

## EMERSON EXECUTIVE OFFICER SEVERANCE POLICY

The Compensation Committee of Emerson Electric Co.'s Board of Directors oversees the Company's general severance policy for Section 16 officers, which is as follows:

- No written or oral employment agreements with executive officers that contain severance or "golden parachute" provisions;
- No lump sum, non-forfeitable cash severance payments;
- In exchange for extended noncompetition agreements, and as permitted under any applicable stockholder-approved plans, the Company may (1) provide additional time (not exceeding the time permitted in the original grant) to exercise previously granted options, with accelerated vesting only for retirees as permitted by such plans, and (2) allow continuation (without accelerated vesting) of previously granted long-term stock awards, subject to the Company achieving previously-specified performance targets or vesting requirements. These items are forfeited if the executive officer breaches the extended noncompetition agreement.
- Departing executive officers sign extended noncompetition agreements or reconfirm existing noncompetition agreements.

The Company shall not implement individual severance or change in control agreements providing Benefits to any Section 16 officer in excess of 2.99 times the sum of the officer's current base salary and most recently earned cash bonus (the "Limitation") without stockholder ratification. A "Section 16 officer" is any officer required to file reports pursuant to Section 16 of the Securities Exchange Act of 1934. "Benefits" means cash payments and the value of perquisites and other non-cash benefits due to termination of employment or a change of control. Benefits include lump-sum payments and the estimated present value of any periodic payments, perquisites and other non-cash benefits. Benefits do not include (a) the payment, vesting, acceleration or other handling of previously-granted equity-based awards as provided or allowed by stockholder approved plans, (b) previously-earned retirement benefits, consistent with normal practices, provided under the Company's retirement plans, (c) perquisites and other non-cash benefits widely available to other employees, or (d) payments based on accrued qualified and non-qualified deferred compensation plans, including without limitation the Company's supplemental retirement and savings plans.

The Compensation Committee shall have full authority to interpret and implement this policy. The Committee reserves the right to amend, waive or cancel this policy at any time if it determines in its sole discretion that such action would be in the best interests of the Company, provided that any amendment of the Limitation shall be promptly disclosed.