Certified Energy Manager (CEM) training and certification programs.

In the business previously known as Climate Technologies, we offer key industry stakeholders educational content through our E360 Webinar series, and more recently, our Panorama 360 initiatives in Latin America. These two platforms facilitate industry-wide dialogues, foster collaboration among stakeholders and address practical challenges facing the heating, ventilation, air conditioning and refrigeration (HVACR) industry. Educating equipment manufacturers, contractors, technicians and vocational school faculty and students on current industry trends, regulations, and opportunities to save energy and emissions is a key part of this platform.



The Emerson team visiting the Energy and Chemical Training Centre at Singapore Polytechnic.

## Convening Leaders and Communities

In the past year, we have interacted regularly with key stakeholders, hosting sustainability-focused events and meetings with our investors, customers, suppliers and other business partners. Open dialogue with these stakeholders influences the actions we take and how we communicate with them to enhance ESG transparency and accountability.

### HOW WE ENGAGE:

- Hosting sustainability-focused events with customers to understand their priorities and the technical challenges faced as they work to deliver on their sustainability and net zero targets.
- Organizing sustainability-focused meetings with strategic suppliers to share best practices and communicate Emerson's sustainability goals and expectations.
- Facilitating open discussions with employees and connecting them to information and tools that they can leverage to take action internally and in local communities.
- Participating in technical conferences, trade shows and other events, where sustainability enabling technologies and solutions are showcased and challenges are discussed.
- Joining global, multi-stakeholder forums, where we advocate for accelerated sustainability action, share sustainability innovations and strive to forge cross-sector partnerships.

### Advocating for Climate Action in Global Forums

Emerson has supported Paris-aligned climate action and policies on the global stage. For a second year, our Chief Sustainability Officer Mike Train participated in the Sustainable Innovation Forum hosted by Climate Action at the UN Climate Change Conference, at COP27 in Sharm-el-Sheik, Egypt. This year, Mike joined multiple panels to discuss the role of digitalization in driving higher efficiency and lower emissions across essential industrial sectors, and how companies can help accelerate sustainable innovations.

In fiscal 2022, Emerson took the UAE Climate-Responsible Companies Pledge, part of the UAE Ministry of Climate Change and Environment's National Dialogue for Climate Ambition (NDCA). This pledge focuses on enhancing the engagement of the private sector in line with the UAE Net Zero 2050 Strategic Initiative.

As a signatory, Emerson is focused on integrating collective climate action into core business strategies, measuring and reporting greenhouse gas emissions transparently, drafting science-based plans to reduce carbon footprint, and sharing these plans with the UAE government to help achieve their national net zero target by 2050. Signatories also agreed to an all-inclusive approach, engaging youth, women and vulnerable segments of society in drafting their net zero plans.

### FOR MORE INFORMATION



Hear more from [Mike's interview](#) at the Sustainable Innovation Forum.

*"We are witnessing firsthand how our commitment to innovation and our strategic vision are advancing us toward our net zero goals. We will continue to take actions that tackle emissions across our global operations while supporting our customers in their decarbonization efforts and the broader communities we serve."*

**Mike Train**  
Chief Sustainability Officer



### Driving Engagement in our Local Communities Worldwide

In addition to collaborations and engagements with our business partners and international organizations, Emerson's Greening With strategy emphasizes the importance of outreach and engagement with local communities worldwide. Our global presence and technical expertise in the clean energy transition enable us to better understand how citizens from varying socio-economic and cultural contexts think about sustainability and the impact of climate change.

Emerson's Green Team in Cluj-Napoca, Romania, has been particularly active in community engagement. Members of the team spent a day at the Sf. Iosif Foster Care Home in Odorheiu Secuiesc, engaging with the 165 children living there through activities such as cleaning, cooking, games and hikes. Our team members developed a heartwarming connection with the residents. They conducted a creative workshop to turn recycled materials into new treasures and learned the basic principles of the circular economy in a fun and engaging way.

Greening With Emerson is a part of our strategy for engaging, advocating, and sharing knowledge with many key stakeholders worldwide. These discussions and partnerships are helpful for building broad support to deploy innovative low-carbon solutions at scale and for learning about technical, economic and policy challenges and options. The faster we can make these vital, early-stage projects happen, the sooner we can validate whether and how these solutions will contribute to realizing a net zero future.



Beijing, China  
Photo by:  
Yingzhe Wang | Emerson Employee

Emerson employees participating in a tree-planting event on Earth Day (April 22nd) 2022, near the office building in Beijing, China.

In the photo, from left to right, are: Lv Rongrong (Production Operator), Wen Hou (Engineer manager from E&D), and Cao Shengjun (Manufacturing Engineer).



# SOCIAL

## Social Responsibility

We are reimagining what it means to be an employee at Emerson as we build an environment where our people are supported, included, valued and trusted. By investing in our people and sharing our ideas, we are also impacting our communities and shaping our future.

### IN THIS SECTION

[Overview](#)

[Evolving Our Culture](#)

[Diversity, Equity and Inclusion](#)

[Employee Engagement](#)

[Talent Development](#)

[Workforce Development](#)

[Corporate Philanthropy](#)



# Social Responsibility Overview

## Evolving Our Culture

Launched Emerson's Employee Value Proposition: *Let's Go*

## Diversity, Equity and Inclusion (DE&I)

Progressed our goal of **doubling the representation** of women globally and U.S. minorities in leadership positions by 2030

Named a 2022 **'Best Employer for Diversity'** by *Forbes* Magazine

Achieved a **100% score on Corporate Equality Index Rating** for the 2022 Human Rights Campaign: LGBTQ+ Equality Best Places to Work

## Employee Engagement

Initiated company-wide, **continuous listening** strategy to more effectively amplify employee voices and encourage dialogue

## Talent Development

Relaunched global in-person **Rising Leaders** Program after pivoting to fully virtual in 2021

Through our global learning center, we offer **more than 1,000** e-learning courses that target skill development

## Workforce Development

Increased options for training by adding **virtual instructor-led** learning to Emerson's educational services program

Partnered with hundreds of universities and colleges around the world to foster effective training solutions, elevate technical and professional skills and **provide employment opportunities** to students

## Corporate Philanthropy

Pledged **\$200 million** over 10 years, focusing on education equity in the communities where we operate

Provided over **100 employees** in need grants from the Support Our People Fund, designed to assist employees in getting to safety quickly during FEMA-qualified disasters

**Continued to support** the communities our employees work and live in through volunteerism at local nonprofit organizations

Rocky Mountain National Park, U.S.  
Photo By:  
**Amelia Brisk**  
Emerson Employee

# EVOLVING OUR CULTURE

**AN INCLUSIVE CULTURE EMPOWERS OUR PEOPLE AND POSITIONS  
OUR COMPANY FOR CONTINUED, LONG-TERM SUCCESS.**

Emerson is built on a solid foundation — a long, storied legacy that has served us well with strong purpose, causes and values to guide us in our everyday work. While there is much to admire about where we've been, a new chapter awaits.

A transformed and revitalized culture is essential to unleash our potential for growth and is a key pillar of our value creation strategy. Our world is changing, and we need to change with it. As we look to the future, we know that what got us here in the past won't get us to where we need to go.

To thrive in this new world, we must do things differently or risk falling behind. We know our people make the difference and hold the keys to our collective success. We believe our employees, living our culture, is what will unlock new value.

## Introducing Our Employee Value Proposition

This year, we introduced a cornerstone in how we will tell the story of what it means to be an employee at Emerson when we launched our company's first-ever employee value proposition (EVP).

*Let's Go* is our EVP serving as an invitation to employees and potential employees to join the company in our bold aspiration to create a healthier, safer, smarter and more sustainable world. This complements the external voice of our brand, *Go Boldly*, which is an invitation to customers, investors, suppliers and communities to join us in achieving great things.

Employees and leaders from across the company helped to create *Let's Go* to ensure that we communicate, celebrate and hold ourselves accountable in delivering the critical and differentiating experiences that are unique at Emerson: challenging and purposeful work, innovation, personal growth and an environment of diverse and authentic individuals who make a global impact by addressing some of the world's most pressing issues.

*Let's Go* is brought to life through the experiences of our employees every day and shared broadly through images and stories. Through this newly articulated EVP, we want to encourage employees to think big, ask the hard questions and challenge conventional thinking — without the fear of failure. Great ideas come to life when people share their talents and ideas openly. That's why we are committed to creating a culture of respect and acceptance where every Emerson employee — and their innovative ideas — can thrive.

*To all the thinkers, doers and connectors. All the disruptors, innovators and value-creators. Let's go. We want you to join us in our bold aspiration to make the world healthier, safer, smarter and more sustainable.*

*Together, we are building a global community of smart, dedicated people who thrive when everyone feels welcomed, trusted, celebrated and empowered to solve the world's most complex problems — for our customers, our communities and the planet.*

*At Emerson, our people are at the center of what we do. So, let's go. Let's think differently. Learn, collaborate and grow. Seek opportunity. Push boundaries. Be empowered to make things better. Speed up to break through.*

*Let's go, together.*

Let's Go Let's Go Let's Go Let's Go Let's Go Let's Go

# DRIVING DIVERSITY, EQUITY AND INCLUSION

AT EMERSON, WE PRIORITIZE BUILDING A DIVERSE, INCLUSIVE AND EQUITABLE CULTURE WHERE WE VALUE EACH EMPLOYEE'S UNIQUE EXPERIENCES AND PERSPECTIVES.

## Diversity, Equity and Inclusion Vision Statement

Our culture vision sets the direction for how we want to change the way we work and accelerate our cultural transformation: *We are committed to building a culture centered around diversity, equity, inclusion, innovation and growth that enables our customers, shareholders, people and stakeholders to thrive — wherever they are in the world.*

We believe a diverse, equitable and inclusive work environment is imperative to our value creation strategy, fosters innovation, enables us to bring the best solutions to our customers and ultimately delivers differentiated results.

## Diversity, Equity and Inclusion Goals

In 2021, we announced a longer-term diversity target to double the representation of women globally to 40% of our leadership, and U.S. minorities to 30% of our leadership by the year 2030. Despite the challenging nature of this target, given the technical industries we participate in and our ability to compete for available talent, we are making progress, with positive momentum in fiscal 2022 that we will build upon as we work toward this ambitious aspiration.

IN FISCAL 2022, WE STRATEGICALLY FOCUSED ON THREE KEY CHARTERS OF OUR DE&I ROADMAP:

- 1 Fostering an inclusive workplace through recognizing successful existing initiatives and identifying opportunities to expand beyond our salaried population.
- 2 Enhancing our pipeline strategy to create stronger candidate pools and broaden our reach to underrepresented groups.
- 3 Driving the cultural foundation of inclusion through DE&I and leadership trainings.



# Emerson's Workforce by the Numbers

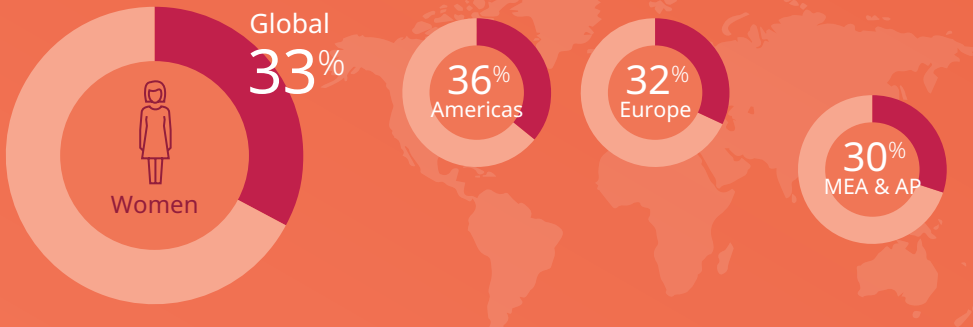
## GOALS FOR 2030



**40%** Global Women in Leadership

**30%** U.S. Minorities in Leadership

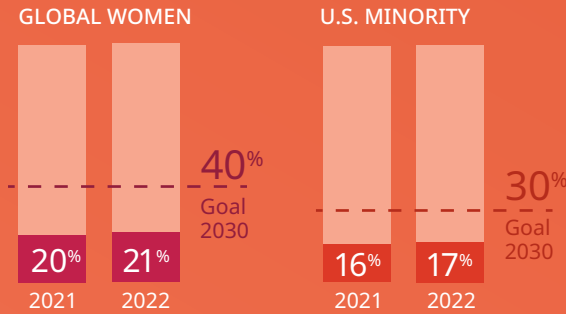
## WOMEN REPRESENTATION IN WORKFORCE



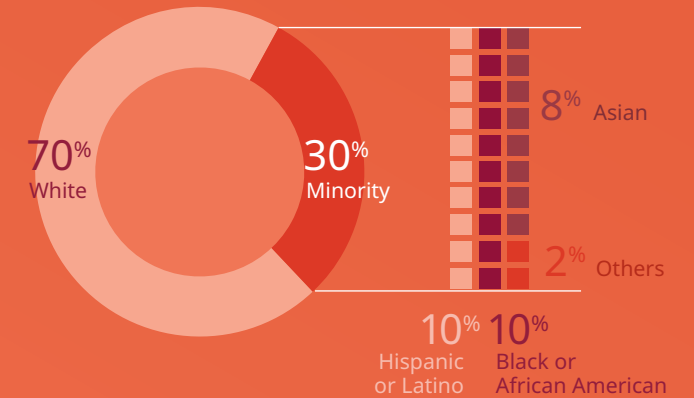
In this data set, leadership is defined as individuals at the Director level and above. Global data reflects countries that are included in our human resources information system and excludes countries not yet transitioned onto the core system. Minorities include: Asian, American Indian or Alaska Native, Black or African American, Hispanic, Native Hawaiian or Other Pacific Islander, and two or more races.

This data is presented on Emerson's fiscal year calendar.

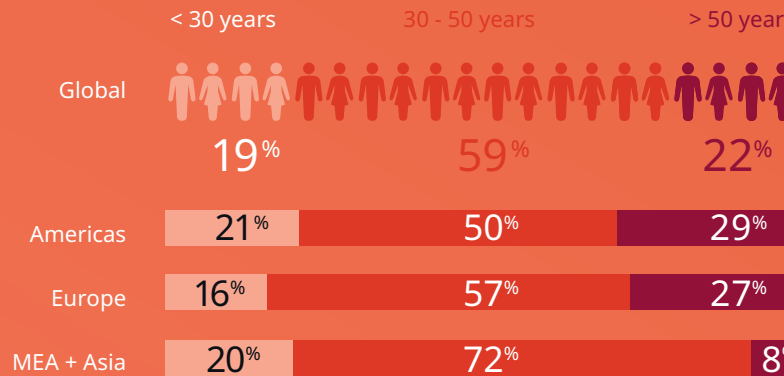
## LEADERSHIP REPRESENTATION



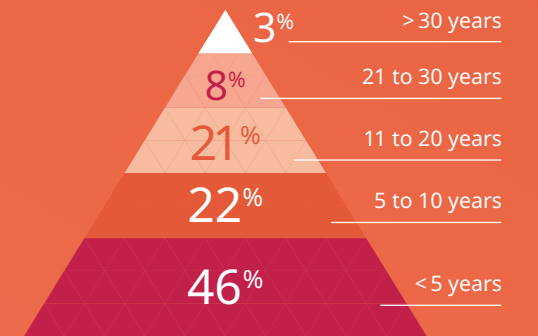
## TOTAL U.S. WORKFORCE MINORITY BREAKDOWN



## EMERSON GLOBAL WORKFORCE AGE



## YEARS OF SERVICE IN GLOBAL WORKFORCE



## Emerson Employees Making an Impact

Our employees across the globe are enthusiastically supporting the overall culture we are creating. Numerous employee-led initiatives are supporting our learning, strengthening our interpersonal bonds and helping create an environment where all Emerson employees feel valued.



### Breaking the Bias

As part of International Women's Day 2022, Emerson's Women's Impact Network (WIN) Employee Resource Group helped employees come together in a show of support for eliminating both deliberate and unconscious bias against women in communities, workplaces and educational institutions. In addition to shedding light on the negative impacts of gender bias, discrimination and stereotyping, the campaign called for supporters to pose with their arms crossed on social media. Emerson employees answered the call, submitting 400 photos to WIN that were included in a video and shared across Emerson's social channels in a demonstration of solidarity and support for leveling the playing field.



### Honoring Those Who Have Served

In recognition of United States veterans and their service, several Emerson sites joined in the nationwide celebration of Veterans Day. In Houston, Texas, the Veterans Employee Resource Group helped promote the day and facilitated educational conversations among employees. In Erie, Pennsylvania, Emerson employees took part in a local Veterans Day parade and participated in a "polar plunge" into the frigid waters of Lake Erie as part of a community outreach effort that helped raise more than \$1,200 for the Special Olympics. And in New Jersey, employees organized their site's inaugural Charity Chili Cookoff, giving all proceeds to the Children of the Patriots Foundation with the mission to provide college scholarships and educational counseling to children who have lost a parent in the line of duty.

## Emerson Employees Making an Impact



### A Day of Reflection and Cultural Appreciation

The Black Employee Alliance Employee Resource Group at Emerson's Florham Park office in New Jersey created and hosted an interactive event for employees to commemorate Juneteenth. Participants had the opportunity to learn about the holiday by taking virtual tours of historic sites such as the First Africans site in Virginia, Fort Monroe National Monument and the Texas African American History Memorial in Austin. Juneteenth recognizes June 19, 1865, when 250,000 enslaved Black people in Galveston, Texas, learned they had been freed.



### Celebrating the Hmong New Year

Led by the Minneapolis/St. Paul Asian & Pacific Islander Alliance (APIA) Employee Resource Group, Emerson's Shakopee facility hosted its first Hmong New Year Celebration. Taking place in the fall, Hmong New Year is a vibrant cultural celebration traditionally honoring ancestors and giving thanks for completion of the harvest. As part of the festivities, attendees had the opportunity to learn about Hmong culture, traditions, civilization and language. "With the opportunities that the Emerson APIA resource group has provided, I was able to help sponsor the event and provide an opportunity for others to celebrate a cultural tradition they may not have thought they would," said Cheng Vue, global magnetic flow meter product manager and Minneapolis/St. Paul APIA vice chair of programs.

## Elevating Women And Minorities

To remain relevant, competitive and innovative, we aspire for our workforce to be as diverse as the communities in which we operate. Our team includes hardware and software developers, project managers, supply chain experts, finance and legal staff, sales and service teams, operations professionals, compliance officers, human resources personnel and roles in areas that include but are not limited to marketing, IT and engineering. Attracting and retaining top talent across our company is essential to our long-term success.

To expand our pipeline of diverse talent for salaried positions in the United States, we continue to build our Diverse Slates recruitment program. Our enterprise goal is for interview slates to have at least 50% qualified diverse candidates, and we track metrics to ensure that we are building diverse participation in our interview approach. We engage in targeted recruiting efforts to expand the pool of diverse internal and external candidates.

### Women

Our recruiting efforts at universities and professional organizations aim to attract women with degrees in engineering, human resources and business administration (MBA) programs. Emerson remains a strong supporter and advocate of the Society of Women Engineers (SWE), the world's leading organization dedicated to the advancement of women in engineering. We actively participate in SWE conferences and job fairs to support and recruit women with engineering expertise.

### U.S. Minorities

We continue our focus to increase the racial and ethnic diversity across our team. This year, specific recruitment efforts at a number of career fairs aimed to identify qualified candidates for entry- and executive-level positions from U.S. minority groups.

Led by our Black Employee Alliance Employee Resource Group, Emerson representatives connect directly with potential candidates and share various career opportunities available at Emerson. We also partner with organizations such as the National Society of Black Engineers (NSBE) and the Society of Hispanic Engineers (SHPE). This year, we strategically increased our participation and representation at national conferences to promote key opportunities available across the company.

### Military Veterans

Emerson provides post-military job opportunities for veterans through our veteran-focused MBA recruiting events and foundation partnerships. We also work with Hiring Our Heroes, a nationwide effort to connect veterans, service members and military spouses with meaningful employment opportunities.

### Awards



Top 50 Employers  
*STEM Workforce*  
*Diversity Magazine,*  
2022 Readers' Choice



Top 50 Employers  
*Woman Engineer Magazine,*  
2022 Readers' Choice



Ranked 100% on the Human  
Rights Campaign Foundation's  
Corporate Equality Index for  
LGBTQ+ Workplace Equality

## LGBTQ+

Emerson’s LGBTQ+ Allies Employee Resource Group engages LGBTQ+ talent through conference-focused recruiting efforts. Emerson continued its strong presence at the Out for Undergrad (O4U) engineering conference, which connects high-achieving students who identify as LGBTQ+ with leading corporations in the United States focused on creating welcoming and affirming workplace environments.

Emerson hosted O4U’s MOSAIC event, which kicked off the conference and provided 60 LGBTQ+ students from underrepresented populations the opportunity to tour Emerson’s Shakopee facility and connect with Emerson employees. Additionally, we participated in other activities throughout the conference, including a career fair. In recognition of our active engagement, we have been asked to again sponsor O4U’s MOSAIC event at its 2023 engineering conference.

## People with Disabilities

We recognize that employees succeed when they can bring their whole selves to work. Through education and allyship, Emerson is a welcoming employer of people with visible and invisible conditions, and people who care for others with disabilities. In partnership with a local university, our company headquarters hosted the interactive *Allies for Inclusion: The Ability Exhibit*, which provided valuable insight into the experiences of others. We also launched a Neurodiversity Hiring Program. This pilot program within the Systems and Software business unit aims to attract, retain and develop diverse talent.

## Building an Inclusive Environment

Inclusion is a core part of our broader culture transformation efforts. This year, we have engaged our global employees in new and exciting ways that encourage connection across differences through dialogue and recognition, and by fostering our employee resource group community — which serves as the heartbeat for where employees most distinctly experience a sense of belonging.

## Dialogue and Recognition

In an effort to drive awareness and interaction, we launched various initiatives to encourage conversations about DE&I across the company. Every business group participated in a culture dialogue session, where senior leadership teams came together with input from their teams to discuss their current state culture as well as their cultural ambitions and aspirations. More than 800 senior leaders across the company have made personal commitments and action plans to lead inclusively and establish a sense of belonging within their teams. We also expanded our Courageous Conversations program, a series of regional forums focused on DE&I, to promote open dialogue among colleagues and leaders. To date, there have been over 50 Courageous Conversation and reflection sessions across all world areas and business units.

Another DE&I initiative is our Unconscious Bias training, which focuses on the value of diversity and inclusion and the potential negative impact of unconscious bias in the workplace. Launched in 2014, this training is an interactive, practical course that helps participants understand unconscious bias and its impact. Participants have opportunities to brainstorm and practice ways to counter the unintended consequences of unconscious biases. To date, more than 32,000 employees have participated in this training.



Our internal Diversity, Equity and Inclusion Award recognizes and celebrates the contributions that Emerson employees and teams have made toward building an inclusive environment. This year, the award winner was the DI<sup>2</sup> committee in our Discrete Automation business, recognized for helping foster DE&I across its businesses in Europe, Middle East and Africa, Americas and Asia Pacific and China. This initiative focused on specific programming around education, advocacy and professional development to support employees worldwide. The committee received recognition for its high level of collaboration and for creating a high volume of programming for employees.



## Employee Resource Groups

Throughout the past few years, we have built a robust network of Employee Resource Groups (ERGs) that support our focus on inclusion. Passionate volunteers from across the organization lead these groups at both the company and regional levels and are sponsored by our executive leadership. Our ERGs have grown organically from the ground up and now have more than 13,000 members. ERG membership is available to all employees, including those that join the organization to support others as allies.

### Asian & Pacific Islander Alliance

The Asian & Pacific Islander Alliance was launched in May 2021 to create a network among Emerson Asian and Pacific Islander employees and their allies. The group aims to support each other in their personal and professional growth, provide a platform to amplify voices and serve as a channel for all colleagues to learn about the culture, history and experiences of Asian and Pacific Islander colleagues. APIA now numbers more than 1,104 members across 11 different chapters.

### Black Employee Alliance

The Black Employee Alliance provides a support network for Black colleagues and enables opportunities to drive strategic recruiting, retention and advancement initiatives. The group is actively partnering with the HBCU Career Development Marketplace to support professional skills development for thousands of HBCU graduates. The Black Employee Alliance has grown to more than 943 members across nine different chapters.

### A Special Message from the Black Employee Alliance Chair

*"I enjoy getting to connect with others who have similar experiences, face similar challenges and share the goal of making Emerson a more inclusive company. What I like most about our local chapter is how well we work together and the strong support we receive from leadership. What excites me about the future is the direction and goals that Lal, our President and CEO, has set and the energy that newer employees are bringing to the company and how they are getting involved and often leading ERGs and other teams."*

**Keith Wilson,**  
BEA Chair, Twin Cities Chapter



Black Employee Alliance ERG members recruiting diverse talent at the National Society of Black Engineers' 2023 Conference held in Kansas City, Missouri.

The Mosaic team in Cluj, Romania, organized a Global Village for an Embrace Differences event, where colleagues from different countries showcased their traditions and culture.



## Diverse Abilities

Launched in December 2021, Diverse Abilities created five chapters in fiscal 2022 with more than 600 employees joining the organization. The group aims to encourage awareness around perceived impairments and disabilities and highlight the effect of discrimination and social exclusion on individuals in and outside of the workplace. In its inaugural year, Diverse Abilities held over 20 global events and donated \$25,000 to various local and national organizations.

### A Special Message from the Diverse Abilities Global Chair

*“Celebrating the one-year mark of our ERG around the same time that Emerson’s cultural transformation began to really take off has reaffirmed our vision to ‘celebrate and utilize the rich dimensions of diversity’ within the company. The dedication and creativity of our chapter leaders inspire me to continue learning and innovating ways to increase psychological safety and allyship for all employees. The overwhelmingly positive feedback we have received following our global events and initiatives reinforces the benefit of being connected to each other’s experiences.”*

**Amanda Johnson,**  
Diverse Abilities Global Chair

## Mosaic

A multicultural organization with more than 1,350 members and 12 chapters globally, Mosaic fosters community for people working away from their home country. Its mission is to promote strategic retention of talented individuals with diverse cultural and ethnic origins, while supporting their career growth. A central initiative of Mosaic is the Onboarding Mosaic Buddy Program, which leverages a comprehensive onboarding toolkit to support assimilation within regions in Europe, the Middle East, Africa and North America.

### A Special Message from the Mosaic Global Chair

*“Having worked in different Emerson locations within the USA, Germany and Romania, I learned firsthand the importance of learning and respecting different cultures. This led to the idea of forming the Mosaic ERG to be able to celebrate different cultures and support our colleagues as well as their family who relocate for work. Mosaic was started in August 2021 with the simple goal of utilizing the platform to ‘help at least one person’. In these two years, we have come up with programs such as Mosaic Connect and Mosaic Buddy to help employees network globally and have resources to help during their relocation, respectively. I am proud to say that the community has grown to 1,350 members across 53 countries with 15 active chapters, and we are just getting started.”*

**Manirajan Manivannan,**  
Mosaic Global Chair

## LGBTQ+ Allies

The LGBTQ+ Allies employee resource group works closely with the LGBTQ+ community and its allies to foster a diverse and inclusive company culture. The group's leaders and members have collaborated with Emerson's training and development group to facilitate LGBTQ+ Ally Training and LGBTQ+ Terminology Training 101, with more than 3,500 employees across Emerson participating to date. LGBTQ+ Allies has grown to 18 chapters, with nearly 1,200 employees across 41 countries.

## Somos

Supporting initiatives on behalf of Emerson's Hispanic and Latin American employees, Somos has more than 1,600 members globally across 11 chapters. Somos works to continuously improve recruitment, retention and development of Latin Americans and Hispanics at Emerson through professional development opportunities, mentorship, networking and leadership opportunities, and giving back to Latin American and Hispanic communities.

### FOR MORE INFORMATION



Please refer to Emerson's [Diversity, Equity & Inclusion webpage](#).

## Veterans Resource Group

The Veterans Resource Group raises awareness of the value U.S. military veterans bring to Emerson, with 13 chapters and more than 650 members. The group offers mentorship opportunities for veterans to translate their military experience into commercial skills and learn more about various career paths at Emerson. Local chapters also host several fundraising events and celebrations to recognize veterans and their sacrifice for the United States.

## Women's Impact Network

The Women's Impact Network (WIN) provides support and networking opportunities for women employees globally. Emerson's largest employee resource group with more than 6,000 members and 107 chapters, WIN works to increase the number of women in leadership positions, hosting regular webinars and attracting a new generation of women in STEM through partnerships with the Society of Women Engineers and several universities. WIN's contributions have helped Emerson rank #13 among the top companies to work for by *Woman Engineer Magazine*.

The Somos ERG in Boulder, Colorado, helped the Habitat for Humanity of Longmont, Colorado, build low-income housing. The Somos group recruited Emerson volunteers in Boulder and supported Habitat for Humanity for three days, performing heavy construction work.



# EMPLOYEE ENGAGEMENT

**OUR EMPLOYEES ARE OUR GREATEST STRENGTH, AND WE CONTINUALLY PROVIDE AVENUES WHERE EMPLOYEES CAN SHARE THEIR VALUABLE PERSPECTIVE.**

## Employee Opinion and Culture Surveys

Insights from our colleagues are critical as we continue our culture evolution.

Emerson has conducted employee opinion surveys for more than six decades to continually foster strong employee engagement. These surveys highlight vital employee perspectives across a range of topics, including engagement, satisfaction and work-life balance.

Building upon the body of information gathered from past surveys — and desiring a digital, real-time solution to best understand employee sentiment from across our business and around the world, we strategically designated fiscal 2022 as a period for redesigning our approach to understanding the employee experience and measuring employee engagement.

Our new listening strategy, *Your Voice Counts*, elevates the voices of our people, and equips our leaders with a technology solution that enables them to effectively understand employee sentiment and know where to focus their actions.

*\*Depicts data/information as of June 2023.*

Our recent employee engagement survey revealed strong engagement from across our teams. More than 85%\* of employees participated in the survey, sharing their input from across a number of categories and resulting in an overall engagement of 78%\*. The engagement results were determined based on employee feedback across four areas: intention to stay at the company, pride in the organization, sense of personal accomplishment and willingness to recommend Emerson as a great place to work.

The categories of safety, well-being, growth and development, and access to resources and support earned the most favorable scores, signaling our employees' strong dedication to their work, positive manager relationships and clarity about how each individual contributes to Emerson's success.

With more than 2,700 managers accessing the listening survey tools and taking actions to address the feedback and insights of their teams, this was a strong first step to implementing a more robust, just-in-time capability to listen and incorporate employee feedback as we shape our culture and drive our business.



Celebrating Pride Month at the Global Digital Counsel Meeting in Milan, Italy, June 2022.

**78%** Employee engagement survey revealed overall employee engagement of 78%.\*

## Labor Relations

We respect our employees' right to freedom of association in choosing labor organizations to represent them. We collaborate with the unions, works councils and employee associations that represent many of our employees to maintain positive relationships. In the United States, approximately 6% of our workforce was part of a union in fiscal 2022. Worldwide, approximately 30% of our employees are represented by an employee representative organization, such as a union, works council or employee association. Our annual meeting with the European Works Council was collaborative and constructive. Due to our strong relationships with these entities, there were no strikes or work stoppages at any of our sites in fiscal 2022.

## Wages and Benefits

At Emerson, we strive to retain and grow our exceptionally talented global workforce. Our company value "Support Our People" is reflected in our efforts to provide competitive wages and benefits in the markets where we operate worldwide. Our compensation practices comply with applicable wage laws and international standards, including those relating to minimum wages, overtime compensation and legally mandated benefits. Documentation of payment details is provided through pay stubs or similar written communication in a timely manner.

In the United States, our full-time employees receive a standard benefits package that includes healthcare, life insurance, disability coverage, paid parental leave, access to a retirement savings program and telehealth coverage to simplify connecting to medical resources. Benefits packages for full-time employees in other countries vary in accordance with legal mandates.

## Global Hybrid Work Policy

The dynamic of remote work and flexible time has continued to evolve in Emerson. To Support our People in their pursuit of a healthy work-life balance, while creating an environment aligned with Emerson's core value of collaboration, Emerson has implemented Hybrid Remote Work policies around the world. While designed to provide greater flexibility, these policies also consider the need for in-person collaboration to support innovation, professional development skills and to help build our company culture. These policies may differ by job duties, world area and local rules and regulations.

## Global Paid Parental Leave

Having work-life balance and ample family time is critical to everyone's well-being. Our global paid leave policy for new parents across our company outlines time off to support family needs. When welcoming a new child into the home, whether by birth or adoption, Emerson employees who identify as the primary caregiver receive 12 consecutive weeks of paid parental leave with 100% pay upon birth or adoption. Employees who wish to support their spouses or partners during this time as a secondary caregiver can receive two weeks of paid parental leave within six months of birth or adoption. In countries where the minimum standards of applicable law exceed our new policies, Emerson complies with the law.



## Employee Assistance Program

Our global Employee Assistance Program offers a variety of resources to make sure our employees are supported in challenging times. This year we introduced the Emerson Cares initiative, which houses the Support Our People Fund, dedicated to providing financial assistance for any Emerson employee in need due to reasons such as natural disaster, damage to primary residence, or death of employee or family member. Under the Emerson Cares umbrella, this new fund joins our existing Employee Assistance Program, which we expanded globally to provide all Emerson employees with mental health resources.

## Discrimination and Harassment

Emerson values the contributions of all employees and does not tolerate any discrimination or harassment. All employees are required to attend annual ethics training that reinforces this. Emerson is an equal opportunity employer that recruits, hires, trains and promotes people in all job classifications without regard to sex, race, color, religion, national origin, age, marital status, political affiliation, sexual orientation, gender identity, genetic information, disability or protected veteran status. We do not condone any form of discrimination or harassment on the basis of these or any other protected classes. We provide training for supervisors and managers to enhance employee relations and help ensure compliance with all applicable laws.

## Human Rights

As members of the United Nations Global Compact, Emerson respects and promotes human rights in all of our business operations worldwide. This entails specific attention to challenging issues and activities as outlined in the values and principles of the Compact, including:

### Humane Treatment

We do not allow or condone any form of harsh or inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse, nor do we allow managers to threaten treatment of this nature.

### Prohibition of Forced Labor

We strictly prohibit the use of any forced, bonded, indentured, involuntary prison labor or other compulsory labor in our policies and operations. Similarly, we require our suppliers to comply with this same policy. Our policies comply with regulations, such as the UK Modern Slavery Act of 2015. Emerson fully supports these and other efforts to eradicate human trafficking worldwide.

### Prohibition of Child Labor

We do not allow the use of child labor in any of our facilities or businesses, and all of our employees must be of an appropriate age, as defined by applicable laws. In some cases, we support legitimate workplace apprenticeship and internship programs that conform with laws and regulations. We also prohibit our suppliers from employing anyone under the local legal working age.

# TALENT ATTRACTION, LEARNING AND LEADERSHIP DEVELOPMENT

**OUR PROGRAMS EQUIP COLLEAGUES WITH THE KNOWLEDGE, SKILLS AND TRAINING REQUIRED TO REACH THEIR GREATEST POTENTIAL.**

Attracting top talent is critical to the success of our organization. Our goal is to create a global community of passionate, dedicated people who are trusted, celebrated, rewarded and empowered to solve the world's most complex problems for our customers, our communities and the planet.

In order to attract top talent, we must appeal to a diverse candidate base. Before our hiring managers and talent acquisition teams recruit for a position, the language in our job descriptions and postings are reviewed for inclusive language. The review takes place digitally through an integrated software on which our recruiters have received training. This emphasis on inclusive language in our hiring process provides us the opportunity to demonstrate our company culture before an individual joins our organization. We strive to attract a wide range of applicants to ensure opportunity for diverse hiring opportunities, as a diverse workforce is key to attaining our business objectives.

At Emerson, people are at the center of what we do. We encourage our employees to continue to grow their skills and develop as professionals, both in their current roles and for new opportunities. Emerson uses a holistic, integrated approach to employee training and development. Our "70/20/10" Learning and Development Framework provides our employees with the competencies and skills

to advance their careers. Under this framework, work experiences make up 70% of an employee's development. Relationships and feedback account for 20% of development, helping to build each employee's internal network. Focused training accounts for 10% of development, equipping employees with relevant knowledge and skills.

To support our global workforce with learning and development needs, we offer workshops through a variety of delivery methods, including e-learning, virtual instructor-led and in-person training. In fiscal 2022, our workforce engaged in close to 800,000 hours of mandatory and developmental training.

Through our global learning center, we offer more than 1,000 e-learning courses that target skill development. These include topics such as managing remote teams, presentation skills and project management. In addition to e-learning courses, a significant amount of development is focused on existing and future leaders. We offer open workshops where employees can self-select based on their development needs. We also have programs where our business executives and human resource leaders collaborate to nominate employees based on career and personal development.



1,000+

*Through our global learning center, we offer more than 1,000 e-learning courses that target skill development.*

## Hear from our Program Participants

We have a number of opportunities for students to join Emerson directly from a university, including full time, internship and co-op experiences.

### Engineers in Leadership

We aim to hire the best technical talent to help our company solve the world's toughest challenges. The Emerson Engineers in Leadership Program offers recent engineering degree recipients a unique opportunity to gain experience in a range of functional roles and assignments, including engineering, product development, supply chain, operations and sales and marketing.

Participants in this program rotate across multiple world areas, business units and functions to gain a broad understanding of Emerson. Our most recent class participated in an international immersion experience in Europe in the summer of fiscal 2022. The class was divided into two teams with project focus areas split between sustainability and outreach. Each team engaged with Emerson businesses in the Netherlands, France, Italy, Poland, Hungary, Romania and Switzerland.



**Paul Kondratyev** | *Engineer in Leadership Class of 2020*

*"My favorite aspect of the program is that I was encouraged to get involved in a variety of projects. This allowed me to discover what type of work energizes me to do my best, and what doesn't. The best way to learn is by doing, and the EIL program enabled me to do just that."*



**Kerryn Harrington** | *Engineer in Leadership Class of 2020*

*"In this program, I gained exposure to various business functions and was challenged to step out of my comfort zone by taking on unconventional roles for an engineer. The opportunity proved to be instrumental in the beginning of my career, providing me with a network and skills that will set me up for success at Emerson in the future."*



## Hear from our Program Participants

### MBA Leadership Program

Emerson's MBA Leadership Program is designed to cultivate the skills of participants during an intensive four-year rotational program, which offers diverse experiences designed to develop future leaders of the company. The program provides opportunities for participants to establish global networks, receive mentorship and career support from executives and participate in enriched professional and personal development activities. To fully immerse program participants in Emerson's businesses, each participant undertakes two assignments in two different locations. During this time, participants are expected to work directly with Emerson senior executives in an effort to develop their leadership skills while contributing to the company's success.



**Emily Griffith | MBA Class of 2021**

*"Emerson has been an amazing accelerator for my career. When I graduated from business school, I wanted to make a meaningful impact for employees and find a business that aligned with my personal values. The MBA Leadership Program at Emerson opened doors and opportunities that would not exist otherwise. The program allowed me to take ownership of my career and grow as a leader. I receive incredible support from my peers and colleagues, and I am empowered by my manager while being challenged by my sponsors and mentors."*



**Isaiah Stephenson | MBA Class of 2019**

*"My time at Emerson has been rewarding. From leading exciting and relevant work assignments to networking with peers worldwide, Emerson has provided me with an opportunity to develop my business acumen and deepen my global perspective. After completing my MBA internship, I felt that Emerson was the place to further my career. Since joining full-time, I have had two opportunities to take on expanded responsibilities. I have also been impressed by the company's willingness to invest in its talent."*

## Hear from our Program Participants

### Co-Op and Internship Experience

For years, Emerson has invested in university relations. Across the organization our businesses are empowering and engaging with future leaders to bring top talent into our organization. To the right are highlights from one of our many University Relations programs across the organization.

#### Program Overview

The Measurement & Analytical Co-op & Internship Program allows students to receive extensive training in a variety of environments such as manufacturing, supply chain, quality, finance, human resources and more. The experience gained helps prepare students for graduation and discover new interests in their field.



**Sophia Riebel**

*"During my time as a co-op, I felt extremely valued. I was given real assignments that mattered to the company. I was able to sit in with stakeholders and other members of my team and was not only allowed but also encouraged to voice my own ideas. To me, one of the most important things an employee can feel is appreciated and that their input and their hard work is important to the company and makes a difference. Due to my amazing experience, I came through the Measurement & Analytical fresh grad program and was able to start my full-time position."*



**Jacob Durenberger**

*"My first rotation at Emerson as a Product Management Engineering intern was such a rewarding introduction to the professional sphere. I always felt comfortable asking questions about my work as everyone on my team was willing to lend me a hand. Working for the DP Level team was super rewarding as I never found myself working on busy work solely to pass the time. The first time I saw the marketing material I helped work on for the new 319 flushing ring on the Emerson website, I was ecstatic! The internship program at Emerson takes great care of their interns and I am proud to say I will be continuing my time at Emerson with a second rotation in Manufacturing Engineering for DP Level."*

As leaders progress in their career, Emerson offers several notable opportunities for accelerated development, including:

## Rising Leaders Program

Our Rising Leaders Program is a high-impact learning experience designed to accelerate the development of nominated leaders to prepare them for larger and more complex leadership challenges in the future. Over a 12-month journey, participants meet both face-to-face and virtually to explore leadership topics including self-awareness, mindset, authenticity, inclusion and community leadership.

Participants work in Action Learning Teams to examine real business issues facing Emerson and are given the opportunity to present their ideas to senior leaders. One key success factor of the program is the

involvement of executives; each Action Learning Team is assigned a resident executive who supports, coaches and champions the team throughout their 12-month journey. This level of engagement helps to elevate learning, growth and development.

## Board of Directors Engagement Teams

Newly launched in fiscal 2022, this program provides opportunities for Emerson senior leaders to directly engage Emerson's Board of Directors on important global business challenges and strategies. The engagement team process enables our Board of Directors to be exposed to a wider set of Emerson's leaders while simultaneously providing participants a high-quality development opportunity.

As part of this program, leaders are paired with others from across the organization, connecting with individuals from different businesses, functions and geographies. This exposure facilitates meaningful discussions about global challenges and the actions that can be taken to shape and influence Emerson's response. For example, a group recently came together to discuss the importance of social responsibility for businesses and proposed a framework for Emerson to approach the topic and drive programs in the communities it serves.

Emerson's Rising Leaders Program





Emerson's Europe Business Academy

## Regional Leadership Development

As a global company, Emerson understands the importance of regional and local leadership development programs. With our Global Organizational Development team, we have programs focused on learning and leadership development that target specific world areas.

**Asia Collaborative Engagement Program** — This is an experiential learning forum that provides our top talent in Asia Pacific an opportunity to work on cross-functional projects that create incremental value to our business, gain exposure to senior leaders and grow their professional network.

**Europe Business Academy** — This top talent development program is based on experiential learning, continuous feedback and mentorship. Participants experience intentional professional and personal development activities with in-person sessions focused on sales and marketing, operations, finance and leadership.

**Middle East and Africa Phoenix Program** — Leveraging Emerson's Talent Development framework that emphasizes 70% of development through learning from work experience, this program enables leaders to partner with executives in an effort to identify growth and execution levers that contribute to the longer-term strategy and vision of the world area. Participants work together in project teams to develop and present action plans that enable the achievement of these objectives.

## Unlocking High Potential: Our Approach to Reviewing Performance

Aligned with Emerson's values and goal to "Support Our People," our Performance and Development Planning Process helps enable our employees to reach their greatest potential by driving effective development and performance and career discussions throughout the year. As part of this process, employees are encouraged to leverage our digital platform for setting goals and driving career and performance conversations. Although there is flexibility in the process to support employee communication preferences, 74% of eligible employees utilize this digital tool for communicating their performance and development goals.

All salaried employees and their supervisors are encouraged to conduct an annual performance review. Hourly workers are also encouraged to have similar conversations, reviewing their performance as it relates to their job categories.

To further support our workforce with this process, a digital toolkit has been deployed with materials on setting actionable goals and evaluating performance. Within this toolkit are resources to train our managers on how to measure performance in a way that is objective and without bias. Employees are encouraged to own their performance and development planning process by identifying competencies for development, setting annual goals and being open to feedback. Our expectations of our leaders is that they create opportunities for their teams to continuously develop as well as provide continuous, honest and actionable feedback. Managers are coached and encouraged to adopt a two-way feedback model to demonstrate their ability and willingness to seek and receive feedback.

# WORKFORCE DEVELOPMENT

**EMERSON HAS A LONGSTANDING COMMITMENT TO SUPPORT EFFORTS TO TRAIN THE NEXT GENERATION OF INNOVATORS AND STRENGTHEN THE SKILLED TRADES WORKFORCE.**

Our initiatives to support workforce development include our company's training and educational programs, offered to customers using our technologies and our support for hundreds of universities and technical colleges around the world that provide academic training.

## Emerson Educational Services

Emerson provides a range of training solutions for companies and customers to improve skills and adapt to new technology.

To support customers worldwide, our educational services program offers a full range of ways to participate, including virtual instructor-led sessions, online courses and in-person classroom education with appropriate protocols. Contractors, wholesalers, end-users and original equipment manufacturers across industries can participate in free, live and recorded training on Emerson's products. Customers also have continued free access to online training courses, many of which are North American Technical Excellence (NATE) certified.

# 11,540

*customers participated in our training program during fiscal 2022 for a total of 293,288 training hours.*

In an effort to meet the varying consumption preferences of our customers, Emerson's automation educational services program offers a range of instruction from virtual to blended to in-person courses, ensuring flexible delivery methods that reflect the varying preferences of our customers. With the launch of MyTraining, our customers have access to integrated education solutions in one convenient place, with different options that boost skills and ensure work processes adapt as technologies evolve. Emerson is an accredited provider by the International Accreditors for Continuing Education and Training (IACET).





## University and Technical College Programs

Emerson partners with hundreds of universities and colleges worldwide to provide the curriculum, products and training needed for students to succeed in the industries of tomorrow. A few examples include:

**Technical University of Cluj-Napoca** — Emerson recently inaugurated the Technical University of Cluj-Napoca's new Emerson Industrial Automation Solutions Laboratory in collaboration with the university. Besides the laboratory, Emerson and the Technical University of Cluj-Napoca are collaborating on many other activities that support the Cluj Romania regional educational environment, including special projects for students and mentoring programs.

**University of Wisconsin-Stout** — Emerson's Safety and Productivity business has partnered with the University of Wisconsin-Stout for the past two years through a sponsored Industrial Design Studio. The sponsored studio allows students to gain real-world experience, from research to final design solutions. Emerson's funding has supported the university in making space improvements as well as equipment upgrades to the Design Studio. This partnership has provided an avenue for students to join Emerson through internships and full-time employment.

## Partnership with National Coalition of Certification Centers

To support the continued training and development of the next generation of skilled tradespeople, Copeland™ and RIDGID® are partnering with the National Coalition of Certification Centers (NC3). NC3 is a career and technical training organization that supports skilled trades advancement, including the HVACR industry, by building deep industry-educational partnerships. Emerson's Greenlee® brand has been a partner with NC3 since 2016.

As part of the partnership, Emerson teams recently participated in NC3's Train-the-Trainer summit at Gateway Technical College, in Wisconsin — an opportunity for industry technical experts to provide hands-on training to community, technical college and high school instructors. Beyond this, we provide additional training support through our Educational Services team, with options such as virtual classrooms, onsite training, eCourses and a training center.

These synergistic partnerships foster effective training, elevate skilled careers and create employment opportunities. They develop, implement and sustain industry-recognized portable certifications built on national skills standards.

# CORPORATE PHILANTHROPY

**EMERSON'S CORPORATE PHILANTHROPY SEEKS TO STRENGTHEN OUR COMMUNITIES AND TO CREATE A MORE EQUITABLE FUTURE FOR ALL.**

Corporate citizenship is an essential part of Emerson's core values. We strive to make meaningful impact in our communities through charitable contributions, employee volunteerism and nonprofit partnerships. In fiscal 2022, Emerson and the Emerson Charitable Trust made contributions totaling \$24 million to nonprofit organizations, educational institutions and for the company's scholarship and teacher recognition programs.

# \$200M

*Emerson has pledged \$200 million over 10 years, focusing on education equity in the communities in which we operate.*

## Our Commitment to Education Equity

In fiscal 2022, Emerson entered a new phase of charitable giving, pledging \$200 million over 10 years, focusing on education equity in the communities in which we operate. We recognize the critical need to prioritize access to quality education regardless of a student's race, gender or resources.

Building on our 50+ years and \$324+ million legacy of charitable giving, we began to shift our focus to more narrowly concentrate on education organizations, specifically those serving under-resourced students in early-education and grades K-12. In fiscal 2022, 42% of our overall budget was directed to education organizations, up from 27% in 2021. We expect this percentage to grow in 2023 and beyond. Across the United States, 240 education and youth-focused organizations received an Emerson grant.





Girl Scouts of Eastern Missouri

In our headquarters city of St. Louis, we developed a partnership with The Opportunity Trust, an organization improving access to quality education for under-resourced students. We expanded our annual gift to The Urban League of Metropolitan St. Louis, with a specific focus on supporting its Head Start early childhood program. Nationally, we supported Junior Achievement chapters in 10 locations in the United States, as well as JA Worldwide. We donated to Boys and Girls Clubs in nine locations where we operate throughout the United States. We continued to help local schools, early childhood centers and after-school programs through programmatic, operating and scholarship support. Within our own walls, we provided scholarships for 122 children of Emerson employees attending colleges and universities.

Emerson's funding enabled more than 600 students from under-resourced communities in St. Louis to attend quality early learning programs through company-granted scholarships. Emerson also supported 20 brick-and-mortar grocery markets that operate in schools serving low-income populations, which in turn served over 1,600 students and their families through the St. Louis Area Foodbank. Over 8,000 students received free glasses through our partnership with KidsVision, and over 500 students received social-emotional and therapeutic support at no cost through partnerships that focus on children's mental health.

\$350K

*More than \$350K in scholarships for children of Emerson employees attending colleges and universities.*





# Emerson Employees Making an Impact

Emerson's employees are making an impact in communities around the world. In the past year, several charitable efforts have taken place, including:

## Ukraine Crisis Galvanizes Humanitarian Aid Initiatives

In response to the ongoing crisis in Ukraine, employees at Emerson's Saint Priest site in France and the company's Warsaw site in Poland sprang to action, organizing humanitarian campaigns to assist refugees and affected colleagues. Efforts included collecting and sending essential items to the Ukrainian border, developing a communications network to locate and support Emerson employees remaining in Ukraine and assisting with immigration by organizing housing and helping Ukrainian families integrate into new locations. Within Ukraine, Emerson has offices at Kharkiv, Kyiv and Lviv and Emerson's engineers continue to support critical infrastructure.

*"Establishing consistent communication with those affected has been one of the most important things because it provides hope to them and shows that we care about and support them."*

**Tomasz Kosik,**  
Emerson's Warsaw office



Emerson Process Systems and Solutions President, Nathan Pettus volunteering at Camp PHEver.

## Camp Collaboration Empowers Those with Special Needs

Employees at Emerson's Round Rock location in Texas volunteered at Camp For All on two separate occasions in the past year. Camp For All creates life-changing experiences for 10,000 attendees per year, including children and adults with challenging illnesses or special needs, enabling them to enjoy the thrill of camping and nature. Volunteers from Emerson worked with camp staff and attendees from several groups, including the Institute for Rehabilitation and Research Foundation's Moran Camp Xtreme, which provides a variety of experiences to individuals in wheelchairs. Emerson volunteers also assisted Camp PHEver, which offers activities such as archery, swimming, zip lining and horseback riding to children and adolescents with Phenylketonuria.

## Support Our People Fund

Emerson launched the Support Our People Fund in 2021, named after the company's core value of "Support Our People" to aid global employees facing financial hardship. The fund is financed through annual support from the Emerson Charitable Trust and individual employee donations. In the inaugural year of the Support Our People Fund, 139 employees in eight countries — including the United States, the United Kingdom, the United Arab Emirates, Ukraine, the Philippines, Mexico, Malaysia and India — received financial assistance in times of hardship. We also activated Immediate Response Programs, which are designed to assist employees in getting to safety quickly, for several FEMA-qualified disasters. During the unrest in Ukraine in March 2022, the Emerson senior leadership team led the efforts to fund immediate needs for Ukraine-based employees.

## Emerson Employees Making an Impact



### Emerson's Women's Impact Network Recognizes Five Charitable Organizations

In recognition of exemplary work in their respective communities, five charitable organizations received financial donations from Emerson's Women's Impact Network as part of the group's charitable giving campaign in fiscal 2022. Big Brothers Big Sisters of Shelby and Darke County in Ohio; Dress for Success in Austin, Texas; Dress for Success Midwest/Connections to Success in Missouri; Girlstart; and Planned Parenthood each received \$5,000 donations. The donations were made possible through a partnership with Emerson's employee resource groups and the Emerson Charitable Trust, with recipients selected based on which nominees received the largest number of votes from WIN members.



### Volunteers Celebrate Children's Day in Costa Rica

Through their Employee Resource Group HOPE (Helping Others Promoting Excellence), employees at Emerson's Costa Rica Solutions Center celebrated Children's Day by volunteering at Aldeas Infantiles SOS. This nonprofit organization provides protective environments and reintegration efforts for almost 350 children and adolescents who have lost family care or are at risk of this happening. During their visit, employees presented the children with gifts and spent time getting to know them, painting together and sharing in other various activities. Children's Day in Costa Rica was established to recognize and guarantee the rights of children and is widely celebrated across the country.



### Goodwill Outreach Boosts Surrounding Nigerian Communities

As part of the company's social responsibility contribution campaign, members of Emerson's Nigeria office visited the Rock Garden Homecare Retirement Home in Ikorodu, Lagos in September, where they donated items and visited with residents. Members also visited the Bema Homes Orphanage in Abuja, interacting with the facility's children and donating food, stationery, water dispensers and ceiling fans. In collaboration with Junior Achievement Nigeria (JAN), members of Emerson Nigeria conducted a goodwill outreach event in October at the Elekahia government secondary school in Port Harcourt. As part of that event, the team presented a lesson tailored to the school's students about financial literacy.

# GOVERNANCE



## Governance and Accountability

Led by our Board of Directors and management team, Emerson's primary responsibility is to foster the Company's long-term success. This section provides insights into how we apply our governance, ethics and compliance programs in furtherance of this objective.

### IN THIS SECTION

Overview

Corporate Governance

Integrity and Ethics

Workplace Safety

Supply Chain

Cybersecurity

# Governance and Accountability Overview

## Corporate Governance

The Emerson Board of Directors formed a **new** Technology and Environmental Sustainability Committee\*

Appointed **two** new Directors, underscoring the Emerson Board's commitment to ongoing refreshment\*

**46%** of Directors are women or persons of color\*  
**2/3** required Board Committees chaired by women  
**3/5** named executive officers and two-thirds of the Office of the Chief Executive are diverse

## Integrity and Ethics

The ethics hotline has local phone numbers available in **35+ countries**, eliminating the need for international phone charges and allowing callers a choice of English or native language

Over the last three years, Emerson employees completed **more than 90,000** anti-corruption training courses

## Workplace Safety

Goal to continuously work toward **zero recordable injuries**

Safety efforts have led to a **40% decrease** in total recordable rate of injuries since 2018

In fiscal 2022, teams completed **nearly 70,000** Environment, Health and Safety (EHS) action items

## Supply Chain

**Net Zero emissions** across our value chain by 2045 from 2021 baseline

Trained over **2,500 employees** on Supplier Code of Conduct

Achieved **CDP Supplier Engagement Leader** status

## Cybersecurity

Key elements of our primary data centers, cloud environments and our enterprise IT organization are **certified under ISO 27001**

Our Ovation technology was awarded **SAFETY Act Certification** coverage in February 2023



Wanaka Lake, New Zealand  
Photo By:  
Duane North | Emerson Employee

\*Depicts data/information as of June 2023.

# CORPORATE GOVERNANCE

**EMERSON IS DEDICATED TO HIGH STANDARDS OF CORPORATE GOVERNANCE.**

At Emerson, we take the necessary steps to help ensure our company acts responsibly and in accordance with our stated Purpose. Our goal to address environmental, social and governance issues is vital to maintaining and developing the trust and confidence of our employees, customers, suppliers, communities and shareholders. We operate all over the world and have built a comprehensive approach to all aspects of our governance activities. From our Board of Directors and executive leadership team to our employees and suppliers, we expect those who represent Emerson to uphold an unwavering level of integrity.

## Board of Directors

Members of [Emerson's Board of Directors](#) are elected by shareholders to provide oversight and strategic guidance to senior management. The core responsibility of the Board is to exercise its fiduciary duty to act diligently and in the best interests of all Emerson's shareholders. The Board selects and oversees the members of senior management, to whom the Board delegates the authority and responsibility for day-to-day business operations. The Board also provides guidance regarding the management of the company and is responsible for establishing company policies, overseeing compliance with those policies and approving significant company transactions.

## Board of Directors Policies

Emerson's principles and practices are driven by its Board of Directors, which ensures these foundational elements are shaped by highly independent, diverse viewpoints and deep management expertise. Our Board's operations are guided by the following:

### Independence

The majority of Board members must remain independent, and this independence is confirmed at least annually. In our annual Proxy Statement, Emerson publishes how shareholders can communicate with any Director, including the independent Board Chair. Our [Director Independence Standards](#) are contained in Annex II to our Corporate Governance Principles and Practices.

### MORE INFORMATION



Please refer to [Emerson's 2023 Proxy Statement](#).

### Composition

Board members must bring senior management experience in business, government or other relevant organizations. We seek a diversity of viewpoints and backgrounds on our Board that helps us to understand and anticipate changes in our business environment.

### Committees

To provide specialized oversight in many areas, Emerson's Board of Directors has five committees: Audit, Compensation, Corporate Governance and Nominating, Executive, and Technology and Environmental Sustainability. Required Board Committees are independent pursuant to requirements of the New York Stock Exchange and Emerson's governance documents. More information about our Board Committees is available in the [Corporate Governance](#) section of Emerson.com.



## Recent Corporate Governance Actions

The Corporate Governance and Nominating Committee periodically reviews Emerson’s governance principles and practices based on feedback from shareholders, industry trends, risks and opportunities. When the Committee determines a change is necessary, it recommends the change to the full Board to approve any required policy amendments. Emerson has recently taken the following corporate governance actions:

### Board Independence

In May 2021, Emerson appointed James Turley as independent Board Chair. Emerson’s Directors include 12 independent members and one inside member, Emerson’s President and Chief Executive Officer Lal Karsanbhai.

### Board Refreshment

Over the past five years, Emerson has added seven new Directors to the Board — four of which are from diverse backgrounds. As of June 2023, 46% of Directors are women or persons of color, and the average Director tenure is seven years.

### Overboarding

In November 2022, we amended Emerson’s Corporate Governance Principles and Practices to limit all non-employee Directors to serving on three other boards of publicly traded companies. Emerson’s named executive officers are limited to serving on one other public board.

### Innovation & Technology

In November 2022, Emerson appointed Peter Zornio to serve as Chief Technology Officer. Peter has a wealth of relevant industry experience, including 16 years with Emerson. Peter also joined the Office of the Chief Executive.

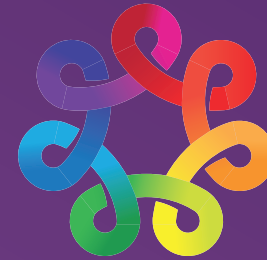
### Diversity, Equity & Inclusion

Emerson’s goal is to create a culture where employees feel valued, trusted and empowered. As of June 2023, 46% of Directors are diverse, two of the three required Board Committees are chaired by women, three of five named executive officers are diverse and two-thirds of the Office of the Chief Executive is diverse. Our charitable giving is now focused on addressing education equity in our communities. Additionally, a portion of Emerson’s charitable giving budget is directed by our Employee Resource Groups to support charities that align with their focus.

### Performance-Based ESG Goals

Emerson continues to integrate ESG priorities as part of total compensation discussions and programs. We recently outlined ESG priorities, in support of our publicly disclosed leadership diversity, representation and greenhouse gas emission reduction goals, and consider our progress toward those goals as part of annual cash bonus awards.

# June 2023 Board At-A-Glance



**46%**  
Current Overall Board Diversity

**63** Average Director Age

**2/3** Required Committees are Chaired by Women

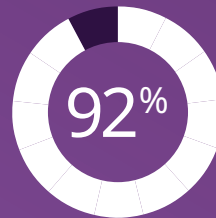
## DIRECTOR SKILLS AND EXPERTISE

Our Board of Directors each bring invaluable experience and have a wide skill set including:

-  **GLOBAL BUSINESS**
-  **CURRENT OR FORMER PUBLIC COMPANY CEO**
-  **OPERATIONAL LEADERSHIP**
-  **BUSINESS DEVELOPMENT**
-  **TECHNOLOGY & INNOVATION**
-  **FINANCIAL LEADERSHIP OR EXPERTISE**
-  **INDUSTRY, END-MARKETS & GROWTH AREAS**
-  **CORPORATE GOVERNANCE**

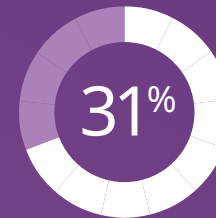
## BOARD OF DIRECTORS

### INDEPENDENCE



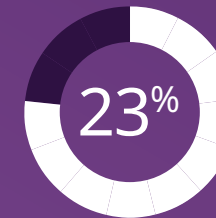
● Employee Directors  
● Independent Directors

### GENDER DIVERSITY



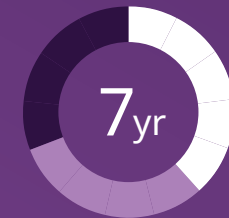
● Male  
● Female

### ETHNIC DIVERSITY



● White  
● Ethnic Diversity

### TENURE



● > 8 years  
● 4 - 8 years  
● < 4 years

### Enhanced ESG Oversight

Emerson recently amended the charters of its Board committees to emphasize their role in overseeing important public policy and ESG issues. The Technology and Environmental Sustainability Committee was also formed to provide additional focus on the oversight of Emerson’s innovation, product technology cybersecurity and environmental sustainability policies and programs.

### Audit Committee Financial Experts

Recently the Board determined that three members of the Audit Committee qualified as Audit Committee Financial Experts under Securities and Exchange Commission rules.

### Net Zero and GHG Reduction Targets

In fiscal 2022, Emerson announced a net zero operations greenhouse gas emissions target as well as a goal to reduce our value chain emissions by 25% by 2030 compared to 2021, in alignment with the Science Based Targets Initiative (SBTi). Emerson also announced a net zero value chain target by 2045. Additionally, we joined the RE100 global corporate renewable energy initiative and announced a goal to source 100% renewable electricity by 2030.

### Human Rights

Emerson has published its Global Human Rights Policy, which addresses our position on topics including equal opportunity, health and safety, forced labor and human trafficking and freedom of association.

#### FOR MORE INFORMATION



Please refer to [\*Emerson’s Global Human Rights Policy\*](#).

### Company Strategy, Risk Management and Oversight

The Board oversees Emerson’s corporate strategy by engaging with management to understand and monitor business objectives, the competitive landscape, economic trends and other developments. Additionally, the Board oversees Emerson’s risk management process. Each Committee reports to the full Board regarding their risk oversight activities on a regular basis. This process provides the Board with timely visibility into the identification, reporting, assessment and management of critical risks.

The Compensation Committee provides oversight for risks associated with its purpose, including risks related to human capital. The Audit Committee provides oversight for risks related to financial reporting, compliance with laws and regulations, reputational issues and cybersecurity. The Corporate Governance and Nominating Committee provides oversight for risks associated with its purpose, including, among other things, risks related to Emerson’s reputation, matters of shareholder interest, social issues, laws and regulations. The Technology and Environmental Sustainability Committee provides oversight for risks associated with its purpose, including innovation, product technology cybersecurity and environmental sustainability policies and programs.

The formal annual enterprise risk assessment process includes surveys and/or interviews of all business and corporate leaders, as well as the members of the Office of the Chief Executive. For significant risks identified, a mitigation plan is established that includes the person responsible for implementation of the plan and the timeline for completion. The Audit Committee and full Board receive the risk assessment results annually to better understand and monitor Emerson’s risk management process. Ongoing risk assessments in various areas are also conducted as part of Emerson’s management process, and the results of those assessments are shared with the Board or relevant committee as needed.



## Climate Scenarios Guide our Long-Term Business and Risk Management Strategies

In fiscal 2022, Emerson performed a climate scenario analysis to identify the climate-related risks and opportunities that could be important to Emerson's business. Although scenarios are not predictions of the future, this assessment helped our company better understand how climate change could impact our business and how we can successfully transition to a lower-carbon economy and mitigate climate-related effects. The analysis considered two types of risks and opportunities: those related to the transition to a lower-carbon economy and those related to the physical impacts of climate change.

Emerson worked with a third-party risk modeling services provider and followed the Task Force on Climate-related Financial Disclosures (TCFD) recommendations to assess a range of future climate-related scenarios. The analysis included two emissions pathways. For the low emissions pathway where the world successfully transitions the energy system, Emerson used the IEA's Sustainable Development Scenario for transition impacts in a well-below 2 degrees future and the Intergovernmental Panel on Climate Change's Representative Concentration Pathway (RCP) 2.6 for physical impacts, which is the most optimistic temperature scenario. For the high emissions pathway, the IEA Stated Policies Scenario was used for transition impacts, and RCP 8.5 for physical impacts, which is the scenario with the highest temperature increase.

Based on this risk and opportunity assessment, Emerson has identified possible risks and opportunities and, where feasible, quantified potential impacts through the use of long-term analysis across these low and high emissions scenarios.

In the high emissions scenario, the assessment identified Reynosa, Mexico out of over 200 sites worldwide as the region facing the greatest physical risk for Emerson's business. This is due to its inherent risk of wildfires, employee count and insurable asset value. The area's three manufacturing sites are susceptible to business interruption and significant damage to buildings and contents in the event of a wildfire. Emerson has well-developed emergency response programs to manage these types of risks, and the cost of managing them is included in the company's insurance premiums and capital expenditures.

In contrast, in the low emissions scenario, a shift in preferences toward lower emissions technologies is expected to create key transition risks and opportunities. As important energy transition solutions — such as renewable electricity, biofuels, hydrogen, energy storage, carbon capture and storage, carbon removal, materials circularity, electrification and smart grid systems — are developed, Emerson's existing energy and chemicals-based automation activities are expected to be impacted.

Emerson automation is also utilized to enable these newer energy transition solutions. We modeled the energy and chemicals related automation revenue impact of both the IEA Stated Policies Scenario (high emissions) and the IEA Sustainable Development Scenario (low emissions) from 2021-2040 to assess the impact of the transition. Note that non-energy and chemical related automation revenue such as life sciences, food and beverage, pulp and paper, and factory automation were treated equivalently in both scenarios.

The IEA scenarios incorporate a number of assumptions regarding population, long-term global economic growth, energy demand, and the level of each energy resource expected to fulfill demand. In the high emissions scenario, the estimated compound annual growth rate of automation revenue from 2021-2040 is 3.4%. In the low emissions scenario where the world makes substantial progress in energy transition, the estimated compound annual growth rate of automation revenue is 3.1%. Although many assumptions are necessary for the scenario analysis modeling process, one takeaway is that automation plays an important role in the energy transition and Emerson technologies are positioned to support these transition activities. We will continue to innovate and shape our portfolio to support these critical energy transition solutions.

*One takeaway is that automation plays an important role in the energy transition and Emerson technologies are positioned to support these transition activities.*

As we move forward, we will periodically refine our scenario analysis assessment and methodologies. Given the iterative nature of climate scenario analysis processes, we expect improvements in best-practice approaches, models and data quality over time. We will integrate these assessments into our strategic planning, M&A activities, product design strategy and enterprise risk management frameworks as we advance our net zero goals and support our customers in their activities. These efforts are expected to help strengthen our resilience and adaptation to climate change.

### FOR MORE INFORMATION



Please refer to [Emerson's 2022 CDP Climate Change Questionnaire](#).

# INTEGRITY AND ETHICS

**AT EMERSON, WE EXPECT ALL EMPLOYEES AND LEADERS TO UPHOLD HIGH STANDARDS OF HONESTY AND ETHICAL BEHAVIOR IN THE COMPANY AND WHEN WORKING WITH OUR CUSTOMERS, SUPPLIERS AND COMMUNITIES.**

To support our ethics and legal compliance processes, we have established clearly defined policies and practices for employees through our Ethics and Compliance program. The Corporate Governance and Nominating Committee of the Board of Directors oversees the program, using a comprehensive approach through monitoring, investigation and evaluation, merging three core functional areas: Human Resources, Audit and Compliance, and Law.

We communicate our Ethics and Compliance program to employees through trainings, documentation and reporting channels through which employees are encouraged to escalate questions or concerns. The program is reviewed annually to help ensure consistency with the current business environment and industries in which we operate. We welcome new employees to the program during their onboarding and refresh current employees and leaders on the program through annual training.

## Employee Code of Conduct

Our [Employee Code of Conduct handbook](#), “The Right Way,” serves as the foundation for how Emerson employees conduct business worldwide. Available to all employees and the public at [emerson.com/ethics](#), the latest version has been translated into 23 languages. Supplemental ethics guidelines are also provided to executive officers and members of the Board of Directors to address the special responsibilities of Emerson’s leadership.

To facilitate adherence to the guidelines in “The Right Way,” the handbook is complemented by global and local policies that provide specific answers to the different principles, legal obligations and local practices.

## CEO and Senior Financial Officers Code of Ethics

Emerson places a high priority on maintaining honest and ethical behavior across all levels of the company, from employees to senior leaders. The CEO and Senior Financial Officers Code of Ethics outlines expectations for these leaders, including promoting integrity and providing accurate financial reporting in a timely manner. At Emerson, integrity is not only a foundational corporate value, it is also an ongoing imperative and a daily mindset that drives us forward.

## Annual Ethics Trainings

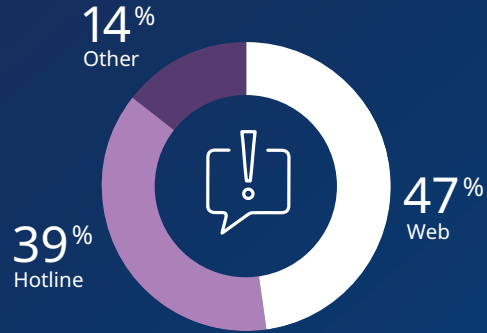
To help ensure comprehension and compliance with Emerson’s Employee Code of Conduct, all employees are required to complete our company’s annual ethics training. The training is offered in person and online, with several interactive components. While we prioritize in-person training when possible, online training is also offered to help ensure we reach our remote workforce. Ethics officers for each business unit must certify compliance each year that all employees have received training.

### FOR MORE INFORMATION



Please refer to Emerson’s [Code of Conduct handbook](#).

### Emerson Ethics Reporting Concern Methods



### Ethics Hotline and Reporting Process

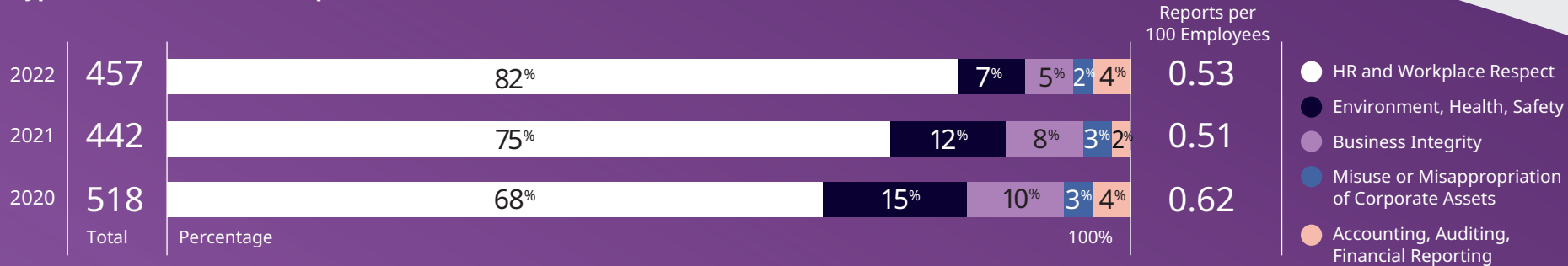
Our ethics reporting process provides employees clear steps on how to report unethical behavior, questions or concerns while ensuring the protection of their employment status. We are fully invested in safeguarding against retaliation or harassment of whistleblowers. Employees are provided with several avenues to escalate ethics concerns, including our ethics reporting website, ethics hotline number or directly to Emerson compliance leadership. The ethics reporting website and hotline are operated by an independent third party and allow for employee anonymity and access to reporting in 23 languages. The hotline has local phone numbers available in 37 countries, eliminating the need for international phone charges and allowing callers a choice of English or native language.

The Ethics reporting website and hotline number information are required to be posted in all office locations.

Reporting trends by method demonstrate strong awareness and use of each method: 39% hotline, 47% web reporting and 14% directly to compliance leaders. Reporters show willingness to report as a named source in many cases, indicating trust in the process as 58% of our business integrity and financial claims come from named sources. Although report volume remains below pre-pandemic levels due to hybrid work arrangements, the disruption from the Russia/Ukraine war and COVID lockdowns, the reporting levels have increased slightly to 0.53 reports per 100 employees per year.

**58%** of our business integrity and financial claims come from named sources.

### Types of Ethics Concerns Reported



This data is presented on Emerson's fiscal year calendar.

We have also observed a trend where employees are more emboldened to report workplace civility issues due to greater global focus on social issues, resulting in an increase in HR and workplace respect claims as a percent of total claims. These claims, however, have a low substantiation rate of 23%. Emerson has made workplace respect a focus of our 2023 ethics training.

### Review and Resolution of Ethics Concerns

Reports of ethics issues are handled by a limited number of experienced and specialized Emerson management personnel. Significant ethics allegations meeting Emerson's set criteria must be reported directly to the Chief Compliance Officer and the Chair of the Audit Committee of the Board of Directors. These cases must be investigated and closed within 90 days, and average closure time is 50 days. Exceptions must be reported

to the Audit Committee. The Ethics committee and Audit committee review and approve case resolution. The Ethics committee is comprised of senior leadership from audit, legal, human resources, finance, sustainability and operations. Emerson's ethics review and resolution program is reviewed annually by internal and external auditors.

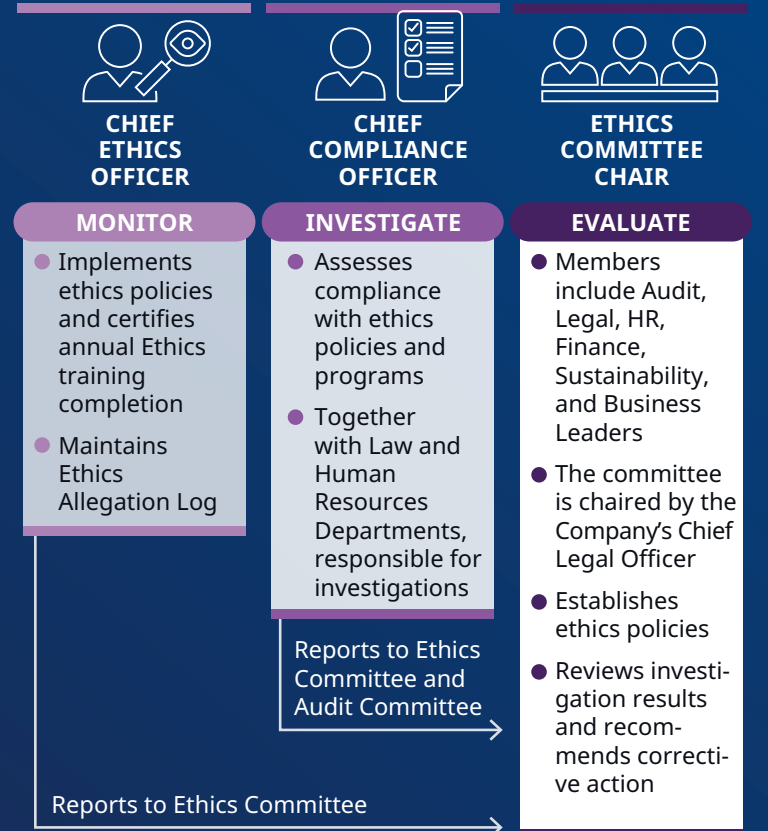
### Anti-Corruption Controls

Emerson's anti-corruption program is founded on a comprehensive policy that guides the procedures and the required internal controls with respect to anti-bribery, prohibition of facilitation payments, cooperation with internal investigations, accurate books and records, third-party intermediary due diligence and management, among other related topics. The policy is translated into 8 languages and is available electronically to every employee globally.

Emerson has implemented detailed processes intended to prevent corruption across its global operations. Each business unit is required to certify an Internal Control Questionnaire quarterly, which includes anti-corruption controls. Emerson's internal audit team conducts annual on-site anti-corruption audits for specific identified risks, as well as quarterly audits of data analytics procedures.

We also administrate a comprehensive, multi-tiered anti-corruption compliance training program. Our annual anti-corruption training program includes four elements. First, all employees globally receive an annual Ethics training that includes an anti-corruption component. Second, Emerson conducts an online training course to salaried employees and new hires on a three-year cycle. This course is translated into 14 languages, with content refreshed to address new and emerging risks, and delivered at the beginning of each 3-year cycle.

## Emerson Ethics Reporting Process



**AREAS OF COMPLIANCE RISK OVERSIGHT AT EMERSON**

- Antitrust/Competition Law
- Anti-Corruption
- Conflicts of Interest
- Data Privacy
- Diversity, Equity and Inclusion
- Environmental
- Ethics Allegations
- Health and Safety
- People Treatment
- Product-Related Environmental Law
- Records Management
- Trade Compliance

Third, salaried employees are required to take functional department training focused on relevant regulatory compliance topics on a 3-year cycle. Finally, several live anti-corruption training courses are provided annually, including detailed training for personnel involved in third-party intermediary due diligence focusing on the due diligence process, anti-corruption compliance risk and bribery red flags. Overall, employees have completed more than 90,000 anti-corruption training courses over the last three years.

Our policies and trainings are supplemented by a risk based third-party intermediary due diligence program. Prospective third parties that engage in business with Emerson are required to complete a due diligence process before an order can be processed. Additionally, third parties are screened against real-time data and regulatory requirements, including various sanctions, anti-corruption and money laundering lists, and are subject to internal and external due diligence processes, focusing on locations and intermediaries that operate in high-risk countries and industries.

We continue to refine our program when appropriate, including implementing automation into our due diligence, reporting and auditing abilities. We also engage outside experts to perform periodic reviews of our program and have processes to address any identified areas for improvement.

90,000

*Emerson employees completed more than 90,000 anti-corruption training courses over the last three years.*

**Conflict of Interest Evaluation and Reporting**

Conflicts of interest are taken seriously at Emerson. Salaried employees complete an annual questionnaire to identify potential conflicts of interest between Emerson and any member of its Board of Directors, officers or employees. All newly reported conflict of interest cases are investigated and acted on within 30 days. This questionnaire is provided in 22 languages and over 44,000 Directors, officers and employees responded in fiscal 2022.

**Compliance Risk Oversight**

Quarterly, members of Emerson’s Compliance Committee meet to discuss new or existing compliance risks based on emerging trends. Emerson regularly engages a third party to review its ethics and compliance program and assess its alignment with U.S. Department of Justice (DOJ) guidelines, the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework and other leading practices. The most recent review confirmed that the program is aligned with these practices.

# WORKPLACE SAFETY

## Emerson's Health & Safety Commitment

Safety is one of Emerson's core values, and we are committed to continuous improvement when it comes to providing a safe place to work. An efficient, productive organization is a safe organization that is able to protect team members and compete effectively. Emerson strives to achieve best-in-class health and safety performance through a structured, consistent Health and Safety program built on six foundational elements. The objectives of this framework are to:

- Provide clear health and safety direction for the organization;
- Ensure the effectiveness and consistency of our EHS management practices;
- Reduce risk through proactive detection and mitigation;
- Reduce adverse impacts on our people, the environment and our communities; and
- Drive continuous improvement.

We lead best by example, promoting safety and health in our communications, consistently following established rules and procedures, using proper safety equipment and reporting and correcting unsafe acts and conditions.

Employee safety and health impact every aspect of our operations and the lives of our employees. To ensure continuous improvement, all Emerson employees must take an active role in the prevention of injuries and accidents. All employees are expected to make decisions in accordance with our Guiding Principles for Environment, Health and Safety and the 12 Lifesaving Behaviors. These critical safety behaviors were developed to help deepen our culture around safety and make safety a way of life.

## SAFETY IS A CHOICE, NOT A CHANCE

### EMERSON'S 12 LIFESAVING BEHAVIORS



Think Safety



Report Incidents



Assess Risk



Take Action



Know Limitations



Wear PPE  
Personal Protective  
Equipment



Follow  
Rules



Clean Up



Observe  
Warnings



Use Proper  
Tools



Drive Safely



Escalate if  
Needed

## Safety Organizational Structure

Our approach to health and safety at Emerson starts at the top. Senior leaders from various functions of the business form the Emerson Corporate Safety Council. The Council is led by our Chief Operating Officer and includes members from across the business representing Safety, Human Resources and Operations. The Council provides governance, oversees safety efforts and communications and meets at least quarterly to help ensure strategic alignment and to track progress on priorities, including safety education, prevention, trends and compliance.

Each location has a dedicated safety leader and receives direction from their world area or business unit EHS director. Front-line employees are represented in various site-level teams and committees to address health and safety concerns proactively. Safety training is conducted for all operational employees, including management.

## Measuring Performance

Emerson has deployed EHS data management software to facilitate recordkeeping related to EHS activities across the company. Emerson sites use this tool to gather, track and analyze relevant information in the evaluation and mitigation of operational risks. In addition to tracking recordable injuries, the data is also used to document and manage compliance obligations, hazard identification, behavior-based safety observations, audits, inspections, EHS-related meetings, EHS impacts from organizational and facility or equipment changes and risk assessments.

We also measure many execution-based metrics that serve as key indicators of EHS performance, including audit and inspection results, the proactive identification and reporting of hazards and the timely closure of action items. In fiscal 2022, our employees reported over 32,000 risks or safety improvement opportunities that

were proactively identified through the normal course of work. Our employees are educated and expected to find these opportunities and are empowered to surface the issues and take action. In cases of imminent risk, personnel use stop work authority to ensure immediate risk mitigation. In other cases, action items are developed by local teams to ensure appropriate causes and improvements are implemented. In fiscal 2022, our teams completed nearly 70,000 EHS action items, which were documented and tracked in our internal EHS software. These action items represent specific steps taken to improve safety, remove barriers and prevent incidents.

SEND WORD NOW

# 77,000

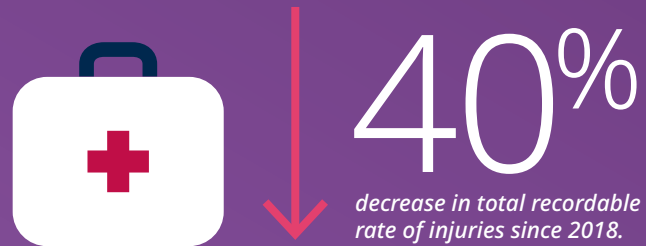
*Our dedicated natural disaster alert system has over 77,000 employees registered globally.*



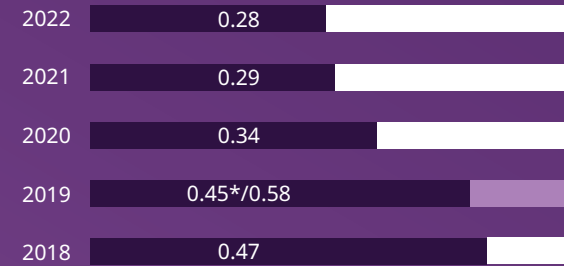
*“At Emerson, safety is at the core of what we do, and we will not be satisfied until we reach our goal of zero recordable injuries.”*

**Ram Krishnan**  
Chief Operating Officer

# Emerson Global Health and Safety Performance

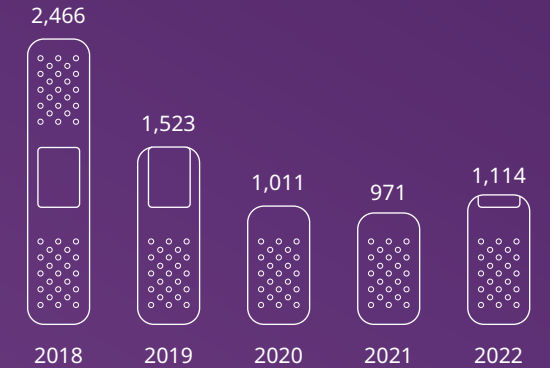


## TOTAL RECORDABLE RATE OF INJURIES

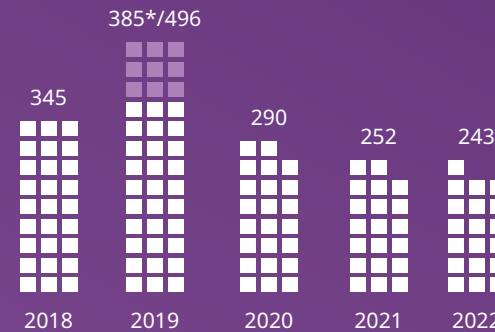


Number of recordable injuries per 100 full-time workers during a one-year period.

## NUMBER OF FIRST AID CASES

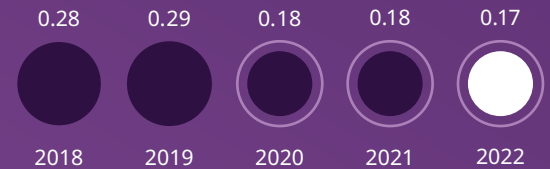


## NUMBER OF RECORDABLE INJURIES



\*Excludes an isolated foodborne illness incident at a single global location.

## LOST OR RESTRICTED WORKDAY CASES RATE



Number of lost or restricted workday cases per 100 full-time workers during a one-year period.



## I Own Safety

Emerson's 'I Own Safety' is foundational and based on safety ownership, which is a mindset that we try to instill within our workforce across Emerson. By demonstrating awareness and taking proactive steps, employees play a lead role in ensuring that they and their coworkers stay safe at all times. We implement various strategies to develop and maintain the safety ownership mindset, including training workshops, improvement projects and awareness programs.

### I Own Safety Workshops

The I Own Safety course is a global, five-module training series that explores the state of safety at Emerson and prepares employees to take ownership of Environment, Health and Safety (EHS) performance. The objectives of the sessions are to help ensure employees understand Emerson's vision for EHS performance and culture, believe every incident may be preventable and take ownership for EHS performance. This includes understanding safe and unsafe elements in their environment, assessing risk to identify opportunities for EHS improvement and taking action to control risks. Emerson sites around the globe utilized concepts from the course to reinforce decision making and safe behaviors across all parts of our business.

### Safety Moments

Managers around the world are encouraged to include a safety or value moment slide in employee communications, departmental meetings, webcasts or other meetings with more than 10 attendees. Over the years, teams worldwide have developed and shared PowerPoint templates with over 130 safety moments. These slides are designed to help connect Emerson's 12 Lifesaving Behaviors to everyday situations, scenarios and challenges to remind people to be mindful and Think Safety before they decide or act.

## Guiding Principles for Environment, Health and Safety



**WE TAKE OWNERSHIP**  
by being informed, empowered and accountable to work safely every day.

**WE ACT WITH URGENCY**  
to eliminate or effectively control risks to people, the environment and our communities.

**WE ACT PERSONALLY COMMITTED**  
to sustaining an environmentally responsible and injury-free workplace.

**WE BELIEVE EVERY INCIDENT IS PREVENTABLE**



Celebrating 1,000 days without a recordable incident at our Tuas facility in Singapore.

# Safety Improvement Projects

Across the globe, Emerson employees contribute safety and health improvement suggestions, and cross-functional teams work together to generate action plans and implement risk reduction activities. Examples of this include:

- Investing in process automation and working ergonomic design into our manufacturing operations.
- Safety Kaizen projects in the Discrete Automation and Final Control business groups that bring together employees from various disciplines to solve safety challenges in our warehouses, manufacturing operations, repair centers and labs.
- Piloting the introduction of virtual reality and other diverse, interactive training technology to enhance employees' hands-on learning experience during safety-related training.
- Critical Risk Champions are designated across the Measurement & Analytical business group to sponsor risk reduction activities specific to the areas that have the potential to result in a serious incident or fatality, including hoist and crane operations, manual machining, high-pressure processes, and other higher risk activities.
- A focus on hand safety across Emerson to reduce injuries to our most impacted body parts. Hand safety initiatives included the introduction of a hand safety risk assessment, elimination of certain tools and processes, and a glove selection guide to ensure the use of risk-appropriate personal protective equipment.



## Safety Day

Emerson's annual World Safety Day was held in June 2022. In addition to wearing green to show their support for safety in our workplace, employees also participated in activities focused on culture, prevention and awareness. Sites hosted targeted risk reduction projects, hands-on training activities, safety-related games and contests and community outreach events.

## Site Safety Recognition

In fiscal 2022, we continued our long-standing tradition of presenting awards to Emerson sites that demonstrate outstanding performance in the areas of Safety Leadership, Safety Culture, Safety Programs, Best Practices, Audit/Inspection Routines and Results. Top-performing sites present to the Corporate Safety Council for consideration.

Some highlights from the fiscal 2022 presentations include:

**Strong organizational safety leadership** — Senior leadership was directly involved in hands-on risk reduction activities and consistent visibility and communication routines.

**Positive work environment** — Safety was the top-scoring category in our employee engagement survey.

**Robust safety program deployment** — Employees earned high audit and assessment scores, and conducted consistent training routines.



### 2022 Emerson COO Award for Safety Excellence

📍 *Mahindra, India* | **Discrete Automation**

We were pleased to announce the winner of the 2022 Emerson COO Award for Safety Excellence: Mahindra, India | Discrete Automation.

### Safety Leadership Award Winners

📍 *Atit, India* | **Climate Technologies**

📍 *Chihuahua, Mexico* | **Cold Chain**

📍 *Cluj, Romania* | **Discrete Automation**

📍 *Singapore* | **Measurement & Analytical**

# SUPPLY CHAIN

The global supply chain faced unprecedented disruptions due to the COVID-19 pandemic and subsequent economic recovery. Lockdowns, trade route interruptions, subsequent strong demand recovery and nearshoring investments have combined to create a very challenging picture for supply chain management.

Emerson was able to minimize the impact on our customers through proactive sourcing, agile transportation solutions and, most importantly, strong collaboration with our supply chain partners and providers. Our diversified supply base strategy, including a strong focus on regional sourcing, enabled us to respond quickly and help support the critical operations of our customers.

The pandemic's disruptions and growing global sustainability and decarbonization expectations underscore an important reality: a company's supply chain is more interdependent than a simple

purchasing relationship. How a supplier manages its business can have a direct and indirect impact on its customers, and vice versa.

Emerson is focused on operating with the highest level of integrity toward people, stewardship of natural resources and ethical practices in our commercial processes for our shareholders, employees, communities and customers. It is our full expectation that our suppliers join us in doing the same. We ask our suppliers to support the [Emerson Supplier Code of Conduct](#) which establishes our expectations.

In fiscal 2022, we developed our Responsible Sourcing Program, a framework which will help guide our engagement activities with suppliers.

## FOR MORE INFORMATION



Please refer to the [Emerson Supplier Code of Conduct](#).

## Responsible Sourcing Framework



*Sustainable Supplier Sourcing, Consumption, and Waste Management*



*Reinforcing Ethical & Fair Treatment Within Supplier Workforces*



*Creating Inclusive and Diverse Workplaces for Emerson and Our Suppliers*



*Providing Customers with a Resilient, Agile Supply Chain*



*Developing the Next Generation of Supply Chain Innovation*

## Creating a Culture of Responsible Sourcing

Emerson has over 3,500 employees directly participating in the management of our global supply chain, from strategic materials and energy sourcing for our own manufacturing and office locations, to the fulfillment of our finished goods to customers worldwide. Together, this group works with tens of thousands of suppliers worldwide.

### Training

Arming our employees with a deep understanding of our supply chain strategies, expectations, policies and tools enables them to actively manage the suppliers they work with most frequently, speeding up decision-making and response times. We have trained over 2,500 employees on our Supplier Code of Conduct, energy treasure hunts and the use of dashboards to model how different commodity types can affect Emerson’s greenhouse gas footprint. By training our supply chain employees on common policies and practices, we can ‘green as one’ across Emerson to deliver a high performing supply chain community. Additionally, we have openly shared our training modules with our Supply Chain partners, supporting them in their own journey.

### Digital Supply Chain

Our Digital Supply Chain Center of Excellence team is working to enable better use of our available data that can contribute to responsible sourcing decisions. This includes information on processes, quantities, raw materials, energy consumption and ethics. Our metric dashboards convert this data into actionable insights for use by our supply chain organization. Emerson collaborates with our suppliers to use these insights to optimize cost, lead-time, quality and emissions.

### Development of a Responsible Sourcing Policy

To support the deployment of the Responsible Sourcing Program, a Responsible Sourcing Policy is being developed to establish the minimum standards for our supplier performance management processes and to guide the work of our Supply Chain organization. The Responsible Sourcing Policy will also outline the best practices for each area of our Responsible Sourcing Program framework and enable the development of a supplier rating system for performance and progress.

### Conflict Minerals Statement

Emerson supports efforts to end the human suffering and environmental impact that is associated with mining conflict minerals in the Democratic Republic of Congo and adjoining countries as well as in the other conflict affected and high-risk areas. We are a member of the Responsible Minerals Initiative (RMI), formerly known as the Conflict-Free Sourcing Initiative, that is working with a range of industries to ensure responsible mineral sourcing in their supply chains and address any related issues.

Emerson expects its suppliers and their suppliers to acquire minerals only from responsible sources. Our expectations are described in more detail on our website at Emerson Conflict Minerals Statement and Form SD filing: [Conflict Minerals Report for the Year Ended December 31, 2022](#).

## Responsible Sourcing Program Champions

To promote the adoption of Emerson’s Responsible Sourcing Program, leaders representing each Emerson business group have become Responsible Sourcing Program Champions. These leaders have contributed their perspectives from across the company to create a program that aligns with our values and guides our global supply chain management. Working together, their focus is to incorporate these values into day-to-day business practices and strategic engagements with suppliers.





PLANET

## Engaging Emerson's Supply Chain Partners to Join our Journey

As part of Emerson's journey to net zero emissions, we have established Scope 3 emissions targets that include the impact of our suppliers. Many of these suppliers provide carbon-intensive commodities, from electricity to steel castings. Our shared mission working with our suppliers is to reduce absolute carbon across the entire supply chain while maintaining material integrity and responsiveness.

### Greening Together Summits

The road to net zero emissions is a shared one. Our attitude is that we can learn from each other, and the more we collaborate, the better and faster we advance. That's why Emerson continues to invest in several approaches to engage our supply chain partners. One of the most direct is our Greening Together Summits. Leaders from key suppliers come together, hosted by Emerson, to share best practices and techniques for driving sustainable operations. Suppliers from industries such as electronic components, logistics and transportation, steelmaking, plastics and energy learn from each other's experiences.

Through the Greening Together summits held thus far, we have engaged with suppliers who cover 26% of our direct material and logistics greenhouse gas emissions.

Greening Together Summits are accelerating Emerson's and our suppliers' efforts, as many improvement projects have been inspired and become reality following these events. For smaller suppliers who may lack dedicated sustainability champions, these summits are invaluable in helping them identify potential solutions and accelerate their action plans.



### CDP Supplier Engagement Leader

Sustainable businesses need sustainable supply chains. We're proud to have earned a place on CDP's Supplier Engagement Leaderboard for fiscal 2022, recognizing our work in measuring and reducing climate risk in our supply chain. CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.



*"Emerson works with thousands of suppliers, and we continue to prioritize improving how we engage our partners across our value chain."*

**Mike Train**  
Chief Sustainability Officer



## Emerson's Suppliers Use Sustainable Materials and Improve Energy and Waste Management

Emerson is working with suppliers, customers and universities to improve its analytical models and find innovative ways to positively impact its net zero emissions strategies.

### Supplier Energy Treasure Hunts

Emerson collaborates and openly exchanges sustainability best practices with suppliers. Several suppliers have directly participated in Emerson energy treasure hunt events which aim to identify energy reduction and decarbonization solutions to achieve Scope 1 and 2 emission reductions. These events are also a great way to engage employees in their sustainability journeys. Emerson is encouraging our suppliers to establish their own energy treasure hunt processes and engage their organizations in developing their sustainability roadmaps.

### Emissions Reduction Planning Tool

Emerson is developing a pilot Emissions Reduction Planning Tool working with several of our key foundry suppliers. This tool is designed to help identify potential carbon abatement projects and determine carbon emissions impact. As Emerson learns from these initial pilot experiences, the tool will be refined and expanded across a broader set of strategic supply partners.

### Sustainable Packaging Playbook

The Emerson Packaging Council and Advanced Design Center recently formed a Sustainable Packaging Working Group. One of the Working Group's objectives is to eliminate single use plastics in our packaging

designs. Several examples incorporated into Emerson's sustainable packaging playbook include the elimination of expanded polystyrene as inner fill in corrugated cartons by utilizing a pressed pulp design, the transition to die-cut corrugated inserts in place of thermoformed plastic trays and the use of recycled kraft paper fill in place of foam peanuts or plastic bubble wrap. These projects eliminate waste destined for landfills and also significantly reduce packaging and product costs.

*"Attending the North America Greening Together Summit was an amazing opportunity to learn more about Emerson's focus on sustainability. The sessions provided an overview of many significant topics challenging the global climate. It was interesting to hear the specifics of how Emerson is embedding sustainability into their company culture by sharing best practices, such as conducting energy treasure hunts within its own factories and engaging employees in virtual Earth Month EcoChallenge games. Emerson even discussed its efforts to promote grid decarbonization globally. The event was well-organized, offering ample opportunities for networking, learning and engaging even with the other key companies. I was honored to be part of this summit and feel even more empowered to drive change within my organization and value chain."*

**Melanie Strong**  
Munters Corporation

### Asia Greening Together Summit

Leaders from 15 key suppliers across Asia joined Emerson for an engaging dialogue on opportunities for sustainability improvements. Representatives from Dell Inc., DSV A/S and Baoshan Iron and Steel Co. Ltd. were among the speakers who shared their experience. Several suppliers asked Emerson to help them begin their sustainability journey by teaching them how to calculate their carbon footprint and implement energy efficiency programs.



 **Supplier Engagement**



**Veeyes**

 *India*

Representatives of Emerson's Isolation Valve business presented the 2022 "Best Projects on Environmental Protection" award to Veeyes Engineering Private Ltd. This award recognizes a supplier's focus on emissions reduction. Solar and wind energy, rain-water conversion, gravity fed water supply and sewage treatment projects helped Veeyes reduce over 6,530 tons of CO<sub>2</sub> emissions.



**Teknicast**

 *Malaysia*

After the Asia Greening Together Summit in August 2022, Emerson suppliers took action. Teknicast, a key supplier of aluminum die-castings, formed its first sustainability committee and presented its Scope 1, 2 and 3 greenhouse gas inventory to Emerson at a subsequent business review. With ambition to join Emerson in its net zero journey, Teknicast is building a carbon reduction roadmap that includes renewable energy purchasing and conversions from diesel fuel to electric. In the near term, they plan to conduct energy treasure hunts to take advantage of immediate opportunities for improvement.



 **Supplier Engagement**



**Bettcher Manufacturing**

 Mexico

Following the North American Greening Together Summit, Bettcher Manufacturing was interested in expanding its own program. Representatives from Emerson and the business previously known as Climate Technologies visited the Bettcher facility in Mexico, conducted an energy audit, shared useful resources including best practice playbooks, and compiled a list of the most promising energy savings projects.

*“We were truly appreciative and privileged to participate in an event such as this that could continue to develop our environmental initiatives and strengthen the partnership between our companies.”*

**Phil Rimes** | President & CEO, Bettcher Manufacturing



**Peekay Steel Sand Reclamation**

 India

Emerson representatives talking with Peekay Steel in India on prototype construction bricks made from foundry waste sand. Mixed with additives, these bricks can be used for both residential and commercial structures. By eliminating the disposal of waste sand in landfills and reusing instead, Peekay will reduce CO<sub>2</sub> emissions by over 210 tons each month.



**HUMANITY**

## Emerson Suppliers Are Focused on Integrity, Respect, Fairness and Honesty

Emerson's values center on the fair, ethical and responsible treatment of people and natural resources. Following Emerson's Supplier Code of Conduct, we expect all suppliers to support Emerson's values, especially as they relate to ethics, human rights and the fair treatment of their workforce. Emerson's purchase order Terms and Conditions as well as our standard supply agreement explicitly state we expect our suppliers to comply with the Supplier Code of Conduct.

Emerson asks our suppliers to self-report on their performance in these areas. These surveys are prompting action and will become increasingly important to Emerson's selection of strategic supplier relationships. Strategic suppliers representing a majority of our annual supplier expenditures participate in Emerson's Supplier Code of Conduct survey.

### Ethics

Emerson policies and practices direct employees and business partners to conduct business lawfully and ethically in all commercial interactions. This includes a commitment to anti-corruption practices and preventing the inducement of any undue influence or favor in commercial transactions.

To provide a consistent and responsive ethics process, Emerson provides an ethics hotline in the more than 37 countries. This allows any person to anonymously report ethics concerns related to an Emerson employee or a business partner.

### Workforce Safety

Emerson has a strong safety culture and our aim is to ensure that every employee returns home safely each day. The company also encourages its suppliers to prioritize the safety of their employees. As such, Emerson benchmarks safety practices with its suppliers, sharing its standards and providing training. A focus on safe operating conditions is a criterion for doing business with Emerson.



### National Minority Supplier Development Council

Emerson participated in the National Minority Supplier Development Council annual conference to discuss practical considerations in building an impactful supplier diversity approach into our Responsible Sourcing Program.



#### INCLUSION

## Emerson and Our Suppliers Create Inclusive, Diverse Workplaces

Emerson believes strongly in the business impact of providing an inclusive workplace and striving for a diverse workforce. Diverse and inclusive workplaces draw on the strength and contribution of all individuals. Emerson has published targets on representation of women in leadership roles and representation of underrepresented groups in leadership roles in the United States context. We also actively encourage and advocate youth to consider science, technology, engineering and mathematics (STEM) subjects in their educational focus.

Emerson's suppliers range from diverse and small family-run businesses to large enterprises. Our desire for diversity and inclusion within our own organization extends to all parts of our business, the industries we participate in and the communities where we are located. We actively invite our supply chain partners to join us in this same mission to build diverse teams, encourage inclusive work environments and encourage more youth participation in STEM related education and careers.





## Providing Customers with a Resilient, Agile Supply Chain

### CHAMPION

Our purpose is fulfilled through our customers and the work they do, such as supplying the world with electricity, heating and transportation fuels, fresh foods, life-saving medicines, safe drinking water and more. Emerson's portfolio of technologies and software serves as the central nervous system of the world's most productive and important manufacturing facilities. Maintaining a resilient supply chain that supports these companies is a core mission of Emerson's supply chain team.

Emerson is monitoring over 3,000 suppliers for a broad spectrum of risks, including financial, natural hazards, geopolitical and man-made risks, using a third-party monitoring service. Emerson continues to work to strengthen action plans to mitigate these risks through levers like multi-site sourcing, diversification of suppliers, agile logistics systems and critical inventory buffers.



~ 80%

*of spend is regionalized, allowing us to reduce lead times and transit times.*

40%

*of spend is in one day of travel in our sites, allowing us to move quicker to meet customer needs.*





### Component Lifecycle Management

Given our customers frequently operate facilities for multiple decades, they value having Emerson product available for many years. This can be extremely challenging as some electronic components have frequent product refresh cycles. Emerson proactively tracks electronic component lifecycles using a third-party application, which allows it to address components nearing end-of-life, improve the new product development process and minimize supply chain disruptions.

### Regionalization

By sourcing materials in the same region as our factories and customers, Emerson can be more responsive to customers, reduce transit times, avoid port disruptions and reduce overall carbon footprint for transportation. Over 80% of Emerson's materials have been regionalized to where they will be utilized and 40% of materials are available within one day of travel to our manufacturing facilities.

### Supply Chain Visibility

One of the challenges when managing supply chains is having meaningful perspectives on what is happening with Tier 2 suppliers, who are suppliers that supply our direct suppliers. Challenges in our Tier 2 supply chain activities can be one of the biggest drivers in creating sudden shortages that impact supply of Emerson's products. To improve resiliency and create a predictive data tool for identifying future shortages, a Supply Chain

Visibility Project was launched in fiscal 2022, focused on electronic components. Once fully implemented, the tool will consolidate reporting information from Emerson business units, electronics contract manufacturers and distributors into a single set of dashboards, supporting and providing a more holistic and dynamic view of the electronics supply chain.



FUTURE

## Developing the Next Generation of Supply Chain Innovation

Emerson collaborates with educational institutions worldwide, including universities, trade schools and research institutions. The pivotal partnership between industry and academia allows for the exploration of global challenges and integration of commercial realities into the educational process. Emerson works actively with leading schools to engage future leaders on various supply chain innovation initiatives.

### Washington University in St. Louis — Student Practicum

In fiscal 2022, Washington University students worked on the annual Emerson Supply Chain practicum. The project was focused on recommending improvements to the inventory optimization models across Emerson's flow control business facilities with the goal of reducing inventory carrying costs while considering supplier reliability, logistics lead times and transportation emission impacts.

### Carnegie Mellon University — Tepper Capstone Project

Emerson's data analytics team has partnered with Carnegie Mellon University's Business Analytics program to expand our purchased goods and upstream/downstream transportation Scope 3 emission data model. Our data model was developed following guidance from the U.S. Environmental Protection Agency's Office of Research and Development to establish a baseline for supply chain emissions. The team is enhancing the data model with item categories, item weights and regional, multi-regional and risk-mitigated sourcing opportunities to reflect the unique dynamics of Emerson's supply chain. The future state is to run predictive scenario analysis to improve the supply network emissions while maintaining cost, quality and delivery.

### Washington University in St. Louis — Boeing Center

The Boeing Center for Supply Chain Innovation (BCSCI) at Washington University in St. Louis, Missouri, is a world-class research center in global supply chain management, supply chain finance and risk management and operational excellence. As a member of the BCSCI Board of Directors, Emerson helps shape and contributes to faculty and student research projects for the benefit of industry at large.

One example is the article "Putting Supply Chain Resilience Theory into Practice," written by some of the leading operations and supply chain authorities from Washington University in St. Louis, The University of Pennsylvania (Wharton), Georgetown University (McDonough), WHU (Otto Beisheim), Stanford University, Kobe University and Santa Clara University (Leavey). Emerson was pleased to contribute to this academic collaboration, as the article examines what some firms have done to respond to the recent supply chain crisis and ultimately recommends a model to enhance resiliency.



# CYBERSECURITY

## EMPOWERING OUR OPERATIONS AND CUSTOMERS IN TODAY'S DIGITAL ENVIRONMENTS.

Emerson operates a global 7x24 incident response capability supported by leading cybersecurity tools to detect and respond to threats as they occur. Our incident response plan and escalation paths are documented and regularly tested. We conduct cybersecurity tabletop exercises, the latest of which was in fiscal 2022. It was moderated by a leading cybersecurity consulting firm, and involved both executive and technical stakeholders.

Our Chief Information Security Officer conducts quarterly briefings on information security to our Board of Directors Audit Committee to help assure strong governance of our cybersecurity program. Additionally, Emerson has insurance coverage for various cyber risks.

To test and reinforce Emerson's internal cybersecurity processes, we utilize an independent third party to audit and certify key elements of our primary data centers, cloud environments and our enterprise IT organization according to ISO 27001, an international standard on information security management. This certification is active and in effect. Our businesses may use additional security frameworks, such as ISA/IEC 62443 and the SOC1 and SOC2 assurance framework, depending on the nature of products or services they produce, including obtaining certifications where appropriate.

Emerson aligns with the National Institute of Standards and Technology Cybersecurity Framework to help ensure that our enterprise IT infrastructure, cybersecurity solutions and services provided to customers remain robust and effective.

We routinely engage independent cybersecurity experts to evaluate our cybersecurity maturity and test effectiveness of overall cybersecurity controls.

Emerson's Cybersecurity Awareness Team has established a global information security culture through awareness and education programs. Cybersecurity Awareness has a wide range of creative and engaging material to support our global audience. Emerson has established company-wide information security policies and procedures, reviews these regularly and makes them electronically available to our employees.

The team works closely with subject matter experts to create educational material and communicate best practices to the company through online training, custom video content, simulated phishing attacks and a variety of other targeted touchpoints. The most recent interactive event, our first "capture the flag" competition, held virtually, showed significant engagement and interest across the company. This event provided employees the opportunity to gain hands-on experience with hacking tools and cyber vulnerabilities.

Annually, our knowledge workers are provided with access to digital training in cybersecurity fundamentals. They are also targeted with simulated phishing attacks quarterly. We are proud to have our employees participate and proactively report suspicious emails related to these simulations. Our cybersecurity video channel has received over 100,000 views by our employees, delivering engaging and educational content to Emerson's sites worldwide.





### SAFETY Act Seals

To date, Emerson is the only automation company to receive this level of coverage for a broad line of distributed control system products. Emerson is permitted to publicly market its awards and is specifically authorized to present its products with DHS SAFETY Act seals. A red seal indicates a SAFETY Act Certification and a blue seal signifies SAFETY Act Designation.

## Product Cybersecurity

Emerson continues to embrace applicable industry-accepted practices, including the ISA/IEC 62443 family of standards, and strives to apply these practices across our portfolio, in our secure development practices and in our service organizations to achieve high levels of security in our products, services and solutions. Our Secure Development Lifecycle practices typically include various manual and automated security testing regimens such as: peer reviews, Static Analysis Security Test (SAST), Dynamic Analysis Security Test (DAST), Integrated Analysis Security Test (IAST), Verification and Validation Tests, and Penetration Testing. Additionally, Emerson monitors third-party suppliers and sources for vulnerabilities and utilize Product Security Incident Response Teams (PSIRT) to evaluate, manage and respond to potential security risk to our product portfolio. Emerson continues to invest in our Global Product Security program supporting organizational functions, strategic initiatives and governance activities as well as in our Cybersecurity Center supporting secure development lifecycle practices through related roles based training, security testing and internal consulting across our product development projects.

We work with industry partners to deliver security capabilities that provide our customers with products and solutions that attain high levels of operational security. Emerson’s product development organizations employ standard principles outlined in IEC 62443-4-1, and many are certified through third-party entities to ensure secure development lifecycle (SDL) of our automation products.

More specifically related to process control systems, Emerson offers the DeltaV Distributed Control System with security measures that comply with the IEC 62443-3-3 standard, currently limited to security assurance level 1. Emerson customers can request DeltaV systems that are certifiable to the ISASecure System Security Assurance (SSA) security level 1 (SL-1) certification program and, upon delivery,

customers can request a full system attestation by certification bodies if they choose to do so.

Regarding engineering processes, upon request, Emerson can design, configure and commission DeltaV systems following the guidelines listed in the IEC 62443-2-4 standard. Emerson has certification to this standard for DeltaV systems when involving Emerson Engineering Centers in the development of control system solutions.

In response to the events of September 11, 2001, the Department of Homeland Security (DHS) established the SAFETY (Support Anti-terrorism by Fostering Effective Technologies) Act of 2002, which evaluates technologies and may designate or certify them as Qualified Anti-Terrorism Technology (QATT). The application and review process is extensive and can take multiple years of engagement with the DHS to achieve designations or certifications, which are effective for five years. Organizations must be able to demonstrate that their technology is effective in preventing terrorism and has a closed loop process for continuous improvement of cybersecurity features and functions of their technologies and business processes.

After three years of working with DHS, Emerson’s Ovation Distributed Control System suite of products was deemed a QATT and awarded SAFETY Act Designation coverage in October 2017. Emerson selected Ovation as a candidate for this program as it is Emerson’s control system designed for power generation industries, which is considered one of the most critical industries by the United States government.

In fiscal 2022, as part of the required five-year renewal process, Emerson sought to improve upon its SAFETY Act Designation. In February 2023, after 10 months of collaboration with DHS, our Ovation technology was awarded Certification coverage.



# RE POR TING



## Approach to Reporting

This section outlines Emerson's alignment with leading Environmental, Social and Governance (ESG) reporting standards and frameworks, as well as our key ESG data. Unless otherwise noted, this section covers enterprise-wide information and data for fiscal year 2022.

### IN THIS SECTION

UN SDGs

GRI Index

SASB Index

TCFD Index

ESG Data

# UN SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) provide a shared blueprint for peace and prosperity for people and the planet, now and into the future. Emerson continues to identify our best solutions to contribute to the SDGs as we aim to address various environmental, social and economic challenges facing our world today. Examples of our actions, programs and the SDGs to which they relate are demonstrated here and throughout this report.



## Goal 3: Ensure healthy lives and promote well-being for all at all ages.

### Emerson's Initiatives:

Employee Engagement ([p. 84](#))

Corporate Philanthropy ([p. 95](#))

Workplace Safety ([p. 110](#))

Emerson Suppliers Are Focused on Integrity, Respect, Fairness and Honesty ([p. 122](#))

Emerson and Our Suppliers Create Inclusive, Diverse Workplaces ([p. 123](#))



## Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

### Emerson's Initiatives:

Greening Of: Employee Engagement ([p. 44](#))

Research and Educational Institutions ([p. 67](#))

Talent Attraction, Learning and Leadership Development ([p. 87](#))

Workforce Development ([p. 93](#))

Our Focus on Education Equity ([p. 95](#))



## Goal 5: Achieve gender equality and empower all women and girls.

### Emerson's Initiatives:

Diversity, Equity and Inclusion Goals ([p. 75](#))

Elevating Women and Under-Represented Populations ([p. 79](#))

Employee Resource Groups ([p. 81](#))

Recent Corporate Governance Actions ([p. 102](#))

Emerson and Our Suppliers Create Inclusive, Diverse Workplaces ([p. 123](#))



## Goal 6: Ensure availability and sustainable management of water and sanitation for all.

### Emerson's Initiatives:

[ASCO Water Treatment](#)

[Water & Wastewater](#)

Greening By: Water Treatment ([p. 59](#))



## Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all.

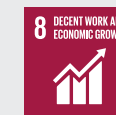
### Emerson's Initiatives:

Promoting the Decarbonization of the Grid ([p. 42](#))

Greening By Emerson ([p. 47](#))

Collaborating with Leading Research Institutions ([p. 67](#))

Convening Leaders ([p. 70](#))



## Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

### Emerson's Initiatives:

Company Profile ([p. 8](#))

Value Creation ([p. 12](#))

Talent Attraction, Learning and Leadership Development ([p. 87](#))

Workforce Development ([p. 93](#))

Integrity & Ethics ([p. 106](#))

Workplace Safety ([p. 110](#))

Providing Customers with a Resilient, Agile Supply Chain ([p. 124](#))



**Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.**

**Emerson's Initiatives:**

Emerson Ventures ([p. 17](#))

Electrification and System Integration ([p. 56](#))

Convening Leaders and Communities ([p. 70](#))

Emerson and Our Suppliers Create Inclusive, Diverse Workplaces ([p. 123](#))

Cybersecurity ([p. 127](#))



**Goal 10: Reduce inequality within and among countries.**

**Emerson's Initiatives:**

Discrimination and Harassment ([p. 86](#))

Human Rights ([p. 86](#))

Corporate Philanthropy ([p. 95](#))

Integrity & Ethics ([p. 106](#))

Emerson and Our Suppliers Create Inclusive, Diverse Workplaces ([p. 123](#))



**Goal 12: Ensure sustainable consumption and production patterns.**

**Emerson's Initiatives:**

Net Zero Operations Progress ([p. 29](#))

Driving Toward Zero Waste To Landfill ([p. 36](#))

Improving Sustainable Design of Products and Packaging ([p. 43](#))

Greening Of: Employee Engagement ([p. 44](#))

Energy Source Decarbonization ([p. 49](#))

Emerson's Suppliers Use Sustainable Materials and Improve Energy and Waste Management ([p. 119](#))



**Goal 13: Take urgent action to combat climate change and its impacts.**

**Emerson's Initiatives:**

Greening Of Emerson ([p. 27](#))

Greening By Emerson ([p. 47](#))

Greening With Emerson ([p. 61](#))

Emerson's Suppliers Use Sustainable Materials and Improve Energy and Waste Management ([p. 119](#))



**Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.**

**Emerson's Initiatives:**

Discrimination and Harassment ([p. 86](#))

Human Rights ([p. 86](#))

Corporate Philanthropy ([p. 95](#))

Recent Corporate Governance Actions ([p. 102](#))

Integrity & Ethics ([p. 106](#))



**Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development.**

**Emerson's Initiatives:**

Greening With Emerson ([p. 61](#))

Elevating the Representation of Women and Underrepresented Populations ([p. 79](#))

Workforce Development ([p. 93](#))

# GRI INDEX

The following information references selected Global Reporting Initiatives (GRI) Standards, a widely used reporting framework on a variety of important topics. The GRI framework provides a structure for organizations like Emerson to communicate the environmental, social and economic impacts of our business. For more information about GRI, please visit [GlobalReporting.org](https://www.globalreporting.org).

DISCLOSURE	GRI STANDARDS DISCLOSURE TITLE	LOCATION/RESPONSE	RELATED UN SDGS
102-1	Name of the organization	Emerson Electric Co.	
102-2	Activities, brands, products and services	<a href="#">Emerson 2022 ESG Report: Company Profile, p. 8</a> <a href="#">Emerson 2022 Form 10-K; Item 1 – Business</a>	
102-3	Location of headquarters	Emerson Electric Co., 8000 West Florissant Avenue, P.O. Box 4100, St. Louis, MO 63136 USA	
102-4	Location of operations	<a href="#">Emerson.com: Contact Us</a> <a href="#">Emerson 2022 Form 10-K; Item 2 – Properties</a>	
102-5	Ownership and legal form	<a href="#">Emerson.com: Corporate Governance (Articles of Incorporation)</a>	
102-6	Markets served	<a href="#">Emerson 2022 Form 10-K; Item 1 – Business</a> <a href="#">Emerson.com: Industries</a>	
102-7	Scale of the organization	<a href="#">Emerson 2022 Form 10-K; Item 1 – Business; Item 2 – Properties; Results of Operations</a> , Emerson 2022 ESG Report: Company Profile, <a href="#">p. 8</a>	
102-8	Information on employees	Partially reported: Emerson 2022 ESG Report: Company Profile, <a href="#">p. 8</a> Emerson 2022 ESG Report: Emerson’s Workforce by the Numbers, <a href="#">p. 76</a> <a href="#">Emerson 2022 Form 10-K; Item 1 – Business</a>	<div style="background-color: #800000; color: white; padding: 5px; text-align: center;"> <b>8</b> DECENT WORK AND ECONOMIC GROWTH         </div> <div style="background-color: #e91e63; color: white; padding: 5px; text-align: center;"> <b>10</b> REDUCED INEQUALITIES         </div>
102-9	Supply chain	<a href="#">Emerson 2022 Form 10-K; Item 1 – Business</a> Emerson 2022 ESG Report: Supply Chain, <a href="#">p. 116</a>	
102-10	Significant changes to the organization and its supply chain	<a href="#">Emerson 2022 Form 10-K; Item 1 – Business</a> <a href="#">Emerson 2022 Annual Report: Letter to Shareholders</a>	
102-11	Precautionary Principle or approach	Emerson 2022 ESG Report: Corporate Governance (Risk Management and Oversight), <a href="#">p. 104</a> <a href="#">Emerson 2022 Form 10-K; Item 1A Risk Factors</a>	

DISCLOSURE	GRI STANDARDS DISCLOSURE TITLE	LOCATION/RESPONSE	RELATED UN SDGS
102-12	External initiatives	<a href="#">Emerson Trade Associations</a> Emerson 2022 ESG Report: Collaborating for a Net Zero World: Greening With Emerson, <a href="#">p. 61</a> ; Workforce Development, <a href="#">p. 93</a> ; Corporate Philanthropy, <a href="#">p. 95</a>	<b>17</b> PARTNERSHIPS FOR THE GOALS
102-13	Membership of associations	<a href="#">Emerson.com: Corporate Governance (Trade Associations &amp; Lobbying)</a> Emerson 2022 ESG Report: Collaborating for a Net Zero World: Greening With Emerson, <a href="#">p. 61</a>	
102-14	Statement from senior decision-maker	Emerson 2022 ESG Report: CEO Message, <a href="#">p. 6</a>	
102-15	Key impacts, risks and opportunities	Emerson 2022 ESG Report: Corporate Governance (Risk Management and Oversight), <a href="#">p. 104</a> <a href="#">Emerson 2022 Form 10-K: Item 1A – Risk Factors</a> <a href="#">Emerson 2022 Annual Report, p. 9 – 14</a>	
102-16	Values, principles, standards and norms of behavior	Emerson 2022 ESG Report: Our Values, <a href="#">p. 9</a> ; Integrity & Ethics, <a href="#">p. 106</a> <a href="#">Emerson.com: Corporate Governance (Business Ethics)</a>	
102-17	Mechanisms for advice and concerns about ethics	<a href="#">Emerson.com: Corporate Governance (Ethics and Compliance)</a> Emerson 2022 ESG Report: Integrity & Ethics (Ethics Hotline and Reporting Process), <a href="#">p. 107</a>	<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS
102-18	Governance structure	<a href="#">Emerson 2023 Annual Meeting Proxy Statement: Board and Corporate Governance, p. 7</a> Emerson 2022 ESG Report: Corporate Governance, <a href="#">p. 101</a> <a href="#">Emerson.com: Corporate Governance (Principles and Practices)</a>	
102-19	Delegating authority	<a href="#">Emerson 2023 Annual Meeting Proxy Statement: Board and Corporate Governance (Environmental, Social &amp; Governance), p. 7</a> Emerson 2022 ESG Report: Our Approach to Environmental Sustainability and a Net Zero World, <a href="#">p. 25</a> <a href="#">Emerson.com: Corporate Governance (Principles and Practices – Board Oversight of Management)</a> <a href="#">Emerson.com: Corporate Governance and Nominating Committee Charter</a>	
102-20	Executive-level responsibility for economic, environmental and social topics	Emerson 2022 ESG Report: CEO Message, <a href="#">p. 6</a> ; Reinforcing Our Commitment as a Sustainability Leader with Strong Governance, <a href="#">p. 28</a>	<b>13</b> CLIMATE ACTION
102-21	Consulting stakeholders on economic, environmental and social topics	<a href="#">Emerson 2023 Annual Meeting Proxy Statement: Our Board of Directors, p. 2; Board and Corporate Governance, p. 9 (Shareholder Engagement)</a> Emerson 2022 ESG Report: Reinforcing Our Commitment as a Sustainability Leader with Strong Governance, <a href="#">p. 28</a>	<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS
102-22	Composition of the highest governance body and its committees	<a href="#">Emerson.com: Corporate Governance</a> Emerson 2022 ESG Report: Corporate Governance (Board of Directors Policies), <a href="#">p. 101</a> <a href="#">Emerson 2023 Annual Meeting Proxy Statement: Our Board of Directors, p. 2; Board and Committee Operations, p. 7 – 18 (Board Composition)</a>	<b>5</b> GENDER EQUALITY <b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS

DISCLOSURE	GRI STANDARDS DISCLOSURE TITLE	LOCATION/RESPONSE	RELATED UN SDGS
102-23	Chair of the highest governance body	<a href="#">Emerson.com: Corporate Governance (Principles and Practices)</a> Emerson 2022 ESG Report: Corporate Governance (Board of Directors Policies), <a href="#">p. 101</a> <a href="#">Emerson 2023 Annual Meeting Proxy Statement: Board and Corporate Governance, p. 8 (Board Leadership Structure)</a>	<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS
102-24	Nominating and selecting the highest governance body	<a href="#">Emerson.com: Corporate Governance (Principles and Practices)</a> <a href="#">Emerson 2023 Annual Meeting Proxy Statement: Board and Corporate Governance, p. 13 (Nomination Process)</a> Emerson 2022 ESG Report: Corporate Governance, <a href="#">p. 101</a>	<b>5</b> GENDER EQUALITY <b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS
102-27	Collective knowledge of highest governance body	Emerson's Senior Vice President, General Counsel and Secretary briefs the Corporate Governance and Nominating Committee on corporate responsibility topics on at least an annual basis. Emerson 2022 ESG Report: Corporate Governance (Recent Corporate Governance Actions), <a href="#">p. 102</a>	
102-28	Evaluating the highest governance body's performance	<a href="#">Emerson 2023 Annual Meeting Proxy Statement: Board and Corporate Governance, p. 12 (Board and Committee Evaluations)</a>	<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS
102-29	Identifying and managing economic, environmental and social impacts	<a href="#">Emerson.com: Corporate Governance and Nominating Committee Charter</a> Emerson 2022 ESG Report: Corporate Governance (Risk Management and Oversight), <a href="#">p. 104</a> <a href="#">Emerson 2023 Annual Meeting Proxy Statement: Board and Corporate Governance (Environmental, Social &amp; Governance), p. 7</a> Emerson 2022 ESG Report: Corporate Governance (Climate scenarios guide our long-term business and risk management strategies), <a href="#">p. 105</a>	
102-30	Effectiveness of risk management processes	Emerson 2022 ESG Report: Corporate Governance (Risk Management and Oversight), <a href="#">p. 104</a> <a href="#">Emerson 2023 Annual Meeting Proxy Statement: Board and Corporate Governance (Environmental, Social &amp; Governance), p. 7</a> Emerson 2022 ESG Report: Corporate Governance (Climate scenarios guide our long-term business and risk management strategies), <a href="#">p. 105</a>	
102-31	Review of economic, environmental and social topics	Emerson 2022 ESG Report: Corporate Governance (Risk Management and Oversight), <a href="#">p. 104</a> <a href="#">Emerson 2023 Annual Meeting Proxy Statement: Board and Corporate Governance (Environmental, Social &amp; Governance), p. 7</a> Emerson 2022 ESG Report: Corporate Governance (Climate scenarios guide our long-term business and risk management strategies), <a href="#">p. 105</a> <a href="#">Emerson.com: Corporate Governance and Nominating Committee Charter</a>	
102-32	Highest governance body's role in sustainability reporting	The Environmental, Social and Governance Report is reviewed by the Emerson Board of Directors' Corporate Governance & Nominating Committee. Emerson 2022 ESG Report: Corporate Governance (Recent Corporate Governance Actions), <a href="#">p. 102</a>	
102-33	Communicating critical concerns	<a href="#">Emerson 2023 Annual Meeting Proxy Statement: Communications with the Company and Obtaining Emerson Documents, p. 62</a> Emerson 2022 ESG Report: Integrity & Ethics (Ethics Hotline and Reporting Process), <a href="#">p. 107</a>	
102-35	Remuneration policies	<a href="#">Emerson 2023 Annual Meeting Proxy Statement: Executive Compensation, p. 19 – 35</a>	<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS
102-36	Process for determining remuneration	<a href="#">Emerson 2023 Annual Meeting Proxy Statement: Executive Compensation, p. 19 – 35</a>	

DISCLOSURE	GRI STANDARDS DISCLOSURE TITLE	LOCATION/RESPONSE	RELATED UN SDGS
102-37	Stakeholders' involvement in remuneration	<a href="#">Emerson 2023 Annual Meeting Proxy Statement: Proxy Item No. Advisory Vote on Executive Compensation, p. 55</a>	<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS
102-38	Annual total compensation ratio	<a href="#">Emerson 2023 Annual Meeting Proxy Statement: Pay Ratio Disclosure, p. 46</a>	
102-40	List of stakeholder groups	<a href="#">Emerson.com: Corporate Governance (Trade Associations and Lobbying)</a> Other organizations listed throughout the report	
102-41	Collective bargaining agreements	Emerson 2022 ESG Report: Employee Engagement (Labor Relations), <a href="#">p. 85</a>	<b>8</b> DECENT WORK AND ECONOMIC GROWTH
102-42	Identifying and selecting stakeholders	Emerson solicits and uses feedback from employees, customers, investors and analysts, community leaders, suppliers, regulator and NGOs to understand concerns and impacts of our operations on the environment, the economy and local communities.	
102-43	Approach to stakeholder engagement	<a href="#">Emerson 2023 Annual Meeting Proxy Statement: Our Board of Directors, Board and Corporate Governance, p. 2, p. 7</a> Emerson 2022 ESG Report: Collaborating for a Net Zero World: Greening With Emerson, <a href="#">p. 61</a> ; Engaging Emerson's Supply Chain Partners to Join our Journey, <a href="#">p. 118</a>	<b>17</b> PARTNERSHIPS FOR THE GOALS
102-45	Entities included in the consolidated financial statements	<a href="#">Emerson 2022 Form 10-K: Subsidiaries of Emerson Electric Co., September 30, 2022</a>	
102-48	Restatements of information	Emerson 2022 ESG Report: Driving Net Zero Operations: Greening Of Emerson, <a href="#">p. 27</a>	
102-50	Reporting period	Emerson 2022 ESG Report: About This Report, <a href="#">p. 2</a>	
102-51	Date of most recent report	June 2023	
102-52	Reporting cycle	Emerson 2022 ESG Report: About This Report, <a href="#">p. 2</a>	
102-53	Contact point for questions regarding the report	Emerson 2022 ESG Report: About This Report, <a href="#">p. 2</a>	
102-54	Claims of reporting in accordance with the GRI Standards	This material references GRI Standards 2018 as is detailed in this index. Emerson 2022 ESG Report: About This Report, <a href="#">p. 2</a>	
102-55	GRI content index	Emerson 2022 ESG Report: Referenced GRI Standards Index, <a href="#">p. 132</a>	
201-1	Direct economic value generated and distributed	<a href="#">Emerson 2022 Form 10-K: Result of Operations</a>	<b>8</b> DECENT WORK AND ECONOMIC GROWTH
201-2	Financial implications and other risks and opportunities due to climate change	<a href="#">Emerson 2022 Form 10-K: Item 1A – Risk Factors, p. 9</a> <a href="#">Emerson 2022 CDP Response</a> Emerson 2022 ESG Report: Corporate Governance (Climate scenarios guide our long-term business and risk management strategies), <a href="#">p. 105</a>	<b>13</b> CLIMATE ACTION

DISCLOSURE	GRI STANDARDS DISCLOSURE TITLE	LOCATION/RESPONSE	RELATED UN SDGs
201-3	Defined benefit plan obligations and other retirement plans	<a href="#">Emerson 2022 Form 10-K: Notes to Consolidated Financial Statements; Retirement Plans</a>	
203-1	Infrastructure investments and services supported	Emerson 2022 ESG Report: Workforce Development, <a href="#">p. 93</a> ; Corporate Philanthropy, <a href="#">p. 95</a>	<div style="background-color: #e35757; padding: 2px; text-align: center; margin-bottom: 2px;"><b>5</b> GENDER EQUALITY</div> <div style="background-color: #f1c40f; padding: 2px; text-align: center; margin-bottom: 2px;"><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div style="background-color: #f1c40f; padding: 2px; text-align: center;"><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</div>
203-2	Significant indirect economic impacts	Emerson 2022 ESG Report: Workforce Development, <a href="#">p. 93</a> ; Corporate Philanthropy, <a href="#">p. 95</a>	<div style="background-color: #e35757; padding: 2px; text-align: center; margin-bottom: 2px;"><b>1</b> NO POVERTY</div> <div style="background-color: #27ae60; padding: 2px; text-align: center; margin-bottom: 2px;"><b>3</b> GOOD HEALTH AND WELL-BEING</div> <div style="background-color: #c0392b; padding: 2px; text-align: center; margin-bottom: 2px;"><b>4</b> QUALITY EDUCATION</div> <div style="background-color: #8e44ad; padding: 2px; text-align: center;"><b>8</b> DECENT WORK AND ECONOMIC GROWTH</div>
204-1	Proportion of spending on local suppliers	Emerson 2022 ESG Report: Supply Chain (Champion: Providing Customers with a Resilient, Agile Supply Chain), <a href="#">p. 124</a>	<div style="background-color: #8e44ad; padding: 2px; text-align: center;"><b>8</b> DECENT WORK AND ECONOMIC GROWTH</div>
205-2	Communication and training about anti-corruption policies and procedures	Partially reported: Emerson 2022 ESG Report: Integrity & Ethics (Anti-Corruption Controls), <a href="#">p. 108</a>	
205-3	Confirmed incidents of corruption and actions taken	During the reporting period, Emerson did not experience any incidents of corruption that rose to the level of materiality that would have required disclosure in our periodic reports filed with the SEC.	<div style="background-color: #2980b9; padding: 2px; text-align: center;"><b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS</div>
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	During the reporting period, Emerson was not identified as a participant in any legal actions alleging anticompetitive behavior or violations of anti-trust and monopoly legislation that rose to the level of materiality that would have required disclosure in our periodic reports filed with the SEC.	
207-1	Approach to tax	<a href="#">Emerson Statement of Tax Principles</a>	
207-2	Tax governance, control and risk management	<a href="#">Emerson Statement of Tax Principles</a>	
207-3	Stakeholder engagement and management of concerns related to tax	<a href="#">Emerson Statement of Tax Principles</a>	



DISCLOSURE	GRI STANDARDS DISCLOSURE TITLE	LOCATION/RESPONSE	RELATED UN SDGS
301-1	Materials used by weight or volume	Partially reported: Emerson 2022 ESG Report: Driving Net Zero Operations: Greening Of Emerson (Utilizing Product Life Cycle Assessments), <a href="#">p. 43</a>	<b>12</b> RESPONSIBLE CONSUMPTION
302-1	Energy consumption within the organization	Emerson 2022 ESG Report: Driving Net Zero Operations: Greening Of Emerson, <a href="#">p. 27</a> ; ESG Data, <a href="#">p. 148</a> ; <a href="#">Emerson 2022 CDP Response</a>	<b>7</b> AFFORDABLE AND CLEAN ENERGY <b>8</b> DECENT WORK AND ECONOMIC GROWTH <b>12</b> RESPONSIBLE CONSUMPTION <b>13</b> CLIMATE ACTION
302-3	Energy intensity	Emerson 2022 ESG Report: ESG Data, <a href="#">p. 148</a>	
303-1	Interactions with water as a shared resource	<a href="#">Partially reported: 2022 CDP Water Security Report</a>	<b>6</b> CLEAN WATER AND SANITATION
303-3	Water withdrawal	<a href="#">2022 CDP Water Security Report</a>	<b>12</b> RESPONSIBLE CONSUMPTION
303-5	Water consumption	Partially reported: Emerson 2022 ESG Report: Driving Net Zero Operations: Greening Of Emerson (Water Management), <a href="#">p. 35</a>	
305-1	Direct (Scope 1) GHG emissions	Emerson 2022 ESG Report: Driving Net Zero Operations: Greening Of Emerson (Greenhouse Gas Emissions), <a href="#">p. 30</a> ; ESG Data, <a href="#">p. 147</a>	<b>3</b> GOOD HEALTH AND WELL-BEING
305-2	Energy indirect (Scope 2) GHG emissions	Emerson 2022 ESG Report: Driving Net Zero Operations: Greening Of Emerson (Greenhouse Gas Emissions), <a href="#">p. 30</a> ; ESG Data, <a href="#">p. 147</a>	<b>12</b> RESPONSIBLE CONSUMPTION
305-3	Other indirect (Scope 3) GHG emissions	Emerson 2022 ESG Report: Net Zero Across Our Value Chain by 2045 (Establishing a Scope 3 Footprint and Improving Data Quality and Analysis), <a href="#">p. 40</a> ;	<b>13</b> CLIMATE ACTION
305-4	GHG emissions intensity	Emerson 2022 ESG Report: Driving Net Zero Operations: Greening Of Emerson, <a href="#">p. 27</a> ; ESG Data, <a href="#">p. 147</a>	<b>14</b> LIFE BELOW WATER <b>15</b> LIFE ON LAND
305-5	Reduction of GHG emissions	Emerson 2022 ESG Report: Driving Net Zero Operations: Greening Of Emerson, <a href="#">p. 27</a> ; ESG Data, <a href="#">p. 147</a>	
306-2, -3	Total waste generated	Emerson 2022 ESG Report: Driving Net Zero Operations: Greening Of Emerson (Driving Toward Zero Waste to Landfill), <a href="#">p. 36</a> ; ESG Data, <a href="#">p. 150</a>	<b>12</b> RESPONSIBLE CONSUMPTION <b>13</b> CLIMATE ACTION

DISCLOSURE	GRI STANDARDS DISCLOSURE TITLE	LOCATION/RESPONSE	RELATED UN SDGS
306-4	Waste Diverted To Disposal	Emerson 2022 ESG Report: Driving Net Zero Operations: Greening Of Emerson (Driving Toward Zero Waste to Landfill), <a href="#">p. 36</a> ; ESG Data, <a href="#">p. 151</a>	<b>12</b> RESPONSIBLE CONSUMPTION
306-5	Waste Diverted from Disposal	Emerson 2022 ESG Report: Driving Net Zero Operations: Greening Of Emerson (Driving Toward Zero Waste to Landfill), <a href="#">p. 36</a> ; ESG Data, <a href="#">p. 151</a>	<b>13</b> CLIMATE ACTION
307-1	Noncompliance with environmental laws and regulations	Emerson 2022 ESG Report: Greening Of Emerson (Assuring Environmental Compliance), <a href="#">p. 39</a> In fiscal year 2021, environmental regulators inspected our facilities or were notified of incidents on 18 different occasions worldwide. Of these occasions in 2021, monetary penalties totaled \$9,634.	<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS
308-1	New suppliers that were screened using environmental criteria	Partially reported: Emerson 2022 ESG Report: Supply Chain, <a href="#">p. 116</a>	<b>13</b> CLIMATE ACTION
403-1	Occupational health and safety management system	Partially reported: Emerson 2022 ESG Report: Workplace Safety (VelocityEHS), <a href="#">p. 110</a>	
403-2	Hazard identification, risk assessment	Partially reported: Emerson 2022 ESG Report: Workplace Safety, <a href="#">p. 110</a>	
403-3	Occupational health services	Partially reported: Emerson 2022 ESG Report: Workplace Safety, <a href="#">p. 110</a>	
403-4	Worker participation, consultation, and communication on occupational health and safety	Partially reported: Emerson 2022 ESG Report: Workplace Safety, <a href="#">p. 110</a>	
403-5	Worker training on occupational health and safety	Partially reported: Emerson 2022 ESG Report: Workplace Safety, <a href="#">p. 110</a>	<b>3</b> GOOD HEALTH AND WELL-BEING
403-6	Promotion of worker health	Emerson 2022 ESG Report: Employee Engagement (Wages and Benefits), <a href="#">p. 85</a> ; Workplace Safety, <a href="#">p. 110</a>	<b>8</b> DECENT WORK AND ECONOMIC GROWTH
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Partially reported: Emerson 2022 ESG Report: Workplace Safety, <a href="#">p. 110</a>	
403-8	Workers covered by an occupational health and safety management system	Partially reported: Emerson 2022 ESG Report: Workplace Safety (Measuring Performance), <a href="#">p. 111</a>	
403-9	Work-related injuries	Emerson 2022 ESG Report: Workplace Safety (Emerson Global Health and Safety Performance), <a href="#">p. 112</a>	

DISCLOSURE	GRI STANDARDS DISCLOSURE TITLE	LOCATION/RESPONSE	RELATED UN SDGS
404-1	Average hours of training per year per employee	800,000 total hours of training provided to 81,800 colleagues equals 9.8 average hours of training per colleague. Emerson 2022 ESG Report: Greening Of: Employee Engagement, <a href="#">p. 44</a> ; Greening With: Research and Educational Institutions, <a href="#">p. 67</a> ; Talent Attraction, Learning and Leadership Development, <a href="#">p. 87</a> ; Workforce Development, <a href="#">p. 93</a>	<div style="background-color: #c00000; color: white; padding: 5px; text-align: center;">4 QUALITY EDUCATION</div> <div style="background-color: #660000; color: white; padding: 5px; text-align: center;">8 DECENT WORK AND ECONOMIC GROWTH</div>
404-2	Programs for upgrading employee skills and transition assistance programs	<a href="#">Emerson.com: Careers (Training &amp; Development)</a> <a href="#">Emerson.com: Investing in People (Learning &amp; Development)</a> Emerson 2022 ESG Report: Talent Attraction, Learning and Leadership Development, <a href="#">p. 87</a>	<div style="background-color: #660000; color: white; padding: 5px; text-align: center;">8 DECENT WORK AND ECONOMIC GROWTH</div>
404-3	Percentage of employees receiving regular performance and career development reviews	Emerson 2022 ESG Report: Talent Attraction, Learning and Leadership Development (Unlocking High Potential: Our Approach to Reviewing Performance), <a href="#">p. 92</a>	<div style="background-color: #ff4500; color: white; padding: 5px; text-align: center;">5 GENDER EQUALITY</div> <div style="background-color: #660000; color: white; padding: 5px; text-align: center;">8 DECENT WORK AND ECONOMIC GROWTH</div> <div style="background-color: #e91e63; color: white; padding: 5px; text-align: center;">10 REDUCED INEQUALITIES</div>
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Emerson 2022 ESG Report: Employee Engagement (Labor Relations), <a href="#">p. 85</a>	<div style="background-color: #660000; color: white; padding: 5px; text-align: center;">8 DECENT WORK AND ECONOMIC GROWTH</div>
408-1	Operations and suppliers incidents of child labor	Partially reported: Emerson 2022 ESG Report: Employee Engagement (Human Rights), <a href="#">p. 86</a> ; Supply Chain (Humanity: Emerson Suppliers Are Focused on Integrity, Respect, Fairness and Honesty), <a href="#">p. 122</a>	<div style="background-color: #660000; color: white; padding: 5px; text-align: center;">8 DECENT WORK AND ECONOMIC GROWTH</div> <div style="background-color: #004a7c; color: white; padding: 5px; text-align: center;">16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div>
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Partially reported: Emerson 2022 ESG Report: Employee Engagement (Human Rights), <a href="#">p. 86</a> ; Supply Chain (Humanity: Emerson Suppliers Are Focused on Integrity, Respect, Fairness and Honesty), <a href="#">p. 122</a>	<div style="background-color: #660000; color: white; padding: 5px; text-align: center;">8 DECENT WORK AND ECONOMIC GROWTH</div>
412-2	Employee training on human rights policies or procedures	Emerson 2022 ESG Report: Integrity & Ethics (Annual Ethics Training), <a href="#">p. 106</a>	<div style="background-color: #660000; color: white; padding: 5px; text-align: center;">8 DECENT WORK AND ECONOMIC GROWTH</div> <div style="background-color: #e91e63; color: white; padding: 5px; text-align: center;">10 REDUCED INEQUALITIES</div>
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Emerson 2022 ESG Report: Supply Chain (Humanity: Emerson Suppliers Are Focused on Integrity, Respect, Fairness and Honesty), <a href="#">p. 122</a>	<div style="background-color: #660000; color: white; padding: 5px; text-align: center;">8 DECENT WORK AND ECONOMIC GROWTH</div>

DISCLOSURE	GRI STANDARDS DISCLOSURE TITLE	LOCATION/RESPONSE	RELATED UN SDGS
413-1	Operations with local community engagement, impact assessments, and development programs	Partially reported: Emerson 2022 ESG Report: Supply Chain (Champion: Providing Customers with a Resilient, Agile Supply Chain), <a href="#">p. 124</a>	   
414-1	New suppliers that were screened using social criteria	Partially reported: Emerson 2022 ESG Report: Supply Chain (Inclusion: Emerson and Our Suppliers Create Inclusive, Diverse Workplaces), <a href="#">p. 123</a> ; (Humanity: Emerson Suppliers Are Focused on Integrity, Respect, Fairness and Honesty), <a href="#">p. 122</a>	
415-1	Political contributions	<a href="#">Emerson.com: Trade Associations &amp; Lobbying</a>	
416-2	Incidents of noncompliance concerning the health and safety impacts of products and services	During the reporting period, Emerson identified no new incidents of noncompliance with regulations and/ or voluntary codes concerning the marketing communications of Emerson products and services that rose to the level of materiality that would have required disclosure in our periodic reports filed with the SEC.	
417-2	Incidents of noncompliance concerning product and service information and labeling	During the reporting period, Emerson identified no new incidents of noncompliance with regulations and/or voluntary codes concerning the marketing communications of Emerson products and services that rose to the level of materiality that would have required disclosure in our periodic reports filed with the SEC.	
417-3	Incidents of noncompliance concerning marketing communications	During the reporting period, Emerson identified no new incidents of noncompliance with regulations and/or voluntary codes concerning the marketing communications of Emerson products and services that rose to the level of materiality that would have required disclosure in our periodic reports filed with the SEC.	
419-1	Noncompliance with laws and regulations in the social and economic area	During the reporting period, Emerson identified no noncompliance with laws and/or regulations in the social and economic area that rose to the level of materiality that would have required disclosure in our periodic reports filed with the SEC.	

# SASB INDEX

The following disclosure is aligned to the Sustainability Accounting Standards Board (SASB) framework for the sector denoted as “Resource Transformation — Electrical and Electric Equipment (EE).” However, the activity of our company does not fit squarely within one single industry. We have therefore included metrics aligned to other industry sectors we believe would be of interest to our stakeholders. Emerson will continue to evaluate the disclosure of additional topics as these emerge, considering relevance, availability of high-quality data and competitive sensitivities.

DISCLOSURE TOPIC	METRIC	SASB CODE	UNITS	EMERSON METRIC/DISCLOSURE LOCATION
<b>Greenhouse Gas Emissions</b>				
	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	RT-CH-110a.1	Metric tons (mt) CO <sub>2</sub> e	Emerson 2022 ESG Report: Emissions Intensity and Greenhouse Gas Emissions, <a href="#">p. 29</a> : 163,202 mtCO <sub>2</sub> e
	Discussion of long-and-short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets and analysis of performance against targets	RT-CH-110a.2	N/A	Emerson 2022 ESG Report: Emerson's Ambition to Achieve Net Zero Emissions, <a href="#">p. 25</a> ; Greening Of Emerson, <a href="#">p. 27</a> <a href="#">2022 CDP Climate Change Report</a>
<b>Energy Management</b>				
	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	RT-EE-130a.1	(1) Gigajoules (GJ) (2) Percentage (%) (3) Percentage (%)	ESG Data, <a href="#">p. 148</a> : (1) 3,862,476 GJ (1,072,910 MWh) electricity used (2) 70% grid electricity (3) 30% renewable
<b>Waste &amp; Hazardous Materials Management</b>				
	Amount of hazardous waste generated, percentage recycled	RT-EE-150a.1	Kilotons (kt), Percentage (%)	Emerson 2022 ESG Report: Driving Toward Zero Waste to Landfill, <a href="#">p. 36</a> : Total Manufacturing Waste Generated 156,000 kt, 70% Recycled
<b>Water Management</b>				
	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	RT-CH-140a.1	Thousand U.S. gallons	<a href="#">2022 CDP Water Security Report: Section W1. 2b: 3,874 megaliters withdrawn</a>

DISCLOSURE TOPIC	METRIC	SASB CODE	UNITS	EMERSON METRIC/DISCLOSURE LOCATION
	Number of incidents of non-compliance associated with water quality permits, standards and regulations	RT-CH-140a.2	Number	<a href="#">2022 CDP Water Security Report: Section W2.2a: Three water-related fines, which are not considered significant</a>
	Description of water management risks and discussion of strategies and practices to mitigate those risks	RT-CH-140a.3	N/A	<a href="#">2022 CDP Water Security Report: Section W3.3</a>
<b>Product Design &amp; Lifecycle Management</b>				
	Revenue from renewable energy-related and energy efficiency related products	RT-EE-410a.3	Reporting currency	Emerson 2022 ESG Report: Value Creation: Organic Growth, <a href="#">p. 16</a>
<b>Materials Sourcing &amp; Efficiency</b>				
	Description of the management of risks associated with the use of critical materials	RT-EE-440a.1	N/A	Emerson 2022 ESG Report: Conflict Minerals Statement, <a href="#">p. 117</a> ; Development of a Responsible Sourcing Policy, <a href="#">p. 117</a>
<b>Employee Health &amp; Safety</b>				
	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	RT-IG-320a.1	Rate	Emerson 2022 ESG Report: Emerson Global Health and Safety Performance, <a href="#">p. 112</a> : 0.28 total recordable rate of injuries
<b>Business Ethics</b>				
	Description of policies and practices for prevention of: (1) corruption and bribery; (2) anti-competitive behavior	RT-EE-510a.1	N/A	Emerson 2022 ESG Report: Anti-Corruption Controls, <a href="#">p. 108</a> <a href="#">Emerson Employee Code of Conduct, Giving Gifts or Other Things of Value and Bribery, p. 9;</a> <a href="#">Antitrust or Anti-competition, p. 14</a> <a href="#">Emerson Business Ethics</a> <a href="#">Emerson Supplier Code of Conduct</a>
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	RT-EE-510a.2	Reporting currency	SEC Filings: Information on legal proceedings is disclosed in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q
	SEC Filings: Information on legal proceedings is disclosed in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q	RT-EE-510a.3	Reporting currency	SEC Filings: Information on legal proceedings is disclosed in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q
<b>Activity Metrics</b>				
	Number of employees	RT-EE-000-B	Number	Emerson 2022 ESG Report: About This Report, <a href="#">p. 2</a> ; Reporting, <a href="#">p. 152</a> : 81,800 employees

# TCFD INDEX

The table below is a disclosure of Emerson’s publicly available climate-related information using the framework developed by the Task Force on Climate-Related Financial Disclosures (TCFD). It contains our responses to each of TCFD’s recommendations, as well as the location of these disclosures.

SUMMARY RESPONSE	RECOMMENDED DISCLOSURE	DISCLOSURE LOCATION
<b>Governance</b>		
<b>Disclose the company’s governance around climate-related risks and opportunities</b>		
<p>The Board of Directors assumes responsibility for the oversight of Emerson’s risk management and strategy. This oversight is designed to provide to the Board timely visibility into the identification, reporting, assessment, and management of critical risks, including climate-related risks, and opportunities. The Corporate Governance and Nominating Committee assists the Board in the oversight of the company’s sustainability initiatives, including the company’s Environmental, Social and Governance Report, as well as matters related to climate change.</p> <p>Emerson recently amended the charters of its Board committees to emphasize their role in overseeing important public policy and ESG issues. The company also formed the Technology and Environmental Sustainability Committee to provide additional oversight of Emerson’s product cybersecurity and product environmental sustainability policies and programs.</p> <p>Our CEO and Chief Sustainability Officer engage directly with the Board to report progress toward greenhouse gas targets and coordinate with the Board on the development of our net zero ambitions. The Chief Sustainability Officer attends all Board meetings and formally presents to the Board on Emerson’s environmental sustainability strategy and key initiatives twice a year.</p> <p>Our Corporate Operations Group and Environmental Affairs Group monitor performance against these targets. Each business unit measures and tracks its performance on a quarterly basis and reports it to corporate management.</p> <p>The members of the Office of the Chief Executive (OCE), which include the most senior leaders of the company, bring the relevant experience essential to developing and executing our climate-related strategies. Our Environmental Sustainability Steering Committee, comprised of many of these executive leaders, meets bi-annually to evaluate the company’s sustainability strategy.</p> <p>Emerson continues to integrate ESG priorities as part of total compensation discussions and programs. We recently outlined ESG priorities in support of our publicly disclosed leadership diversity, representation and greenhouse gas emission reduction goals, and consider our progress toward those goals as part of annual cash bonus award decisions.</p>	<p>a. Describe the Board’s oversight of climate-related risks and opportunities.</p> <p>b. Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p><a href="#">2022 CDP Climate Change Report: Sections C1.1a, C1.1b</a>  <a href="#">Emerson 2023 Annual Meeting Proxy Statement: Board and Corporate Governance, p. 7 (Environmental, Social &amp; Governance)</a>  <a href="#">Emerson 2022 ESG Report: Risk Management and Oversight, p. 104</a></p> <p><a href="#">2022 CDP Climate Change Report: Sections C1.2, C1.2a</a></p>

SUMMARY RESPONSE	RECOMMENDED DISCLOSURE	DISCLOSURE LOCATION
<p><b>Strategy</b></p>		
<p><b>Disclose the actual and potential impacts of climate-related risks and opportunities on the company's business, strategy and financial planning where such information is material.</b></p>		
<p>Emerson is committed to developing and maintaining sustainable, responsible practices and offerings in its global operations to create value for customers and shareholders.</p> <p>In 2022, Emerson performed a climate scenario analysis to identify the climate-related risks and opportunities that are most material to Emerson's business. The analysis considered two types of risks and opportunities: those related to the transition to a lower-carbon economy and those related to the physical impacts of climate change.</p> <p>Emerson followed the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and assessed a range of future climate-related scenarios, including a scenario based on the 2015 Paris Agreement objective of limiting global average temperature rise to below 2 degrees Celsius. The analysis included two emissions pathways. For the low emissions pathway, Emerson used the IEA's Sustainable Development Scenario for transition impacts in a well-below 2 degrees future and the Intergovernmental Panel on Climate Change's Representative Concentration Pathway (RCP) 2.6 for physical impacts, which is the most optimistic temperature scenario. For the high emissions pathway, the IEA Stated Policies Scenario was used for transition impacts, and RCP 8.5 for physical impacts, which is the scenario with the highest temperature increase.</p> <p>Based on this risk and opportunity assessment, Emerson has identified the most material risks and opportunities and, where feasible, quantified potential impacts through the use of long-term analysis across a low and a high emissions scenario.</p> <p>As we move forward, we will continue to refine our assessment methodology. Given the iterative nature of climate scenario analysis process, we expect improvements in best-practice approaches, models, and data quality over time. We will integrate these assessments into our strategic planning, M&amp;A activities, product design strategy, and enterprise risk management frameworks as we advance our net zero commitments. This will strengthen our market position, business opportunities, and resilience and adaption to climate change.</p>	<p>a. Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term.</p> <p>b. Describe the impact of climate-related risks and opportunities on the company's business, strategy, and financial planning.</p> <p>c. Describe the resilience of the company's strategy, taking into consideration different climate-related scenarios, including a 2 degrees Celsius or lower temperature rise scenario.</p>	<p><a href="#">2022 CDP Climate Change Report: Risks and Opportunities, section C2</a></p> <p><a href="#">2022 CDP Climate Change Report: Sections C2.3a, C2.4a, C3.1, C3.2, C3.3, C3.4</a></p> <p><a href="#">2022 CDP Climate Change Report: Business Strategy, section C3</a> Emerson 2022 ESG Report: Emerson's Ambition to Achieve Net Zero Emissions, <a href="#">p. 25</a></p>



SUMMARY RESPONSE	RECOMMENDED DISCLOSURE	DISCLOSURE LOCATION
<b>Risk Management</b>		
<b>Disclose how the company identifies, assesses and manages climate-related risks.</b>		
<p>Emerson identifies climate-related risks as those with the potential for substantive financial or strategic impact to our business, operations, revenue, or expenditures that would impact our ability to successfully deliver products to our customers.</p> <p>Emerson considers various climate-related risks as part of an integrated multidisciplinary, company-wide risk management process. The Audit Committee supports the Board in risk management. In addition, business operations include regular monitoring, mitigation, and control. Each year, there is a review of the company's climate-related activities, audits, and expenditures.</p> <p>In 2022, Emerson undertook a climate risk and opportunity assessment to identify those risks and opportunities, as identified by the TCFD, that are most material to Emerson's business. For each TCFD risk and opportunity, Emerson identified one (or more) Emerson-specific inherent risk(s)/opportunity(ies) and associated impact(s) across each of the company's business units. The analysis considered two types of risks and opportunities: those related to the transition to a lower-carbon economy and those related to the physical impacts of climate change.</p> <p>We categorized these risks in alignment with our internal Enterprise Risk Management Framework and identified the time horizon in which the most material impact of the risk would manifest. Based on this risk and opportunity assessment, Emerson identified the most material risks and opportunities and, where feasible, quantified potential impacts through the use of long-term analysis across a low and a high emissions scenario.</p>	<p>a. Describe the company's processes for identifying and assessing climate-related risks.</p> <p>b. Describe the company's processes for managing climate-related risks.</p> <p>c. Describe how processes for identifying, assessing, and managing climate related risks are integrated into the company's overall risk management.</p>	<p><a href="#">2022 CDP Climate Change Report: Sections C2.1b, C2.2</a></p> <p><a href="#">2022 CDP Climate Change Report: Sections C2.2</a></p> <p><a href="#">2022 CDP Climate Change Report: Sections C3 C1.1a, C1.1b, C1.2, C1.2a</a></p>

SUMMARY RESPONSE	RECOMMENDED DISCLOSURE	DISCLOSURE LOCATION
<b>Metrics and Tactics</b>		
<b>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</b>		
<p>Emerson recognizes a net zero ambition for our own company is an important step forward as we build a more sustainable business and contribute to a more sustainable world. To ensure our goals are robust and follow the latest climate science to date, we have aligned a set of targets with the Science Based Targets initiative's (SBTi) Net-Zero Standard, the world's leading organization in driving the adoption of science-based targets.</p> <p>Emerson has established a target to reach net zero greenhouse gas emissions across Scopes 1, 2 and 3 by 2045 compared to a 2021 baseline. A robust net zero design requires the absolute reduction of GHG emissions by at least 90% and allows for high-quality carbon neutralization in other parts of the ecosystem for any residual emissions which cannot otherwise be abated.</p> <p>In the near term, we aim to reach net zero across our operations for Scope 1 and 2 GHG emissions by 2030, following the same Net-Zero Standard. In 2022, the SBTi approved our near-term 2030 emissions targets. In 2023, Emerson's long-term net zero targets have also been approved by the SBTi as consistent with levels required to meet the goals of the Paris Agreement. As part of our net zero ambition, Emerson published a full Scope 3 emissions footprint for the first time in the 2021 ESG Report, including all relevant categories.</p> <p>For our 2030 net zero operations objective, we are also targeting 100% renewable electricity coverage from contracted electricity sources and on-site generation assets.</p> <p>We have introduced an internal carbon price to place a monetary value on carbon emissions and evaluate capital investments in light of both financial and environmental impacts. The internal carbon value allows us to prioritize opportunities that generate the highest emission reductions, in light of projected future decarbonization costs.</p> <p>Emerson's Executive compensation system includes a metric tied to our externally announced GHG reduction target. These metrics are judged annually and affect annual bonus compensation calculations.</p> <p>In 2019, we announced our commitment to reduce Scope 1 and 2 greenhouse gas emissions by 20%, normalized to sales, across our entire global manufacturing footprint by 2028, compared to our 2018 baseline. Through significant energy efficiency improvements and accelerating renewable electricity sourcing, we have proudly surpassed this initial goal in 2022, six years ahead of schedule.</p> <p>Emerson has disclosed its Scope 1 and Scope 2 GHG emissions and marked a decrease in emissions intensity compared to the previous reporting year. Emerson has used protocols from The Greenhouse Gas Protocol and source documents from the U.S. Environmental Protection Agency to guide methodologies, emission factors and collection of data.</p>	<p>a. Disclose the metrics used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p> <p>c. Describe the targets used by the company to manage climate-related risks and opportunities and performance against targets.</p>	<p><a href="#">2022 CDP Climate Change Report Business Strategy, section C3</a></p> <p><a href="#">2022 CDP Climate Change Report: Sections C2.2a, C6.1, C6.2, C6.3, C7</a> Emerson 2022 ESG Report: Emerson's Ambition to Achieve Net Zero Emissions, <a href="#">p. 25</a>; ESG Data, <a href="#">p. 147</a></p> <p><a href="#">2022 CDP Climate Change Report: Sections C1.3, C4.1, C4.2</a> Emerson 2022 ESG Report: Emerson's Ambition to Achieve Net Zero Emissions, <a href="#">p. 25</a>; Reducing Our GHG Emissions, <a href="#">p. 29</a></p>

# FISCAL YEAR 2022 ESG DATA

Reporting year: This table presents information focused primarily on data collected and activities that occurred during Emerson’s fiscal 2022 (October 1, 2021 — September 30, 2022) and is reported based on 81,800 employees and 130 manufacturing locations, except where indicated otherwise.

Terminology: CORP is defined as the operations supporting Corporate functions within the organization. AUTOSOL is a denotation for the business previously known as Automation Solutions. COMRES is a denotation for the business previously known as Commercial and Residential Solutions.

Emissions and energy: For additional details about organizational boundaries, data collection, assumptions and methodologies regarding 2021 GHG emissions and energy metrics, see [Emerson’s CDP 2022 Report](#).

The ESG metrics included in the table below can also be found in our accompanying ESG metric (.xlsx) file, including environmental, social and governance metrics.

## Environmental Data

METRIC	GRI INDICATOR	2018	2019	2020	2021	2022
<b>Scope 1 + 2 Emissions (metric tons CO<sub>2</sub>e)*</b>	<b>305-1, 305-2, 305-4, 305-5</b>					
Scope 1 + 2 GHG emissions intensity (mtCO <sub>2</sub> e / Sales \$M)		45.6	42.7	43.0	38.2	26.3
Scope 1 + 2 GHG emissions intensity from 2018 baseline		—%	-6.3%	-5.7%	-16.2%	-42.4%
Scope 1 + 2 GHG emissions total		793,181	783,059	721,340	696,779	515,386
Scope 1 + 2 GHG emissions from manufacturing facilities		663,695	658,345	604,756	586,620	423,266
Scope 1 + 2 GHG emissions from non-manufacturing facilities		129,217	124,714	116,584	110,159	92,120
Scope 1 + 2 regional GHG emissions breakdown NA		444,371	429,102	389,781	364,225	210,590
Scope 1 + 2 regional GHG emissions breakdown LATAM		109,179	108,560	93,547	105,486	105,763
Scope 1 + 2 regional GHG emissions breakdown EU		64,814	70,297	67,749	65,092	52,755
Scope 1 + 2 regional GHG emissions breakdown MEA		22,739	22,786	25,179	21,821	16,725
Scope 1 + 2 regional GHG emissions breakdown AP w/o China		70,234	70,132	64,534	58,492	54,622
Scope 1 + 2 regional GHG emissions breakdown China only		81,844	82,183	80,549	81,663	74,932

METRIC	GRI INDICATOR	2018	2019	2020	2021	2022
Scope 1 + 2 GHG emissions breakdown by business (COMRES)		377,389	367,778	346,032	346,382	239,354
Scope 1 + 2 GHG emissions breakdown by business (AUTOSOL)		355,679	358,154	323,762	305,167	234,636
Scope 1 + 2 GHG emissions breakdown by business (CORP)		60,113	57,128	51,546	45,230	41,397
<b>Scope 1 Emissions (metric tons CO<sub>2</sub>e)*</b>	<b>305-1</b>					
Scope 1 emissions total		180,612	179,518	171,052	168,332	163,202
Scope 1 GHG emissions by natural gas		121,463	119,406	111,444	114,044	106,920
Scope 1 GHG emissions by propane		6,513	7,961	8,375	6,996	6,579
Scope 1 GHG emissions by stationary diesel		3,599	1,008	958	761	624
Scope 1 GHG emissions by residual fuel oil		193	231	355	213	355
Scope 1 GHG emissions by kerosene		449	547	632	550	632
Scope 1 GHG emissions from mobile sources		38,459	40,426	39,352	35,035	38,520
Scope 1 GHG emissions from refrigerants		9,891	9,891	9,891	10,683	9,525
Scope 1 GHG emissions from agricultural byproducts		45	48	44	50	48
<b>Scope 2 Emissions (metric tons CO<sub>2</sub>e)*</b>	<b>302-2, 302-3, 305-2</b>					
Scope 2 emissions total (market-based)		612,569	603,542	550,289	528,447	352,184
Scope 2 emissions total (location-based)		607,555	597,703	551,183	536,451	482,416
Reduction in Scope 2 GHG emissions by renewable energy / total avoided		12,587	12,282	13,544	22,044	143,255
<b>Energy (MWh)</b>	<b>302-1, 302-3, 302-4</b>					
Energy consumption (MWh)		2,055,670	2,051,275	1,934,621	1,959,904	1,874,381
Natural gas use		670,161	658,808	614,881	629,224	589,921
Mobile sources		156,898	164,663	159,764	142,949	156,836

METRIC	GRI INDICATOR	2018	2019	2020	2021	2022
Stationary diesel use		14,210	3,979	3,784	3,006	2,466
Kerosene use		1,743	2,124	2,456	2,144	2,453
Residual fuel oil use		750	899	1,379	829	1,379
Agricultural byproducts		6,469	6,890	6,337	7,187	6,818
Propane use		30,804	37,654	39,611	33,088	31,113
Purchased steam		1,283	1,330	944	1,352	1,137
Purchased hot water		1,450	2,855	3,042	2,923	2,604
Electricity use		1,166,953	1,167,071	1,098,982	1,133,022	1,072,901
On-site renewable electricity generation		4,948	5,003	3,441	4,180	6,754
Contracted renewable electricity		27,628	29,363	36,634	50,111	318,954
Renewable Electricity %		3%	3%	4%	5%	30%
Number of locations with 100% renewable electricity		5	6	8	14	60
Energy intensity (MWh / Sales \$M)		118.1	111.9	115.3	107.5	95.5
Energy intensity reduction compared to 2018		—%	-5.3%	-2.4%	-9.0%	-19.2%
<b>Scope 3 Emissions (metric tons CO<sub>2</sub>e)**</b>	<b>305-3</b>					
Scope 3 emissions purchased goods & services and capital goods (Category 1+2)				1,675,000	2,515,400	2,930,000
Scope 3 emissions upstream fuel & energy related activities (Category 3)				170,000	163,000	144,000
Scope 3 emissions upstream transportation & distribution (Category 4)					282,300	264,200
Scope 3 emissions downstream transportation & distribution (Category 9)					137,000	142,100
Scope 3 emissions waste in operations (Category 5)					41,100	40,300
Scope 3 emissions business travel (Category 6)					19,200	36,100

METRIC	GRI INDICATOR	2018	2019	2020	2021	2022
Scope 3 emissions employee commuting (Category 7)					139,800	135,900
Scope 3 emissions use of sold products (Category 11)					598,800,000	592,100,000
Scope 3 emissions end-of-life treatment (Category 12)					83,700	85,900
Scope 3 emissions investments (Category 15)					2,200	2,100
Scope 3 emissions total					602,183,700	595,880,600
Scope 3 emissions breakdown Automation Solutions					7,752,800	8,251,600
Scope 3 emissions breakdown Commercial and Residential Solutions					594,430,900	587,629,000
<b>Water Management (U.S. gallons)</b>						
Water Consumption		1,116,166,389	1,156,341,118	942,189,954	1,023,427,803	1,101,206,538
<b>Manufacturing Waste Data (kilotons)</b>						
<b>Waste Generated</b>	<b>306-3-a</b>					
Waste by category (metal)					99	92
Waste by category (wood)					10	12
Waste by category (industrial)					30	32
Waste by category (other)					15	20
Total manufacturing waste (EMERSON)					154	156
Total manufacturing waste (COMRES)					108	113
Total manufacturing waste (AUTOSOL)					46	44

METRIC	GRI INDICATOR	2018	2019	2020	2021	2022
Diversion rate % (EMERSON)					80%	77%
Diversion rate % (COMRES)					86%	83%
Diversion rate % (AUTOSOL)					67%	60%
<b>Waste Diverted from Disposal</b>	<b>306-4-a</b>					
Composted					1	2
Recycled					122	116
Reuse					<1	2
Total manufacturing waste diverted					123	120
<b>Waste Diverted to Disposal</b>	<b>306-5-a</b>					
Incinerated with energy recovery					4	4
Incinerated without energy recovery					5	4
Landfilled					22	26
Wastewater Treatment					<1	2
Total manufacturing waste for disposal					30	36

\* ERM CV has been engaged by Emerson to provide independent assurance for selected information disclosed in this report. ERM CV's full assurance statement, including opinion and basis of opinion, is available on [page 156](#). For combined Scope 1 + 2 calculations, note Scope 2 market-based emissions were used to calculate the totals.

**Scope 1 GHG emissions from refrigerants**

- Estimated refrigerant emissions using industry standard intensities per square foot for leakage in manufacturing and non-manufacturing facilities. R134a was assumed to be used in non-manufacturing sites while R404a was assumed to be used in manufacturing locations, both due to a sampling of Emerson sites and refrigerants

**Scope 1 GHG emissions from mobile sources**

- Includes emissions from fuel consumed by vehicles used in manufacturing operations (e.g. forklifts, light duty trucks, etc.) as well as Emerson's leased car fleet.

**Scope 2 emissions total (market-based)**

- Market-based emissions include supplier emission factors, net residual factors and renewable energy purchases.
- Location-based emissions include grid electricity emission factor averages multiplied by the total purchased electricity.

\*\* In fiscal year 2022, we revisited the methodology used to calculate Emerson's Scope 3 emissions. The fiscal year 2021 values were adjusted to reflect the new methodology. As our data collection process continues to mature, the environmental data we report will continue to improve in accuracy and expand in breadth. More information on our Scope 3 emissions data collection and reporting process can be found on [page 40](#). Scope 3 category 10 is negligible, categories 13 are 14 not applicable.

Note that Emerson's emissions reductions targets related to our 2045 net-zero ambition, as well as our near-term 2030 goals, use 2021 data as a baseline. Emerson has engaged WSP to assist in the development of our Scope 1 and 2 greenhouse gas inventory compilation and to provide guidance and review on the Scope 3 GHG calculations required to align with both the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and the Science Based Targets initiative's (SBTI) net-zero criteria. WSP is a leading professional services consultancy with a multidisciplinary sustainability, energy and climate change (SECC) team that has advised clients across sectors in greenhouse gas management, climate resiliency, sustainable supply chain and numerous related disciplines for over two decades.

## Social Data

METRIC	GRI INDICATOR	2018	2019	2020	2021	2022
<b>Workforce Diversity*</b>						
<b>Number of Employees</b>	<b>102-8</b>					
Global		87,500	88,000	84,000	86,700	81,800
Americas		39,500	39,500	37,000	38,800	36,100
Europe		20,000	20,500	19,000	19,800	19,300
Asia Pacific, Middle East Africa		28,000	28,000	28,000	28,100	26,400
<b>Gender</b>	<b>405-1</b>					
Women, percentage of total workforce (U.S.)				30%	31%	31%
Men, percentage of total workforce (U.S.)				70%	69%	69%
Women in leadership (global, targeting 40% by 2030)					20%	21%
Women, percentage of total workforce (global)						33%
Women, percentage of total workforce (Americas)						36%
Women, percentage of total workforce (Europe)						32%
Women, percentage of total workforce (Asia Pacific, Middle East, Africa)						30%



METRIC	GRI INDICATOR	2018	2019	2020	2021	2022
<b>Minorities</b>	<b>405-1</b>					
Minorities in leadership (U.S., targeting 30% by 2030)					16%	17%
Minorities, percentage of total workforce (U.S.)				28%	28%	30%
Minorities, Asian, percentage of total workforce (U.S.)						8%
Minorities, Black or African American, percentage of total workforce (U.S.)						10%
Minorities, Hispanic or Latino, percentage of total workforce (U.S.)						10%
Minorities, Other**, percentage of total workforce (U.S.)						2%
<b>Age Group</b>	<b>405-1</b>					
Age group under 30, percentage of total workforce (global)						19%
Age group under 30, percentage of total workforce (U.S.)				12%	13%	14%
Age group under 30, percentage of total workforce (Americas)						21%
Age group under 30, percentage of total workforce (Europe)						16%
Age group under 30, percentage of total workforce (Asia Pacific, Middle East, Africa)						20%
Age group 30-50, percentage of total workforce (global)						59%
Age group 30-50, percentage of total workforce (U.S.)				44%	46%	45%
Age group 30-50, percentage of total workforce (Americas)						50%
Age group 30-50, percentage of total workforce (Europe)						57%
Age group 30-50, percentage of total workforce (Asia Pacific, Middle East, Africa)						72%

METRIC	GRI INDICATOR	2018	2019	2020	2021	2022
Age group over 50, percentage of total workforce (global)						22%
Age group over 50, percentage of total workforce (U.S.)				44%	41%	41%
Age group over 50, percentage of total workforce (Americas)						29%
Age group over 50, percentage of total workforce (Europe)						27%
Age group over 50, percentage of total workforce (Asia Pacific, Middle East, Africa)						8%
<b>Tenure</b>	<b>405-1</b>					
Years of service under 5, percentage of total workforce (global)						46%
Years of service 5-10, percentage of total workforce (global)						22%
Years of service 11-20, percentage of total workforce (global)						21%
Years of service 21-30, percentage of total workforce (global)						8%
Years of service over 30, percentage of total workforce (global)						3%

\* In this data set, leadership is defined as individuals at the Director level and above. Global data reflects countries that are included in our human resources information system and excludes countries not yet transitioned onto the core system. Minorities include: Asian, American Indian or Alaska Native, Black or African American, Hispanic, Native Hawaiian or Other Pacific Islander, and two or more races.

\*\* Other Minorities encompasses American Indian or Alaska Native, Native Hawaiian or other Pacific Islander and two or more races.

## Governance Data

METRIC	GRI INDICATOR	2018	2019	2020	2021	2022
<b>Health and Safety</b>						
	<b>403-9</b>					
Total recordable rate of injuries*		0.47	0.45*/0.58	0.34	0.29	0.28
Loss of restricted workday case rate		0.28	0.29	0.18	0.17	0.17
Recordable injuries*		345	385*/496	290	252	243
First-aid cases		2,466	1,523	1,011	971	1,114
<b>Board of Directors</b>						
	<b>405-1</b>					
Number of directors				12	12	11
Number of independent directors				11	11	10
Number of women				3	3	3
Number of men				9	9	8
Number of persons of color				1	2	2
Percentage woman or persons of color				33%	42%	45%

\* Excludes an isolated foodborne illness incident at a single global location.

## Independent Limited Assurance Statement to Emerson Electric Co.

ERM Certification & Verification Services Incorporated (“ERM CVS”) was engaged by Emerson Electric Co. (“Emerson”) to provide limited assurance in relation to the selected information set out below and presented in the 2022 Emerson ESG Report (the “Report”).

Engagement summary	
Scope of our assurance engagement	<p>Whether the fiscal year 2022 GHG emissions data for the following selected indicators are fairly presented in the Report, in all material respects, in accordance with the reporting criteria.</p> <ul style="list-style-type: none"> <li>Total Scope 1 GHG emissions [metric tonnes CO2e]</li> <li>Total Scope 2 GHG emissions (location-based) [metric tonnes CO2e]</li> <li>Total Scope 2 GHG emissions (market-based) [metric tonnes CO2e]</li> </ul>
Reporting period	1 <sup>st</sup> October 2021 – 30 <sup>th</sup> September 2022
Reporting criteria	WBCSD/WRI Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004, as updated January 2015); and Emerson’s internal reporting criteria and definitions.
Assurance standard and level of assurance	<p>We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’ issued by the International Auditing and Standards Board.</p> <p>The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.</p>
Respective responsibilities	Emerson is responsible for preparing the Report and for the collection and presentation of the information within it, and for the designing, implementing, and maintaining of internal controls relevant to the preparation and presentation of the Report. ERM CVS’ responsibility is to provide conclusions to Emerson on the agreed scope based on our engagement terms with Emerson, the assurance activities performed and exercising our professional judgement. We accept no responsibility, and deny any liability, to any party other than Emerson for the conclusions we have reached.

### Our conclusion

Based on our activities, as described below, nothing has come to our attention to indicate that the fiscal year 2022 data and information for the disclosures listed under ‘Scope’ above are not fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

### Our assurance activities

Considering the level of assurance and our assessment of the risk of material misstatement of the Report a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Assessing the appropriateness of the reporting criteria for the Report.
- Virtual interviews with management representatives responsible for managing the selected issues.
- Virtual interviews with relevant staff to understand and evaluate the relevant management systems and processes (including internal review and control processes) used for collecting and reporting the selected disclosures.
- A review at corporate level of a sample of qualitative and quantitative evidence supporting the reported information.
- An analytical review of the year-end data submitted by all locations included in the consolidated fiscal year 2022 group data for the selected disclosures which included testing the completeness and mathematical accuracy of conversions and calculations, and consolidation in line with the stated reporting boundary.
- Virtual and in-person site visits to four Emerson sites (Elyria, USA; Sidney, USA; South Milwaukee, USA; Rayong, Thailand) to review source data and local reporting systems and controls.
- Confirming conversion and emission factors and assumptions used.
- Reviewing the presentation of information relevant to the scope of our work in the Report to ensure consistency with our findings.

### The limitations of our engagement

The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating, or estimating the underlying information. It is important to understand our assurance conclusions in this context.

### Our independence, integrity and quality control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly, we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence, and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of Parts A & B of the IESBA Code relating to assurance engagements.

The team that has undertaken this assurance engagement has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to Emerson in any respect.

*Beth C. B. Wyke*

Beth Wyke  
 Head of Corporate Assurance Services  
 Malvern, PA  
 June 2, 2023  
 ERM Certification & Verification Services Incorporated  
[www.ermcvs.com](http://www.ermcvs.com) | [post@ermcvs.com](mailto:post@ermcvs.com)

