



2021 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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Dear Stakeholders

This past year has represented the start of a transformation for this company.



When I assumed the role of CEO, I prioritized cultivating an exceptional culture, transforming our industry-leading portfolio and continuing to drive the best-in-class execution that has long been a hallmark of Emerson. Our efforts to drive Emerson's leadership on environmental, social and governance (ESG) issues have been a top priority across these areas.

Emerson's ESG commitment mirrors our unified global Purpose: "We drive innovation that makes the world healthier, safer, smarter and more sustainable." Our 86,700 employees live out this charge to not only identify opportunities for efficiencies and improvements today, but also to reimagine what our company and our world could look like tomorrow.

TAKING ACTION ON ENVIRONMENTAL SUSTAINABILITY

Recent scientific reports continue to reinforce the urgency of climate change and meeting goals set out in the Paris Climate Agreement. We all have a role in these efforts.

In 2021, we appointed Mike Train as Chief Sustainability Officer. This role, part of our Office of the Chief Executive, reflects our focus on sustainability across our company. Under his leadership, Emerson has made significant strides, and we are strengthening our leadership position as our customers and suppliers work to deliver their environmental targets.

As part of our longstanding commitment to operational execution and excellence, we remain dedicated to doing our part as a global business leader to drive tangible, sustainable business practices and to help our customers around the world do the same.

OUR NET ZERO AMBITION

Emerson has set an ambitious target to achieve net zero greenhouse gas (GHG) emissions across our value chain by 2045 compared to a 2021 baseline. To set us on the right pathway, we will target net zero operations and a 25% reduction of our value chain emissions by 2030, also compared to a 2021 baseline. The invaluable lessons we learn from decarbonizing within our four walls will enable us to drive emission reductions where we can have the greatest impact for our customers, suppliers and partners.

DRIVING PROGRESS ON SOCIAL ISSUES

As a global company operating across industries and geographic borders, our technologies and innovations are grounded in helping people live better lives. Advancement in this area starts within our own walls.

Creating a culture where everyone is welcomed, trusted, celebrated and empowered is not only the right thing to do — it's the best way for us to create value. At Emerson, we're dedicated to modernizing our workplace so our company can meet the needs and expectations of today's workers and attract talent that will help us thrive.

In 2021, we introduced a goal of doubling representation at the leadership level of women globally and minorities in the U.S. by 2030. And, to lead our efforts to support our people and strengthen the employee experience, we appointed Elizabeth Adefoye as Emerson's first Chief People Officer. Her energy and fresh perspectives will help ensure our people and culture agenda support our ambitious business objectives and global strategies.

We're also committed to creating positive change in the communities where we live and work. Education is an area of particular importance to us, because we know it can be the catalyst to great opportunity for under-resourced communities and minority populations. We are now focusing our giving

efforts, pledging \$200 million over the next 10 years to organizations that address the vital issue of education inequity, with a particular emphasis on the development of children and youth. This commitment underscores our vision to create a more equitable future for all.

REINFORCING OUR COMMITMENT TO STRONG GOVERNANCE

Governance and execution have been fundamental to Emerson's identity since our founding more than 130 years ago. We continue to evaluate our structures and policies to integrate our ESG priorities throughout the various facets of our organization, including our total compensation discussions and programs.

Reinforcing the importance of compliance and ethical behavior in our governance measures, we promoted Chief Compliance Officer Lisa Flavin to our Office of the Chief Executive. Lisa helps to ensure we maintain a disciplined approach to evaluating and continuing to improve our systems of internal control, financial reporting and compliance.

We're also privileged to be guided by a Board of Directors that has served as a strong and trusted partner in our ESG journey. In 2021, we appointed James Turley as non-executive independent chair of the Board. Jim's experience with Emerson and in finance, public company service and executive leadership are a true asset.

We are also proud to have strong diversity as well as leadership by women on our Board, with two of the three required Board Committees now led by women.

I want to extend my sincere thanks to the Emerson Board of Directors and the Office of the Chief Executive, as well as our employees and customers. Our accomplishments this year would not have been possible without the collective input, creativity, time and efforts of each and every one of you. And there's so much more to come through our commitment to our culture, portfolio and execution — with ESG as a driving force. When we combine the talents and passion of our global workforce, the impact we can make for our customers, industries and communities we serve is truly limitless.

My personal regards,



Lal Karsanbhai

President and Chief Executive Officer

Dear Stakeholders

This year has been one of great momentum for Emerson.



Environmental, social and governance topics have never been more important to the vitality of the company and our world — and the Board is energized by Emerson’s refreshed focus on progress in this area.

The Board of Directors is a critical partner in determining and evolving company strategy. As we partner with Lal to catalyze growth and anticipate customer needs, we have a particular

focus on environmental initiatives, as more and more companies around the world prioritize setting, measuring and progressing toward sustainability targets.

Emerson’s Environmental Sustainability Steering Committee, formed in 2020, is driving actions to enhance Emerson’s environmental initiatives and encourage best practices throughout the organization. In this spirit, the committee continued to develop working groups in 2021 to enhance the company’s global value chain, including efforts focused on Emerson’s supply chain and energy sourcing. Looking ahead, the committee is supportive of Emerson’s net zero target and energy-reduction targets, as well as the work to advance key innovations and participation in leading global climate forums.

The Board is also supportive of the accelerated vigor surrounding Emerson’s people and culture initiatives, spearheaded by Lal and the company’s leadership team. The energy surrounding diversity, equity and inclusion is reflected among the Board — and we are focused on ensuring the Board is diverse in backgrounds, experiences and expertise. In 2022, 45% of our directors are women or persons of color, and four of our six new

directors over the last five years have been gender or ethnically diverse. Women play a strong leadership role on the Board, leading two of our three required committees and holding two positions on the Executive Committee.

The actions taken by Emerson in 2021 set a strong ESG foundation — and I speak for the entire Board when I say I look forward to continuing to serve as a partner to the company in advancing this strategy in the months and years to come.

Sincerely,

A handwritten signature in blue ink that reads "James L. Turley". The signature is fluid and cursive, with a large initial "J".

James Turley

Chair, Emerson Board of Directors

Company Profile

Emerson has a 130+-year legacy of advancing progress for customers in the world's most essential industries.

We combine an exceptional culture with a world-class portfolio and rigorous execution to serve as a go-to partner for leading companies in energy, power, life sciences, food and beverage, chemicals, heating and air conditioning, professional tools and others.

Our best-in-class workforce develops exceptional technologies, software and services to help deliver on our global Purpose: We drive innovation that makes the world healthier, safer, smarter and more sustainable.

RECOGNITIONS

RANKED #181
of America's largest corporations by revenue in 2021 (*Fortune 500*)

RANKED #298
of America's Best Employers For Diversity 2021 (*Forbes*)

RANKED #12
by Women Engineer Magazine's list of top employers

SCORED 100%
on the 2022 Corporate Equality Index

Key Facts at a Glance



St. Louis,
Missouri
Headquarters



170
Manufacturing
Locations



86,700
Employees



20K
Active Patents
Worldwide in 2021

More information about Emerson's business and operational performance can be found at [Emerson.com](https://www.emerson.com) and in our latest Annual Report to Shareholders and Form 10-K filing with the U.S. Securities & Exchange Commission and in subsequent reports we file with the SEC.

2021 ESG Report At-A-Glance

Net Zero Targets

Net zero GHG emissions
(Scopes 1, 2 and 3) by

2045

with a science-based
aligned approach

Net zero operations Scopes 1 and 2 GHG emissions
and **25% reduction** of Scope 3 GHG emissions by

2030

to achieve net zero operations
compared to 2021 baseline

Environment

Achieved **17% decrease in emissions intensity** since 2018
Completed first full **Scope 3 emissions footprint**

New collaborations to drive global sustainability efforts:

Business Ambition for 1.5°C, RE100, Race to Zero, Clean Energy Buyers Association (CEBA)

Goal to source **100%** renewable electricity by 2030

Improved **CDP Climate Change rating** to B

Near-term GHG targets have been approved by the **Science Based Targets initiative**



Mike Train, Emerson's first Chief Sustainability Officer, appointed in 2021

Social

DIVERSITY GOALS

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



COMMUNITY SUPPORT

\$200M pledged to address education inequity needs over next 10 years

Elizabeth Adefioye, Emerson's first Chief People Officer, appointed in 2021

EMPLOYEE RESOURCE GROUPS

Black Employee Alliance, LGBTQ + Allies, Somos, Veterans Resource Group, Women's Impact Network

Added in 2021:

Asian & Pacific Islander Alliance, Mosaic, Diverse Abilities

Governance

ESG targets integrated in compensation programs for leadership



James Turley, Independent Board Chair, appointed in 2021

Two of three required Board committees are led by women

Lisa Flavin, Chief Compliance Officer, appointed to Office of the Chief Executive in 2021



45% of Directors are women or persons of color

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 — and our Causes and Values serve as the driving force behind our Purpose and are 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



Planet

We deliver sustainable solutions that improve efficiency, reduce emissions and conserve resources.



Humanity

We strive to advance health, comfort, food quality and safety.



Champion

We lead our customers through complex technical, regulatory and economic challenges.



Inclusion

We cultivate an environment based on trust and support.



Future

We promote science, technology, engineering and mathematics (STEM) education and programs that prepare the next generation of critical thinkers and problem solvers.

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, platforms, business units 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.



Environmental Sustainability

Our Approach to Environmental Sustainability and a Net Zero World

Emerson is deploying environmental sustainability strategies and accelerating decarbonization across the globe.



This complete transformation of the global economy in just a 30-year timeframe requires unprecedented levels of collective resolve, ingenuity, collaboration and commitment. At the core of this transformation are the sectors that deliver essential needs to society, such as manufacturing, transportation, the built environment (residential and commercial) and the food value chain. The energy systems that support these activities are already transitioning at a significant pace toward more electrified, cleaner and more renewable forms of energy.

Emerson has a comprehensive portfolio of technologies, an established installed base and the global reach to support these sectors in their low-carbon energy transition. Our portfolio touches all major forms of primary energy generation including renewable energy, nuclear energy and bio-based energy derived from waste. Further downstream, our technology is utilized to optimize the management of both the electron grids and molecule grids at the core of the

world's decarbonization strategies. We enable energy efficiency across a wide range of industries and applications. The associated energy and emissions savings impact from energy efficiency is being counted on in the various energy transition roadmaps of countries and companies around the world. Our technologies directly measure and manage emissions and directly support electrification in a broad set of use cases. While the world faces a very real challenge in climate change, we believe accelerating the adoption of energy transition solutions now and leveraging the impact of Emerson's broad automation capabilities can help make a net zero future become a reality.

To achieve the goals of the Paris Agreement, countries and companies worldwide must halve their greenhouse gas emissions by 2030 and reach net zero emissions by 2050.

Emerson's Ambition to Achieve Net Zero Emissions

Emerson recognizes a net zero ambition for our own company is a critical 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 a set of targets with the Science Based Target initiative's (SBTi) Net-Zero Standard**, the world's leading organization in driving the adoption of science-based targets.

Emerson has established a target to reach **net zero greenhouse gas (GHG) 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%, allowing for high-quality carbon neutralization in other parts of the ecosystem for any residual emissions, which cannot be otherwise abated.

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 SBTi Net-Zero Standard. These emissions relate to the energy we consume in our facilities around the world, and to reach this target we will continue to drive progress on energy efficiency, the electrification of combustion processes and the sourcing of renewable energy. These actions are described in more detail in this report.

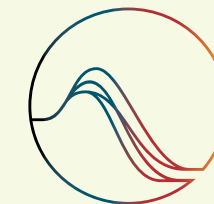


Across our indirect value chain, Emerson is targeting a 25% absolute reduction of Scope 3 GHG emissions by 2030. This includes a breadth of activities from purchased materials and components, transportation and distribution, to the energy and associated emissions required to operate our products in customer and end-user locations.

While Scope 3 emissions are outside of our direct control, Emerson is well-positioned to influence reductions of these emissions in many ways. We can enhance our own product designs, engage our supply chain partners and end-user customers in their own GHG reduction journeys, advocate with policymakers to continue driving the pace of greening of electrical grids and incentivize more active at-scale adoption of important energy transition solutions.

Emerson's near-term targets have been approved by the Science Based Targets initiative as consistent with levels required to meet the goals of the Paris Agreement.

To set these targets, we have spent considerable effort developing a complete Scope 3 emissions footprint across all applicable categories. A discussion on the development of this footprint is presented on [page 22](#).



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Environmental Sustainability Steering Committee

Emerson's Environmental Sustainability Steering Committee has actively worked to centralize and coordinate environmental sustainability-related activities and initiatives across Emerson's global value chain – connecting the priorities of our Board, leadership team and our colleagues around the world.

The Committee's role is to recommend strategies and drive support to help advance Emerson's environmental sustainability performance across all three areas of our framework, as well as to educate and encourage the use of best practices throughout our global organization. To help ensure environmental sustainability is deeply integrated into our business, all functional areas are active in this committee. This includes Emerson's executive leadership and management teams from business development, strategy planning, legal, finance and accounting, operations, information technology, human resources, marketing and communications, supply chain, technology, engineering and investor relations.

In 2021, Committee activities included:

- Developing and supporting our net zero target and roadmap.
- Creating a cross-functional global team to develop a comprehensive modeling of our Scope 3 emissions footprint and decarbonization strategies for each category.

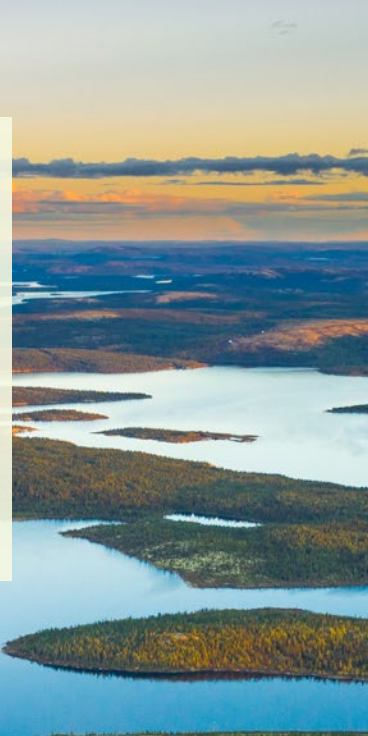
- Establishing the Energy Sourcing Committee to build Emerson's energy sourcing capability for renewable electricity and renewable natural gas around the world.
- Building our product life cycle assessment program to help identify appropriate tools, databases, processes and resources for understanding and reducing the embedded carbon in our products.
- Increasing engagement with supply chain and logistics partners on environmental sustainability through best practices exchange, developing shared objectives and roadmaps, and driving specific abatement solutions for each relevant category.

The Steering Committee also works on employee engagement, quantification of customer impact, disclosure, data quality and automation, scenario analysis, external partnerships and energy transition advocacy.



ENVIRONMENTAL SUSTAINABILITY AWARD

This year, we introduced the Emerson Environmental Sustainability Award to highlight our most impactful environmental sustainability initiatives. Our Vilter industrial compression business is our first recipient among 23 submissions this year for its partnership with Hydro Quebec, the largest utility in Canada. This collaboration is focused on the development and eventual commercialization of a large facility high-capacity CO₂ refrigerant heat pump system. When this solution is deployed in a grid supported with significant hydroelectric resources, there is a significant opportunity for greenhouse gas emission reductions.



Engaging our People

Emerson prioritizes engaging employees to drive awareness of our sustainability initiatives and goals. Regular Greening Of and Greening By meetings build alignment across our global teams, while our company-wide Environmental Sustainability Hub and training materials promote a deeper understanding of the wide breadth of our work to drive sustainable operations across our business and the industries we serve.

Making changes at scale for a global company requires embedding environmental sustainability throughout our management process and, ultimately, in every part of our culture. At the facility operations level, we have appointed a sustainability team and leader at all major sites around the world. These employees lead our local environmental sustainability efforts, including the reduction of energy use and associated GHG emissions intensity, as well as our existing programs for managing water use and responsible waste disposal.

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 as we partner with stakeholders. The following sections are organized in line with this framework.

Driving Net Zero Operations: Greening Of Emerson

We are working to improve our internal environmental performance across our global business.



Emerson Dubai campus recently installed an on-site solar system that provides over half of its daily electricity usage.



REDUCING OUR GHG EMISSIONS

In 2019, we announced our commitment to reduce GHG emissions by 20%, normalized to sales, across our entire global manufacturing footprint by 2028, compared to our 2018 baseline. By driving energy efficiency improvements and accelerating renewable electricity sourcing, we have continued to make steady progress toward this target and currently expect to achieve this target earlier than initially planned.

EMISSIONS INTENSITY

Market-Based Intensity (Full Facility Footprint)



Market-Based Intensity (Major Facilities Footprint)



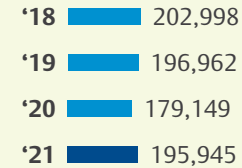
Achieved **17% decrease** in GHG emissions intensity from the 2018 baseline value

GHG emission intensity is measured in Scope 1 and Scope 2 (market-based) metric tons of carbon dioxide equivalent (mT CO₂e) per million dollars in sales.

Emerson has updated its GHG emission calculations to include additional non-manufacturing facilities with significant energy consumption levels. In total, 208 major facilities were in-scope for our 20% GHG intensity reduction target in fiscal year 2021. We also conducted a thorough review of all historical energy consumption data, striving to more accurately document and disclose our carbon footprint. All of the aforementioned points resulted in revisions to our historical energy consumption and emission data previously reported for fiscal years 2018-2020.

GREENHOUSE GAS EMISSIONS

Scope 1



Scope 2: Location-Based



Scope 2: Market-Based



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.

All GHG emissions are measured in metric tons of carbon dioxide equivalent (mT CO₂e). Our full Scope 1 and 2 emissions reporting includes all sites within our operational control including manufacturing and nonmanufacturing facilities (e.g., warehouses, distribution centers, headquarter buildings, sales offices, engineering centers) along with mobile emissions from leased vehicles and fugitive emissions from leaked refrigerants. Our total greenhouse gas emissions for fiscal year 2021 included the 208 major energy consuming facilities in scope for our GHG intensity reduction target as well as the 502 remaining facilities under Emerson's operational control. Where primary activity data was not available, we have made estimations — based on occupancy, square footage, site use and other factors.

TARGETING NET ZERO OPERATIONS BY 2030

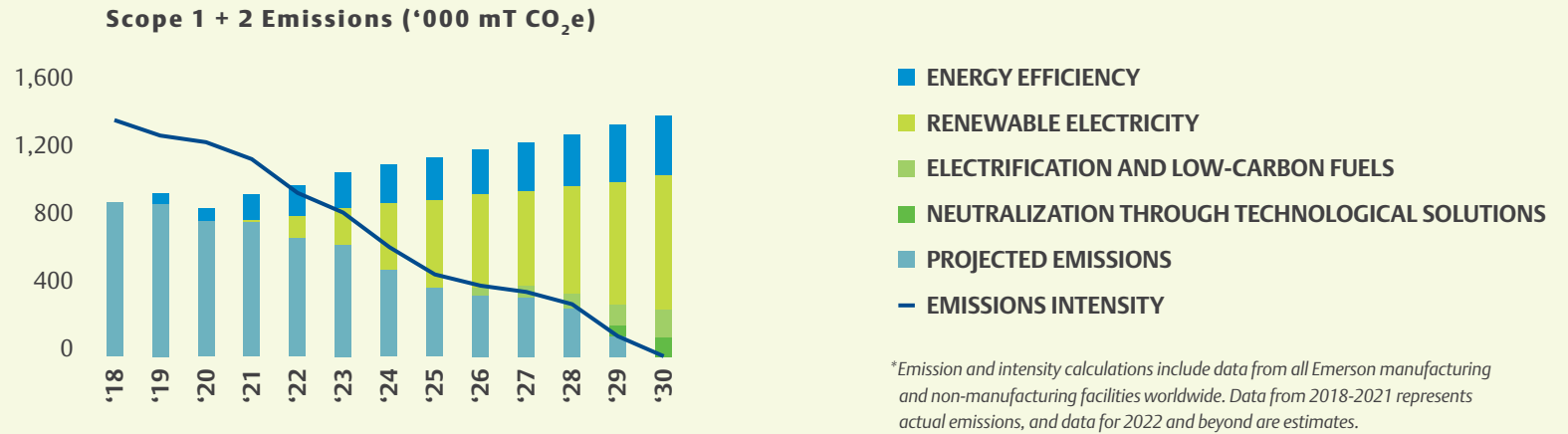
Our pathway to Net Zero Operations by 2030 will require continued focus on reducing Scope 1 and 2 emissions at our sites around the world. We will utilize five major strategies in our operations:



Identifying Energy Efficiency Opportunities through Energy Treasure Hunts	Renewable Electricity Sourcing and On-Site Generation Systems	Electrification and Low-Carbon Fuels	Neutralization through Technological Solutions	Assuring Environmental Compliance
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NET ZERO OPERATIONS — 2030 ROADMAP

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



Participants in an Energy Treasure Hunt at the Flow Controls manufacturing site in Marshalltown, Iowa, search for savings opportunities during a non-production hours walkthrough.

Identifying Energy Efficiency Opportunities through Energy Treasure Hunts

Energy Treasure Hunts are proving to be a major catalyst in enhancing our energy efficiency efforts. These are typically three-day events led by a local sustainability team and facilitated by one of our energy experts. The first day is focused on studying a facility on a low production day to understand 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 as well as identifies any significant investments that may be required.

We are typically identifying 10-15% energy savings opportunities during a specific Energy Treasure Hunt event and target a total 25% reduction by 2030 in energy intensity. 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 opportunities.



FACILITIES MAKING PROGRESS TOWARD NET ZERO OPERATIONS

Our Copeland Compressor operation in Lebanon, Missouri, completed an Energy Treasure Hunt in 2021 and is implementing several important energy reduction projects. This facility also utilizes 100% renewable electricity and is making significant strides in the journey to achieving net zero operations.

Renewable Electricity Sourcing and On-Site Generation Systems

During 2021, Emerson established an Energy Sourcing Committee to act as a focal point for reviewing opportunities and engaging in more active sourcing of renewable electricity. 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 the energy markets and aware of emerging opportunities.

With this enhanced focus, we sourced approximately 4% of global electricity from renewable sources in major facilities in 2021 and anticipate reaching approximately 25% in 2022.

In specific situations, we have begun to install on-site renewable electricity generation systems and will continue to evaluate opportunities for these systems going forward. Our Dubai, United Arab Emirates campus recently completed a major on-site solar system installation that provides for over half of its daily electricity usage.

Electricity usage represents approximately 75% of Scope 1 and 2 emissions. For our 2030 net zero operations objective, we are targeting 100% renewable electricity coverage from contracted electricity sources and on-site generation assets.

Electrification and Low-Carbon Fuels

The remaining 25% of Scope 1 and 2 emissions relates predominately to the combustion of natural gas in our facilities, either in manufacturing processes or comfort space heating. Beyond energy efficiency measures, looking forward we will be evaluating opportunities to convert from combustion-based to electrified processes such as utilizing heat pump technologies to replace gas furnaces and boilers. We will also be engaging in renewable natural gas (RNG) purchases with gas derived from waste, such as landfill gas and agricultural digesters.

Over the longer term, for high temperature processes that cannot be electrified, we will evaluate the use of hydrogen as a fuel. We plan to transition Emerson fleet vehicles to zero emission versions as the supply of these vehicles becomes more prevalent.

Neutralization through Technological Solutions

An important component to achieving net zero operations by 2030 relies on the implementation of high-quality neutralization activities. There are currently three 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.

For corporate 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. 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.

Assuring Environmental Compliance

Our environmental compliance practices are focused on emissions management, wastewater compliance and responsible waste disposal. We comply with applicable environmental laws and regulations. Environmental information is collected from our sites through a common reporting information system.

WATER CONSUMPTION



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

We utilize a set of company-wide standardized practices that aim to prevent pollution and environmental damage. These practices also minimize risks and reduce long-term operating costs.

Our environmental compliance management approach includes a comprehensive auditing program for our manufacturing sites. Third-party compliance consultants assess sites against both our company-wide standards and local regulations. Any identified corrective measures are tracked to closure.

Waste service providers are also audited at regular intervals by site personnel or third-party consultants to help ensure proper compliance requirements are met.

Wastewater management and water conservation are important areas of focus. Conservation measures are becoming mandatory in arid and semi-arid regions. Water usage patterns are evaluated to identify reduction opportunities. Water infrastructure in our facilities is routinely inspected.

We conduct regular training programs for facility personnel who are responsible for environmental matters. Environmental compliance performance is reported to the Audit Committee.



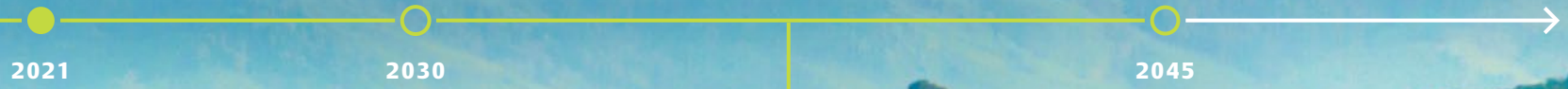
The Guadalajara team following the completion of their Energy Treasure Hunt.

EMERSON EMPLOYEES MAKING AN IMPACT: Improving Energy Efficiency

René Cabera is corporate director of operations for Mexico and Latin America. In 2021, René (kneeling, second from the right) and his team worked with our businesses to complete three major Energy Treasure Hunts in Guadalajara, Mexicali and Chihuahua, yielding an average of 15% energy savings per facility. Representatives from other Emerson Mexico facilities and other local supply chain partners participated in these Energy Treasure Hunts to learn and implement at their own sites. René says implementing sustainability initiatives is about educating employees around the importance of energy reduction and its positive impact on our planet.

NET ZERO ACROSS OUR VALUE CHAIN BY 2045

Achieving net zero across all scopes by 2045 will require driving deeper awareness and collaboration with our customers, supply chain partners and logistics providers. We have five major strategies to work across our value chain:



Establishing a Scope 3 Footprint and Improving Data Quality and Analysis	Utilizing Product Life Cycle Assessments	Enhancing the Energy Efficiency of our Products	Activating our Suppliers	Promoting the Decarbonization of the Grid
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Establishing a Scope 3 Footprint and Improving Data Quality and Analysis

Scope 3 emissions cover a broad range of activities across our value chain, which are not directly owned or controlled by Emerson. Examples include the components we buy from supply chain partners, transportation logistics for our products, waste generated in operations, business travel and employee commuting, as well as the energy consumed by our products when utilized at an end-use customer location.

The Greenhouse Gas Protocol (GHG Protocol) provides standards, guidance, tools and training for businesses and governments to measure and manage emissions. While Scope 3 emissions as defined by the GHG Protocol are those emissions which are outside of our direct control, there is still an opportunity to influence these emissions from our position in the value chain. For example, if we make a product design change, this can impact the emissions associated with the components we purchase, the emissions required to move these components, and the emissions associated with energy used during the lifetime of this product. We can also use our technical perspective and global reach to engage and advocate for policy changes to influence sector-wide emissions reductions.

Emerson’s Scope 3 footprint for 2021 is shown in the accompanying table and will serve as our baseline going forward. This is a complete Scope 3 footprint for any category relevant to our activities. By their nature, Scope 3 footprints are estimates using modeling approaches, as outlined in the GHG Protocol based on certain assumptions and data provided by third parties.

For Emerson, our Scope 3 footprint is dominated by downstream Category 11 “Use of Sold Products” emissions. In this category, we start by quantifying the number of units sold in a given year and then model the products’ lifetime of emissions. Quantifying these expected emissions involves estimating the following: the average annual power utilized by the product, its average yearly duty cycle, estimated average lifetime, and an emissions factor for the electrical grid based on the expected location where it is used. In our specific product portfolio, over 95% of Category 11 emissions relate to the compressors in our Climate Technologies portfolio used for heating, cooling and refrigeration applications around the world to keep food safe, avoid food waste, and help keep people healthy. View our Scope 3 emissions footprint and additional emissions data on [page 95](#).

2021 ESTIMATED SCOPE 3 EMISSIONS

	Metric Tons of CO ₂ Emissions
PURCHASED GOODS & SERVICES AND CAPITAL GOODS (CATEGORY 1+2)	2,049,500
UPSTREAM FUEL & ENERGY RELATED ACTIVITIES (CATEGORY 3)	163,000
UP & DOWNSTREAM TRANSPORTATION & DISTRIBUTION (CATEGORY 4+9)	803,000
WASTE IN OPERATIONS (CATEGORY 5)	52,100
BUSINESS TRAVEL (CATEGORY 6)	19,200
EMPLOYEE COMMUTING (CATEGORY 7)	155,000
USE OF SOLD PRODUCT (CATEGORY 11)	588,000,000
END-OF-LIFE TREATMENT (CATEGORY 12)	150,000
SCOPE 3 EMISSIONS TOTAL	591,391,800

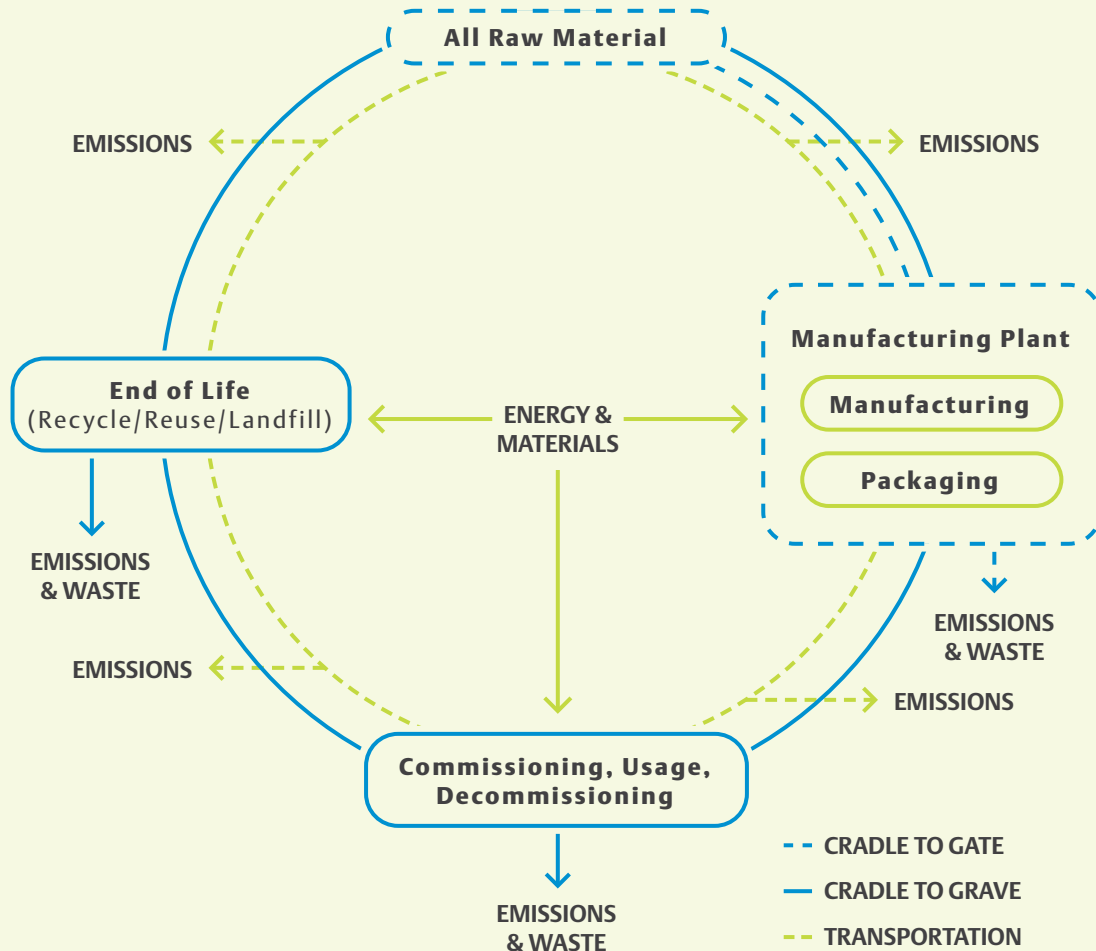
Scope 3 categories 10 and 15 are negligible, categories 13 are 14 not applicable.

Our second largest emissions category relates to the materials and components (Category 1 “Purchased Goods and Services”) that we use as inputs into our products. Our current level of modeling is based on spend amounts and associated emissions factors for various categories and locations around the world. Over time, we expect to enhance the granularity of this information by incorporating more weight-based information in our modeling. We will also work with strategic supply chain partners to include their specific information. Similar modeling is conducted on our logistics, waste, business travel and employee commuting.

In some contexts, extending the lifetime of products can be a prime component of the transition toward a more circular economy: it reduces waste, saves resources, and supports more sustainable development. In others, however, a more holistic view is needed to determine what the optimum lifetime of a product may be. The energy and materials used in the production of a new product, and the waste generated in its disposal, must be balanced with the potential improvements in energy efficiency and lowered lifetime emissions that can be brought about by newer technology designs.



LIFE CYCLE ASSESSMENT OVERVIEW



Utilizing Product Life Cycle Assessments

One of the most important aspects of reducing our carbon impact is to understand the life cycle footprint of our products and solutions portfolio. Life cycle assessments (LCA) are an important tool to help identify the amount of embedded carbon in our products and to help our teams prioritize steps that can be taken to improve. Emerson utilizes widely accepted processes and databases to conduct lifecycle assessments. Additionally, LCAs form the basis of many sustainable product policies worldwide, such as the Eco-design Directive in the European Union.

The opportunities identified in an assessment can include:

- Improving the energy efficiency of our manufacturing processes.
- Reducing emissions in transporting and distributing our products.
- Making product design changes.
- Rethinking business models around the products' end-of-life.
- Shifting our procurement practices to enable the use of lower-carbon materials.

The LCA process provides a good perspective on the environmental impact of a product and helps to inform relative priorities for reducing overall carbon.

We have conducted several LCA studies across our portfolio. In a recent life cycle assessment for a Micro Motion Coriolis flowmeter, our team gained valuable insight to the primary contributors of GHG emissions in our meters from the process energy in our factory, purchased components and end of life considerations. These insights were utilized to prioritize improvements in the energy efficiency of our manufacturing and reduce corresponding emissions.

The insights gained from this LCA were instrumental in the design of a new Micro Motion hydrogen dispensing Coriolis flowmeter released in 2021. The new design and enhanced manufacturing processes have resulted in a reduction of 15% of the embedded carbon of prior designs. In the longer term, learnings from LCA studies like these will better inform our new product design choices, sustainable packaging options and manufacturing approaches.

Enhancing the Energy Efficiency of our Products

Our technologies and solutions are used by leading companies in the most essential industries around the world. 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 recognize this responsibility and are committed to driving greater energy efficiency throughout our product portfolio and support increasingly higher standards for energy efficiency and reduced emissions impact.

Activating our Suppliers

We are engaging strategic suppliers across the world to exchange views on sustainability and carbon emission reductions. Collaboration is required throughout our supply chain to make progress and we will need to work together on the solutions and best practices that will help abate our collective carbon footprint. Many of the sectors in our supply chain such as steel, electronics and plastics are hard-to-abate industries and will require utilizing cleaner forms of energy, use of recycled inputs, electrification and the development of hydrogen-based approaches for higher temperature manufacturing processes. Emerson has developed specific abatement roadmaps for each major purchase category and will be using sustainability-related metrics in our supply chain partner qualification and management process.

Promoting the Decarbonization of the Grid

Electricity grids globally have been undergoing significant transformation as society changes its energy mix by reducing

reliance on un-abated fossil fuels, increasing the use of clean energy and integrating smart digital technologies. Emerson is already driving forward by purchasing our own clean electricity, as well as by supporting customers with our technology to optimize the production of wind, solar, hydro, renewable natural gas and nuclear energy. But we know that additional public and private sector efforts will be critical to make energy grids smarter, lower carbon and more resilient.

Given our global presence and unique technical perspective in the power generation and distribution sector, Emerson is well-positioned to proactively support and advocate for pathways to cleaner electricity capacity in markets around the world. This will play a critical role in our goal to achieve net zero

emissions within our operational boundaries (Scope 1 and 2) by 2030 as well as in reducing our Scope 3 emissions by 25% by 2030 from a 2021 baseline. We will take the lessons we learn from implementing our own decarbonization roadmap to encourage similar emission reduction activities with customers, supply chain partners, governments and local communities.

To further enhance our advocacy, Emerson is actively engaging with third-party organizations, including the Clean Energy Buyer's Association and RE100, to promote the increased use of renewable and clean energy worldwide.

The Greening Of Emerson is incredibly important to stakeholders as we look to the future and make our contribution toward a net zero world.



Emerson colleagues and suppliers gathered for the second Greening Together Summit in Aachen, Germany to discuss best practices for implementing sustainability programs.

Solving for Net Zero in Essential Industries: Greening By Emerson



Coming together to deliver on a net zero emissions world will require very focused and intentional actions by countries, companies and individuals across every aspect of today's economy and energy system. The urgent challenge of energy system transition in a few short decades will require significant innovation, collaboration, investment and the resolve to change across every major energy related activity – how we generate, manage and move energy; how buildings consume energy to deliver important services; how manufacturing utilizes energy to produce key products; how agriculture and food systems deliver food; and how we power the transportation of people and goods. Emerson technologies touch and impact every one of these critical energy-related activities.

Emerson has technology, expertise, reach and drive to deliver on many of the important solutions that are being considered in the roadmaps for tomorrow's low carbon energy system. Our solutions enable the environmental sustainability progress of our customers in four important strategic areas: Energy Source Decarbonization, Electrification and System Integration, Energy Efficiency and Optimization, and Emissions Management.



**Energy Source
Decarbonization**

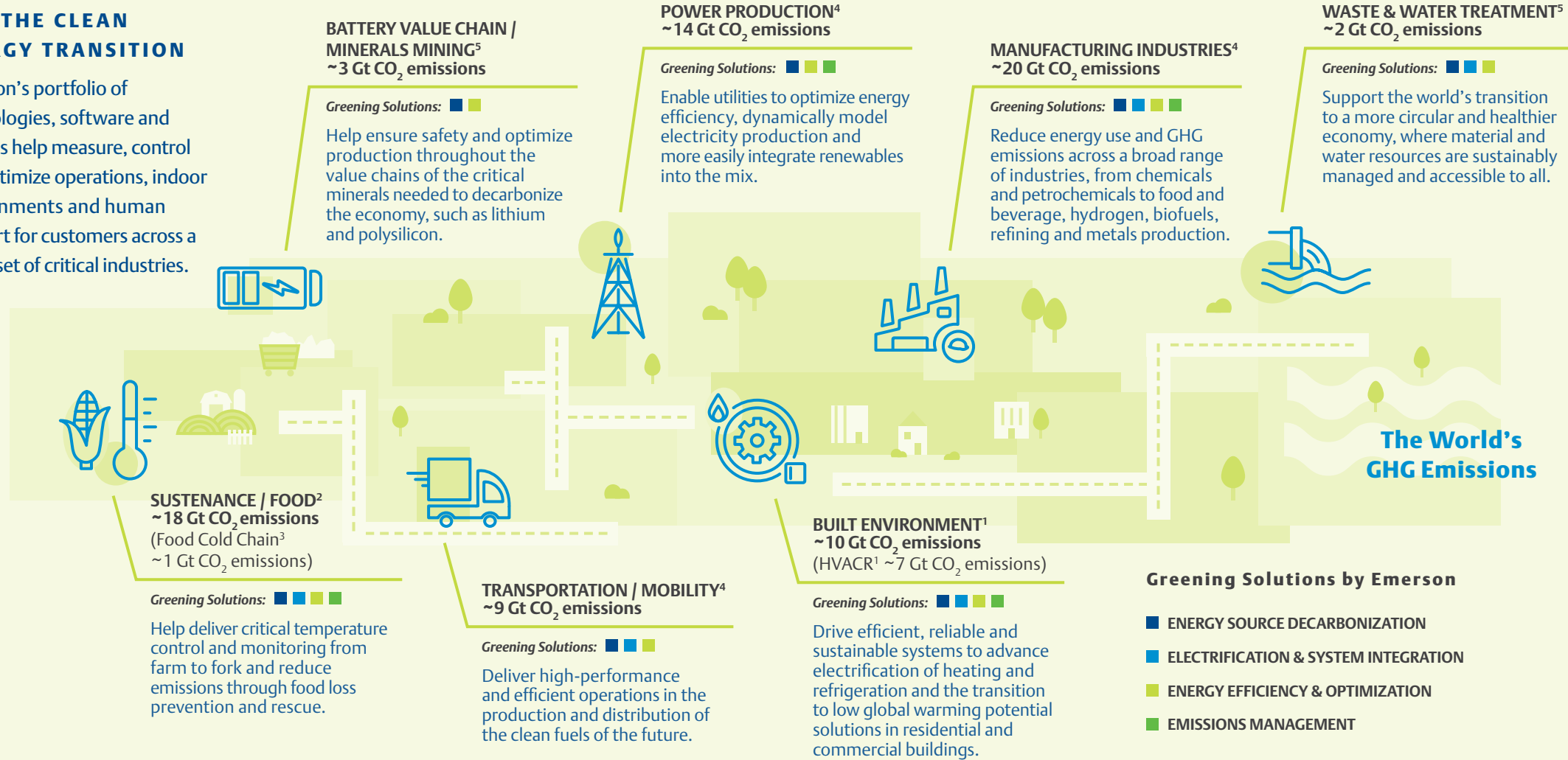
**Electrification and
System Integration**

**Energy Efficiency
and Optimization**

**Emissions
Management**

ENABLING DECARBONIZATION AND THE CLEAN ENERGY TRANSITION

Emerson's portfolio of technologies, software and services help measure, control and optimize operations, indoor environments and human comfort for customers across a broad set of critical industries.



Numbers on this chart have been obtained from multiple sources and do not add up to the annual global GHG emissions of 59 Gt CO₂. Emissions from power production (including electricity and heat production) are reallocated as indirect emissions in the end-use sectors. Emissions in the manufacturing industries include both energy-related and process emissions. Emissions in the built environment do not include embodied emissions from construction materials.

1. [Global Status Report for Buildings and Construction 2019](#)
2. [Food Systems are Responsible for a Third of Global Anthropogenic GHG Emissions](#)
3. [The Food Cold-Chain and Climate Change](#)
4. [WG III Contribution to the Sixth Assessment Report](#)
5. [Emissions by Sector](#)

- ### Greening Solutions by Emerson
- ENERGY SOURCE DECARBONIZATION
 - ELECTRIFICATION & SYSTEM INTEGRATION
 - ENERGY EFFICIENCY & OPTIMIZATION
 - EMISSIONS MANAGEMENT

Energy Source Decarbonization

The first major area of the energy system that must be addressed is the supply of lower carbon forms of primary energy. Clean energy sources, such as onshore and offshore wind, solar, hydroelectric, geothermal and nuclear are being counted on to substantially reduce GHG emissions. Replacing coal-fired power with natural gas remains a critical strategy in the near-term. Substituting fossil-based energy forms with energy from biowaste feedstock, such as renewable natural gas, biodiesels and sustainable aviation fuels, is starting to gain momentum.

Emerson’s automation capabilities in sensing, final control, compression, systems and analytics are enabling energy producers to bring these solutions on-line with confidence. Technologies like wireless solutions, digital twin simulation, advanced control applications and operations management software make it possible to leverage existing infrastructure and operate at the highest levels of safety, reliability and energy efficiency.

One example of Emerson’s impact is our partnership with Neste. This customer is the world’s largest producer of renewable diesel and sustainable aviation fuels produced from waste and residue raw materials. Emerson is supporting Neste on their digital transformation and expansion of their refinery in Tuas, Singapore. Neste is adding 1.3 million tons per year of renewable fuel production by 2023 to bring their total global renewable product capacity to 4.5 million tons per year. Emerson is providing a

complete suite of digital automation capabilities to position Neste for long-term operational excellence.

Working with Burns & McDonnell, Emerson is providing automation software and control technologies for the extensive modernization of the New York Power Authority’s (NYPA) 2,525-megawatt Robert Moses Niagara Power Plant. NYPA is the largest state-owned public power organization in the U.S., operating 16 generating facilities and more than 1,400 circuit-miles of high-voltage transmission lines. Hydroelectric facilities provide more than 70% of the generation capacity managed by NYPA.

INVESTING IN WIND POWER

Emerson recently acquired Mita-Teknik, a leader in control automation technology for wind power generation. This acquisition expands Emerson’s capabilities in the wind power generation market and supports our ability to help customers in their quest to digitally transform operations.

Energy Source Decarbonization

Electrification and System Integration

Energy Efficiency and Optimization

Emissions Management

Electrification and System Integration

One of the world's 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 generate cleaner electricity at the points of generation.

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 established to drive major adoption. The [International Energy Agency's net zero 2050 scenario](#) expects the installed heat pump stock to reach 600 million by 2030, from about 180 million in 2020. Emerson technology is being incorporated in heat pump applications for residential, commercial, large facility and district level heating applications.

The distribution of energy through grid systems is also at the core of energy system transition. Emerson automation technologies are involved in both the generation and distribution of electricity as well as the movement of molecule forms of energy. In today's world, these molecules are predominately related to natural gas and oil-based products. In tomorrow's world, this should also include carbon dioxide molecules that will be reutilized or permanently stored, as well

as hydrogen and water molecules which become important in the electrolyzers generating clean hydrogen. As the energy system integrates in new ways, we will increasingly see interactions between the electron and molecule grids.

One key feature of low-carbon, renewable-dominated electricity systems is the use of batteries in large scale storage and end-use applications. Emerson participates across the breadth of the battery value chain – such as the mining of important minerals, processing of minerals into important components, battery assembly and sealing techniques, and control and remote management of large battery systems on and off the electricity grid.

Emerson is supporting 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.



**Energy Source
Decarbonization**

**Electrification and
System Integration**

**Energy Efficiency
and Optimization**

**Emissions
Management**

Energy Efficiency and Optimization

Energy efficiency and optimization remains a critical sustainability strategy for the world. Only about one-third of the energy introduced into the energy system of today actually performs the function we are desiring – heating and cooling a home, moving a vehicle or cooking food. Two-thirds of the energy that goes into the energy system is lost through items like heat escaping through windows, brakes applied in vehicles, electrical line losses over long distances, various energy transformations and less-than-optimized processes. There is a major opportunity to continue enhancing energy efficiency as reflected in many of the roadmaps developed to deliver tomorrow’s energy system.

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.

Emerson technologies are utilized to manage energy efficiency across a broad set of industries. Energy efficiency in refrigeration systems is a key driver of emission reductions for our customers and partners. To further improve the efficiency of refrigeration units, we recently introduced a new range of Copeland CO₂ refrigerant scroll compressors with smart electronics and new integrated Dynamic Vapor Injection technology. Specifically designed for small to medium-sized operations, this technology provides a new solution for CO₂ booster systems that enables reduced complexity and costs at high efficiency in any climate.

Emerson’s Sensi™ was the first smart thermostat to receive the ENERGY STAR® Partner of the Year Award from the U.S. Environmental Protection Agency in 2020 — and won again in 2021 for the second consecutive year. The Partner of the Year Award represents the highest level of recognition by the EPA. Sensi™ enables customers to reduce their energy consumption without sacrificing comfort. Emerson has demand response partnerships featuring Sensi™ thermostats with utilities across North America.

Energy Source
Decarbonization

Electrification and
System Integration

Energy Efficiency
and Optimization

Emissions
Management

Emissions Management

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.

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

Carbon capture, utilization and storage (CCUS) technology is emerging as an important capability for the roadmaps of tomorrow. Capturing carbon at the point of emission and either utilizing it in products or sequestering it safely in underground geological formations will be critical to getting to a net zero world. CCUS capacity is expected to grow from a handful of locations now to 2,000+ facilities by 2050 with governments and industry committing to significant investment.

QatarEnergy has 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.

LEVERAGING SOFTWARE FOR SUSTAINABILITY IMPACT

Emerson's software offerings play an important role across environmental sustainability efforts. As a result, Emerson has been named the "Industrial IoT Company of the Year" by IoT Breakthrough — an honor we've received four of the last five years. Our automation technology and software innovation helps our customers in essential industries optimize their operations for better efficiency, safety, emissions and meeting environmental sustainability goals.

Energy Source
Decarbonization

Electrification and
System Integration

Energy Efficiency
and Optimization

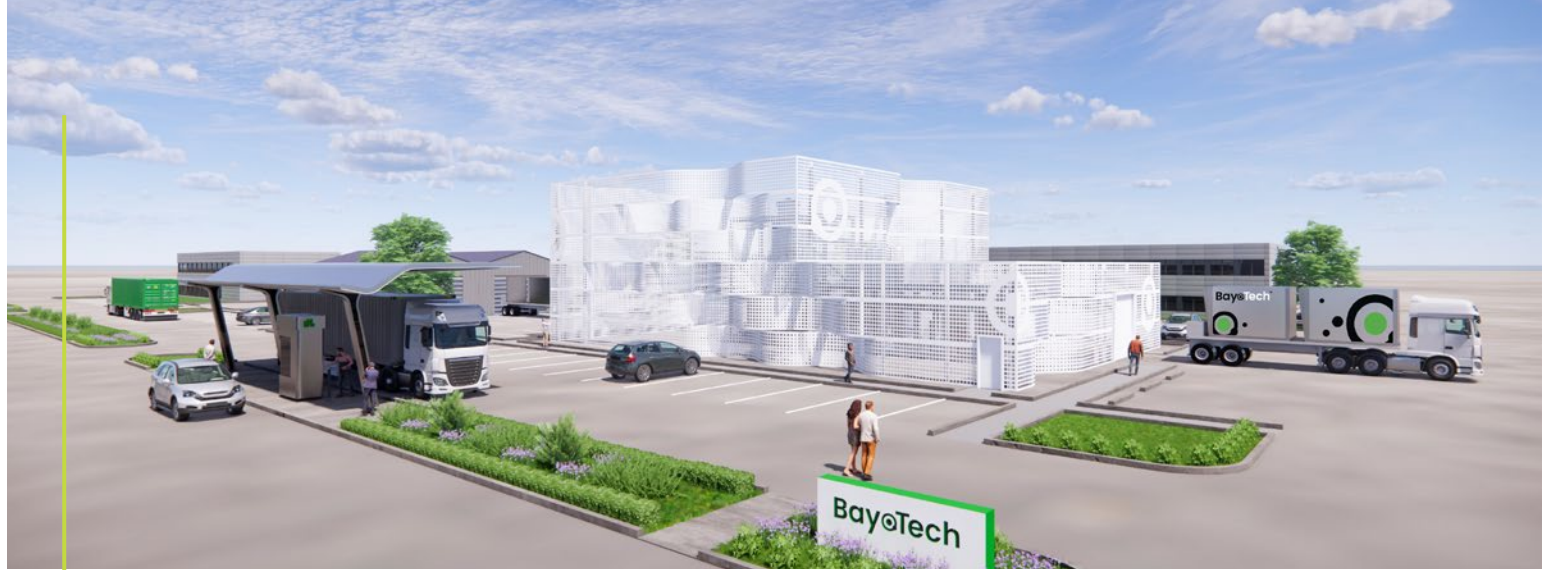
Emissions
Management

Enabling Hydrogen Solutions

Hydrogen is an important strategy in the energy transition roadmaps of the world. Like electricity, hydrogen serves as an energy carrier. Hydrogen molecules are generated from other forms of primary energy and then transported and utilized in end-use applications. Emerson technologies are significantly involved in both the end-use cases as well as the generation, transportation and dispensing of hydrogen.

In 2021, we began working with BayoTech, an innovator in distributed hydrogen solutions, to accelerate the availability of hydrogen for end-use cases in North America and Europe. Emerson is serving as BayoTech's automation partner and is providing control system, instrumentation, valves and operations software to remotely manage BayoTech's network of hydrogen generation hubs. BayoTech uses natural gas and renewable natural gas to generate hydrogen which can enable mobility and hard to abate sector hydrogen applications.

In a large green hydrogen power generation application, Emerson is collaborating with Mitsubishi Power to provide automation systems for the transformation of the Intermountain Power Plant in Utah. This facility will feature hydroelectric, wind and solar electricity powering a large electrolyzer to generate hydrogen from water. The produced hydrogen will be stored underground in salt caverns so that it can be dispatched when required to power turbines that create electricity. The initial phase will utilize hydrogen blended with natural gas but will eventually transition to 100% green hydrogen. This is a strategic project as governments around the world build green hydrogen power generation into their roadmaps.



BayoTech's hydrogen generation units are being installed at hydrogen hub sites throughout the United States and other global locations.

Emerson is also participating in the PosHYdon consortium that is building the world's first offshore green hydrogen production process on an existing platform operated by Neptune Energy in the Dutch sector of the North Sea. Emerson is developing an advanced control system that will integrate three important energy systems – offshore wind energy, offshore gas production and hydrogen generation from an electrolyzer utilizing seawater. The green hydrogen that is produced will be mixed with natural gas to leverage existing transportation infrastructure for use in the Netherlands' gas networks.

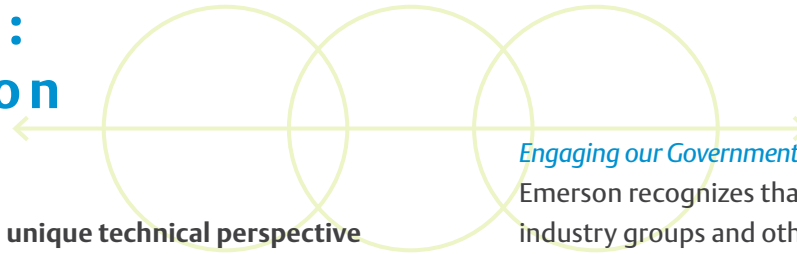
Investing in Innovative Breakthrough Technology

Emerson has committed to invest \$100 million in Emerson Ventures, our corporate venture capital initiative designed to access and support early-stage technology development.

This investment commitment is focused on disruptive automation innovations, important environmental sustainability solutions and emerging industrial software technology for use in critical industries. Our objective is to invest in four to six early-stage startups each year over the next five years.

Greening By Emerson is where we can have the biggest impact — helping critical industries and applications leverage the power of automation and novel solutions to deliver the low-carbon energy system transition. The challenge and urgency of the climate crisis is real. Given Emerson's vantage point and involvement in projects throughout the energy system, we are optimistic that the world can come together to make net zero a reality.

Collaborating for a Net Zero World: Greening With Emerson



Emerson is utilizing its unique technical perspective and global reach to collaborate with governments and policy groups, research institutions, non-government organizations, industry associations and communities to discuss the way forward to a more sustainable future. These discussions frequently feature important dialogues on innovations, policy options, supporting at-scale implementations 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 our Governments and Policy Groups**
- 2 **Collaborating with Leading Research Institutions**
- 3 **Convening Leaders and Communities**

Engaging our Governments and Policy Groups

Emerson recognizes that partnerships with governments, industry groups and other leading organizations are key to achieving our shared sustainability ambitions. We continue to be an active voice in groups such as UK FIRES, IfM Sustainability Association, the Association of Energy Engineers and the EPA's Energy Star Partnership. We have also joined several organizations specifically dedicated to collaboration and achieving shared decarbonization goals, including:

- **Business Ambition for 1.5°C** partnership, which features companies committing to both a near-term science-based target alongside an explicit longer-term net zero commitment.
- **RE100 and the Clean Energy Buyer's Association (CEBA)** as they bring together global businesses committed to sourcing 100% renewable electricity.
- **Renewable Natural Gas Coalition**, which advocates for sustainable development, deployment and utilization of renewable natural gas.

EMERSON EUROPEAN POLICY ENGAGEMENT

Emerson has been actively 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 utilize a proactive and collaborative approach to engaging with governments by sharing practical considerations and ideas for implementation that can enhance the likelihood of broader adoption. Emerson recently engaged with the EU Commission on two important legislative proposals: a methane regulation to prevent leakage in the energy sector, and a policy package on hydrogen and decarbonized gas markets. We regularly engage in dialogues with both EU-level policymakers and Member State officials to help inform how digitalization, automation and other Emerson-enabled solutions can support their own net zero objectives.

COLLABORATING TO ACCELERATE CLIMATE ACTION

Americas		Europe		Asia & MEA	
GOVERNMENT & POLICY	INNOVATION & INDUSTRY	GOVERNMENT & POLICY	INNOVATION & INDUSTRY	GOVERNMENT & POLICY	INNOVATION & INDUSTRY
Air-Conditioning, Heating, and Refrigeration Institute (AHRI)	Clean Energy Smart Manufacturing Innovation Institute (CESMII)	European Clean Hydrogen Alliance	EMB3RS Heat and Cold matching platform	Australian Hydrogen Council	Nanyang Technological University Singapore
Carbon Management Canada	National Renewable Energy Laboratory (NREL)	European Heat Pump Association (EHPA)	Resource Efficiency Collective	Emirates Green Building Council	The Energy and Resources Institute (TERI)
Energy Policy Research Foundation Inc. (EPRINC)	Oak Ridge National Laboratory	European Partnership for Energy and the Environment (EPEE)	Sustainability Association	H2 Korea (Hydrogen Korea)	Tongji University
Environmental Protection Agency (EPA)	Texas A&M University	European Raw Materials Alliance (ERMA)	United Kingdom’s Future Industrial Resource Efficiency Strategy (UK FIRES)	Republic of Korea Ministry of Trade, Industry and Energy	Tsinghua University
U.S. Department of Energy	The Conference Board of Canada	France Hydrogène	University of Cambridge	U.S. India Strategic Partnership Forum	

Collaborating with Leading Research Institutions

PARTNERING WITH THE DEPARTMENT OF ENERGY LABORATORIES FOR INCREASED ENERGY EFFICIENCY

Emerson continues to serve as a trusted partner of the U.S. Department of Energy to develop more sustainable climate technologies and energy management. We are currently engaged in nine different projects with Oak Ridge National Lab to increase 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 extensive knowledge in areas such as building energy management, sensing, refrigeration and air conditioning to collaborate in the development of innovative solutions and policies that will shape the future. By bringing together our shared R&D resources, these partnerships can increase the speed to market for newer, more sustainable solutions.



Members of Emerson Korea's hydrogen equipment committee in the KHIA pose for a group photo.

ACCELERATING HYDROGEN PROGRESS

Emerson is an active participant in several local hydrogen groups and alliances around the world focused on the advancement of hydrogen as a clean energy solution. These groups include the European Clean Hydrogen Alliance, the Australian Hydrogen Council, CENELEC, Hydrogen Connexion by Business France, Norwegian Hydrogen Association, H2AR in Argentina and the Korean Hydrogen Convergence Alliance (H2KOREA).

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, advocating for policy and regulatory approaches, and joining the H2Town project in the city of Ulsan as part of the country's effort to build a hydrogen industry hub.

FACILITATING INDUSTRY POLICY DIALOGUES

Emerson regularly participates in policy discussions to support government and customers decision making. Through our E360 initiative, we facilitate industry-wide dialogues, foster collaboration among stakeholders and address the practical implementation challenges facing the heating, ventilation, air conditioning and refrigeration (HVACR) industry.

ENHANCING CRITICAL INFRASTRUCTURE IN AUSTRALIA

Emerson is collaborating with the Australian Research Council's Research Hub for Resilient and Intelligent Infrastructure Systems. The Research Hub is positioned to trial and deliver transformational technologies to address Australia's critical infrastructure needs, integrating Emerson's advanced solutions in monitoring and modeling to improve sustainability outcomes in key sectors including mining, gas, water and energy.

*Convening Leaders and Communities***ADVOCATING FOR CLIMATE ACTION IN GLOBAL FORUMS**

Chief Sustainability Officer Mike Train participated in the Sustainable Innovation Forum hosted by Climate Action at the UN Climate Change Conference (COP26) in November 2021. COP26 was the largest global climate gathering to date with focus on accelerating action toward the Paris Climate Goals for net zero. Mike joined multiple panels to discuss Emerson’s approach to environmental sustainability goals, as well as broad climate related topics such as abating hard-to-abate sectors, engaging small- and medium-sized enterprises in the energy transition, and exploring important solutions and challenges to achieve net zero.

EMERSON’S CLUJ CAMPUS CELEBRATES 15 YEARS OF SUSTAINABILITY GROWTH AND INNOVATION

In 2021, the Emerson Cluj Campus in Romania celebrated its 15-year anniversary and launched an integrated sustainability approach at the business and employee level. This initiative includes connecting employees to information, workshops, discussions and tools to take action to reduce environmental impact in the local community. Activities included colleagues volunteering in community events such as a riverbank cleanup and attending the AIESEC – Youth Speak Forum to empower young people to speak up for climate change.

“There is a real and tangible pathway to decarbonization and, ultimately, net zero, but we must embrace the technologies and solutions available today if we want to reach the scale required to achieve our ultimate ambitions.”

— Mike Train

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

Greening With Emerson is an important strategy for engagement, dialogue, advocacy and amplification with key stakeholders around the world. These discussions help build broad support for making progress in deploying early novel solutions at-scale to learn about technical, economic and policy challenges and options. The faster we can make these important, early-stage projects happen, the sooner we can validate whether and how these solutions will be major contributors to delivering a net zero world.



*Emerson colleagues at the Sustainable Innovation Forum at COP26 (left to right): **Dina Koepke** (Director Governmental Affairs, Commercial & Residential Solutions), **Rada Petrovan** (Director of Strategic Planning, Automation Solutions), **Mike Train** (Senior Vice President and Chief Sustainability Officer), **Veronica Constantin** (Vice President, Global Sustainability), **Ana Gonzalez Hernandez** (Director Of Sustainability).*



Social Responsibility

Modernizing Our Culture and Driving Diversity, Equity and Inclusion

At Emerson, we are building a diverse, inclusive and equitable culture where every employee is valued for their unique experiences and perspectives.



As a global organization, having a workforce that reflects the communities we serve is important to delivering on our Purpose. In June 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. This target is challenging for the technical industries we participate in and will require significant focus and intentional actions in all aspects of our talent process: building stronger talent pools, developing our people, constructing Diverse Slates for open positions, driving metrics and rewarding progress.

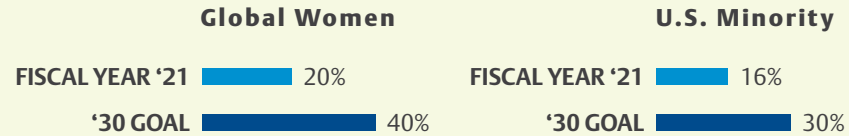
At Emerson, we know that real change takes both commitment and sustained effort at every level of our organization. We started at the top with the external recruitment and appointment of Elizabeth Adefioye, our new Chief People Officer. Elizabeth brings a rich set of experiences from other technically oriented multinational companies and has jumped right into the mission.

We have three strategic goals regarding Diversity, Equity and Inclusion:

- 1 Building an inclusive environment where everyone belongs**
- 2 Elevating the representation of women and underrepresented populations**
- 3 Demonstrating our commitment to DE&I and the impact of our work**

We convened a leadership taskforce with broad perspectives focused on assessing our current culture and processes and have established critical initiatives to modernize our culture. We are reviewing all aspects of the management process through this lens and implementing changes that are more efficient, more flexible and better empower our people. These changes should further enhance the strong Emerson cultural elements of operational excellence and delivering on commitments.

EMERSON WORKFORCE DIVERSITY LEADERSHIP REPRESENTATION



In this dataset, 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 including Belarus, the Dominican Republic, Ecuador, Latvia, Luxembourg, Scotland, Serbia and the Slovak Republic. Employees who joined Emerson as the result of recent acquisitions outside of the United States may also be excluded from this data set.

Minorities include: Asian, American Indian or Alaska Native, Black or African American, Hispanic, Native Hawaiian or Other Pacific Islander, and two or more races.

ELEVATING THE REPRESENTATION OF WOMEN AND UNDERREPRESENTED POPULATIONS

The talent needs of Emerson reflect the industries we serve in our business. Emerson is a technology company with a focus on developing and manufacturing innovative products, solutions, software and services. We utilize talent across a wide spectrum of roles: hardware development, software development, project management, operations, supply chain, finance, legal, sales, service, compliance, human resources and more. Attracting these talents to Emerson is a critical strategy for our long-term success.

To expand our diverse talent pipeline for salaried positions in the U.S., we are continuing to build our Diverse Slates program with an enterprise goal of interview slates having

at least 50% diverse candidates. We track Diverse Slates metrics and build diverse participation in our interview approach as well.

We engage in several efforts to expand the pool of diverse candidates from inside and outside Emerson. These targeted recruiting efforts include:

WOMEN

Our university and professional organization recruiting efforts aim to reach women talent with engineering and Master of Business Administration degrees. Emerson continues to be a strong supporter and advocate for the Society of Women Engineers (SWE), the leading global organization dedicated to the advancement of women engineers. We recruit women engineering talent at SWE conferences and job fairs.

MINORITIES

Our career fair recruiting efforts aim to identify qualified U.S. minority candidates for entry- and executive-level positions. This year, Emerson served as the gold sponsor for the HBCU Career Development Marketplaces' annual career fair. Led by our Black Employee Alliance Employee Resource Group, Emerson representatives connected directly with the talent pool to recruit and educate them on the robust career opportunities available at Emerson.

MILITARY VETERANS

Our veteran-focused MBA recruiting events and foundation partnerships aim to provide post-military job opportunities for military veterans. To expand our reach, we also actively work with Hiring Our Heroes, a nationwide effort to connect veterans, service members and military spouses with meaningful employment opportunities.

LGBTQ+

Our conference-focused recruiting efforts aim to engage LGBTQ+ talent. Our LGBTQ+ Allies Employee Resource Group participated in the Out for Undergrad Engineering Conference in September 2021, and the ROMBA Conference (Reaching Out LGBTQ+ MBA) in October 2021 to recruit talented LGBTQ+ professionals across all levels of the organization.



CELEBRATING DIVERSITY, EQUITY AND INCLUSION

Our new DE&I Award aims to celebrate groups, individuals or business units that demonstrate a commitment to fostering a culture where every employee is valued and respected. The inaugural winner of the award was the Persons with a Disability ERG at the Emerson Plant in Reynosa, Mexico, which launched in 2019. In addition to educational programs and community outreach events, the ERG assisted in recruiting diversely abled employees.

BUILD AN INCLUSIVE ENVIRONMENT WHERE EVERYONE BELONGS

At Emerson, we know that real change takes both commitment and effort at all levels of our organization. In the last year, we accelerated momentum to build a company culture that is inclusive, strong and ready to innovate. Our leadership task force participated in a four-month engagement to establish new goals and initiatives to enhance our diverse workforce. With our focus on an inclusive culture, we engaged our global employees in new and exciting ways that encourage connection across differences.

Dialogue and Recognition

We expanded “Courageous Conversations,” a series of regional diversity, equity and inclusion-focused forums promoting open dialogue among colleagues and their leaders.

We also launched a new employee-specific DE&I Award that highlights groups, individuals or business units that have made significant contributions to DE&I throughout the organization.

Employee Resource Groups

Over the past few years, we have built Employee Resource Groups (ERGs) into a strong network that supports our focus on inclusion. These groups are led at the company and regional levels by passionate volunteers from across the organization and sponsored by executive leadership. These groups have been built organically from the bottom up and have now grown to nearly 12,000 members.

Our ERG leaders across Emerson came together for an annual multi-day ERG Leadership Summit to share best practices around event building, membership engagement and career development. Successes from the 2021 summit included development of centralized ERG signup for all ERGs, expanded network partnerships, dedicated communication campaigns and recognition of ERG leadership involvement in Talent Profiles. Our Employee Resource Groups consist of:

Asian & Pacific Islander Alliance

Our Asian & Pacific Islander Alliance now numbers more than 900 members across seven different chapters. The organization launched in May 2021 to provide a platform to amplify voices, spotlight contributions and foster relationships between our Asian and Pacific Islander colleagues, as well as serve as a channel for all colleagues to learn about the culture, history and experiences of our Asian and Pacific Islander brothers and sisters.

Black Employee Alliance

The Black Employee Alliance provides a support network for Black colleagues while enabling opportunities to drive strategic recruiting, retention and advancement initiatives. Over the course of this past year, the organization began several new initiatives, including a recruitment partnership with HBCU Career Development Marketplace and an inaugural employee mentorship program. Through these efforts, the Black Employee Alliance has grown to over 880 members across eight different chapters.

Diverse Abilities

Diverse Abilities launched in December 2021 and has over 390 members. The group encourages awareness around perceived impairments and/or disabilities and highlights the effect of discrimination and social exclusion on individuals. As the group develops, its goal is to educate colleagues on diverse abilities, cultivate a network of support and provide more opportunities for networking and collaboration between groups.

LGBTQ+ Allies

LGBTQ+ Allies empowers our employees in the LGBTQ+ community and their workplace allies to foster a diverse and inclusive company culture. This year, the group was recognized by Out & Equal as a finalist for their “New Employee Resource Group of Year Outie Award.” In less than two years, our LGBTQ+ Allies Employee Resource Group has grown 12 chapters and has built a member base of more than 1,000 employees across 35 countries.



Mosaic

Launched in July 2021, Mosaic has already reached a membership of over 950 employees. Mosaic is a multicultural organization that fosters community for people working away from their home country. The mission of the organization is to promote strategic retention of talented individuals with diverse cultural and ethnic origins along with supporting them in their career growth.



100%

Emerson earned 100% on the Human Rights Campaign's Corporate Equality Index related to LGBTQ workplace equality in 2022.

DEMONSTRATING OUR COMMITMENT TO DE&I AND THE IMPACT OF OUR WORK

Since 2017, more than 25,000 employees have participated in diversity awareness and unconscious bias training, including all upper-level management. Following the Emerson Values Framework of training, we are actively developing and updating our global training curriculum that focuses on the ever-emerging DE&I trends.

Our senior leaders are utilizing the Intercultural Development Inventory® (IDI), an online assessment tool that helps build cultural understanding, shift perspectives on diversity issues and enhance skills in managing cultural differences. After leaders complete the IDI, reports are provided with guidance on increasing cultural self-understanding and incorporating cross-cultural interaction strategies. We have over 500 leaders who have completed IDI to date.



Lieny Jang shares her passion for STEM with local schoolchildren.

EMERSON EMPLOYEES MAKING AN IMPACT: Supporting an Inclusive Culture

Lieny Jang, a Marketing Director based in Hong Kong, has been a member of the Women's Impact Network since 2013, when the ERG began expanding into new countries throughout Asia. Lieny is proud of the group's development of culturally relevant ways to uplift and support women across the organization, such as the WeChat support groups in China and collaborations with the National Association for Women Engineers in India.

As a member of the Executive Committee for the Women's Impact Network, Lieny has collaborated with colleagues across the company to create educational initiatives, including an inclusive training video for managers, an annual report for the Women's Impact Network and STEM Career presentations for young school children. Lieny's work for the Women's Impact Network reflects her pride in Emerson, especially as the company strives to create an inclusive and engaging workplace culture around the world.

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 help shape and drive the success of our business and our employee relations. Emerson has conducted employee opinion surveys for more than six decades to continually foster strong employee engagement. The annual survey highlights vital employee perspectives across a range of topics, including engagement, satisfaction and work-life balance.

Both salaried and hourly employees across the global organization have consistently rated Emerson as “Excellent” in our annual survey scores. Real value comes from repeating this process regularly and following up locally with employees regarding results, comments and initiatives going forward. In 2021, we emphasized three focus areas for a monthly employee survey: engagement, COVID-19 and diversity. We wanted employees to feel connected and informed despite a year of global uncertainty. For each area, employees gave scores above the “Excellent” threshold throughout the year.

Employee Opinion Survey Highlights

26,322+

Employees participated in the survey

90%

Participation in the survey

“Excellent”

Highest Rated Categories:
COVID-19 “Excellent”
and Safety “Excellent”



LABOR RELATIONS

We respect our employees' right to freedom of association in choosing labor organizations to represent them. We work collaboratively to keep positive relationships with the unions, works councils and employee associations that represent many of our employees. In the United States, approximately 6% of our workforce was part of a union in 2021. Worldwide, approximately 30% of our employees are represented by an employee representative organization, such as a union, works council or employee association.

WAGES AND BENEFITS

At Emerson, we work to retain and grow our exceptional global workforce. We uphold our value of Support Our People by providing competitive wages and benefits in the markets where we operate around the world. Our compensation practices comply with applicable wage laws and international standards, including those relating to minimum wages, overtime compensation and legally mandated benefits. The basis on which workers are paid is documented in a timely manner via pay stub or similar written communication.

In the United States, we offer a standard benefits package for full-time employees that includes healthcare, life insurance, disability coverage, paid parental leave and access to a retirement savings program. In other countries, our benefits packages for full-time employees vary in accordance with legal mandates, but all include paid parental leave. We have also recently added telehealth coverage to help employees better connect to medical resources.

PAID PARENTAL LEAVE

Having a work-life balance and ample family time is critical to our well-being. Our paid leave policy for new parents across our company outlines time off by determining the primary caregiver. When welcoming a new child into the home, either through birth or adoption, Emerson employees who identify as the primary caregiver receive 12 consecutive weeks of paid parental leave with 100% pay upon the 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 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 for 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

We value the contributions of all employees and do not tolerate any discrimination or harassment. This is reinforced in our annual ethics training that is required for all employees. Emerson is an equal opportunity employer, committed to recruit, hire, train and promote 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 and other protected classes.

HUMAN RIGHTS

In our business operations around the world, Emerson remains deeply committed to respecting and promoting human rights, which are essential to a healthy and vital commercial environment and to the broader society. This entails specific attention to particularly challenging issues and activities, including:

Commitment to 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

Our policies prohibit, and we do not use, any forced, bonded, indentured, involuntary prison labor or other compulsory labor. We also prohibit our suppliers from using any forced, bonded, indentured, involuntary prison labor or other compulsory labor. Our policies comply with important regulations, like the UK Modern Slavery Act 2015. Emerson fully supports these and other efforts to eradicate human trafficking across the globe.

Prohibition of Child Labor

Our policies oppose child labor, and we do not use child labor in any facility or business. Emerson requires that all employees be of an appropriate age, as defined by applicable local and national laws. In certain circumstances, we support the use of legitimate workplace apprenticeship programs that conform with laws and regulations. We also prohibit our suppliers from employing anyone under the local legal working age.

Training and Development

Our programs equip colleagues with the knowledge, skills and training required to reach their greatest potential.



Emerson uses a holistic, integrated approach to training and development of our employees. Our 70/20/10 Development Framework provides our teams with the competencies and skills to advance their careers. Under this framework, work experience makes up 70% of an employee's development; relationships and feedback account for 20% of development helping to build each employee's internal network; and focused training comprises 10% of development, equipping employees with relevant knowledge and skills.

LEADERSHIP DEVELOPMENT AT EMERSON

Our people are critical to our business, and we know each person has individual development objectives to meet their professional goals. To support our global workforce with their learning and development needs, we offer workshops through a variety of delivery methods, including e-learning, virtual instructor-led and in-person training. Particularly in 2021, this virtual option was essential as employees continued to socially distance.

Our leadership development offerings focus on the different inflection points in one's career journey; building skillsets from developing oneself to leading across the enterprise. Each workshop focuses on developing specific competencies that each map to one of Emerson's seven core values. By applying the knowledge and skills developed during these programs, our employees are better equipped to amplify Emerson's values and causes. In 2021 we hosted over 300 workshops and trained more than 5,000 leaders globally.

In 2018 we launched our Rising Leaders Program, a fast-paced learning experience for high potential employees. Through

this 12-month journey, participants come together to gain perspective on topics such as building an inclusive environment, having a leadership mindset and being your authentic self. This program is delivered by leaders in each of our world areas, providing a consistent learning experience for participants while allowing for an element of flexibility based on local needs.

PERFORMANCE REVIEWS

All salaried employees and their supervisors conduct an annual performance review, focusing on performance, development and competency-based goals. Hourly workers are also expected to have similar conversations, reviewing their performance as it relates to their job categories. Our process uses a global competency framework for employee performance and development planning. We also utilize a global training and toolkit resource guide to equip managers and employees with the support they need to have effective performance discussions.

Workforce Development

Emerson has a longstanding commitment to supporting efforts to train the next generation of innovators and to 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 in the HVACR industry, our Commercial & Residential Solutions educational services program offers a variety 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 in the HVACR industry have the opportunity to participate in free, live and recorded training on Emerson products including Copeland™ compressors for refrigeration and air conditioning as well as Lumity™ refrigeration and facility controls. Customers are also able to take advantage

of continued free access to online training courses – many of which are North American Technical Excellence (NATE) certified.

Our Automation Solutions educational services program accelerated its transition to virtual instructor-led learning. We offer a range of instruction from virtual to blended to in-person courses, ensuring we have flexible delivery methods to reflect the varying preferences of our customers. With the launch of MyTraining, our Automation Solutions customers have access to integrated education solutions to optimize their Emerson technologies. Emerson is an accredited provider by the International Association for Continuing Education and Training (IACET).

9,616 customers participated in our Automation Solutions training program during 2021 for a total of 239,779 training hours.

UNIVERSITY AND TECHNICAL COLLEGE PROGRAMS

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

COCKRELL SCHOOL OF ENGINEERING – UNIVERSITY OF TEXAS AT AUSTIN

We're proud to sponsor the Texas Rocket Engineering Laboratory (TREL) in the Cockrell School of Engineering at The University of Texas at Austin. As part of the sponsorship, Emerson is donating our TESCOM regulators that students will use to fabricate their Halcyon rocket. More than 300 TREL engineers and students have benefited from the project over the past two years.

OZARKS TECHNICAL COMMUNITY COLLEGE (SPRINGFIELD, MO)

Emerson has pledged \$500,000 toward the establishment of a Center for Advanced Manufacturing being planned at the Ozarks Technical Community College (OTC). The center will provide training and education in robotics, mechatronics and automation, along with other modern manufacturing methods. Emerson's manufacturing facilities in the nearby communities of Lebanon and Ava have hired more than 30 OTC graduates in recent years.



ST. CLOUD STATE UNIVERSITY (ST. CLOUD, MN)

Emerson, through our measurement instrumentation team in the Twin Cities area, has worked closely with St. Cloud State University for more than 15 years. In addition to advising St. Cloud State's engineering curriculum, we are currently funding undergraduate research and training projects related to software design for advanced wired and wireless measurement devices used in the process industry.

UNIVERSITY PARTNERSHIPS IN CLUJ-NAPOCA, ROMANIA

Our major manufacturing and shared-services facility located in Cluj-Napoca, Romania has long-term partnerships with the city's two major universities (Technical University of Cluj-Napoca and Babes-Bolyai University). This past year we donated various Emerson technologies to the universities for use in their engineering training programs.

Industry Stewardship

Emerson delivers solutions for the world's most critical industries that advance the safety, comfort, health and quality of life for all people.



Our technology helps create more productive, efficient and secure environments.

SUPPORTING HEALTHIER LIVES

Lumity™ brand helps keep critical temperature-sensitive products safe

Our Lumity™ brand of analytics software and digital solutions help ensure that food, medications and other critical products remain safe for consumers by maintaining specific temperatures during transportation and storage. Lumity monitoring capabilities track conditions like temperature and humidity in real time, enabling companies to make necessary adjustments to protect the quality and safety of sensitive products.

Equity investment into Fluxa helps improve time-to-market for new medicines

Combining our leading life science capabilities with Fluxa's Process and Knowledge Management software, Emerson aims

to help accelerate the timeline for R&D and production of new medicines. This technology enables time and resource-saving capabilities, including the scaling of pharmaceutical recipes for manufacturing, technology transfers and enterprise-grade security across systems.

Rapid innovation in the life science development and manufacturing process has compressed a cycle that previously averaged eight years to less than two years through expedited research and development and automation technologies.

Gem City Market partnership brings fresh food to underserved area

A new solution from our Helix Innovation Center in Dayton, Ohio, was deployed in the local community to help address malnutrition. In collaboration with Chemours and Hussmann, Emerson donated an innovative Copeland scroll refrigeration architecture to Gem City Market, a collaborative grocery store located within a "food desert" in Dayton. The USDA classifies a "food desert" as an area with a 20% or greater poverty rate where a third of residents live one mile or more from grocery stores.



POWERING THE FUTURE THROUGH INNOVATION

Emerson's brands and technologies reframe how our customers approach their operations. In areas such as waste, HVACR or refrigerants, we identify opportunities to meet safety and comfort needs more sustainably.

Agreement with PureCycle expands recycling capabilities

Emerson is supporting progress in plastics recycling through a partnership with PureCycle Technologies. Emerson is providing advanced digital technologies and automation for a network of global facilities that will enable large-scale recycling of polypropylene plastic back to a form for re-use in plastic packaging applications. More than 170 billion tons of polypropylene are produced each year with less than 1% typically recycled or reused.

A major milestone for our Copeland brand

Emerson's Copeland brand of compressor technologies for air conditioning and refrigeration celebrated its 100-year anniversary. This milestone arrives as we celebrate the completion of a multimillion-dollar, 110,000 square foot expansion of our Sidney, Ohio, engineering facility.

This expansion reinforces Copeland's commitment to finding sustainable HVACR solutions with lower global warming potential (GWP) refrigerants that keep our customers safe and comfortable.

Corporate Philanthropy

Emerson's corporate philanthropy seeks to strengthen our communities and to create a more equitable future for all.



Emerson's corporate philanthropy is focused primarily on the communities where we operate. Through our charitable contributions and employee volunteerism, we seek to help make our communities better and more attractive places to live and work for all residents.

In 2021, Emerson and the Emerson Charitable Trust made contributions totaling nearly \$24 million to more than 1,100 charities, nonprofit organizations, and educational institutions and for the company's scholarships and teacher recognition programs.

Transitioning Our U.S. Philanthropy Focus to Education Equity Needs

Over the past decade, Emerson has made charitable contributions totaling more than \$300 million to a wide range of causes in our local communities across the United States. Building on this record of support for community improvement, we are ready to begin our next phase of giving to drive an even deeper, long-lasting impact in our communities.

As part of Emerson's vision to create a more equitable future for all, Emerson has pledged \$200 million of our charitable giving over the next 10 years to address education inequities in the communities where we operate. Starting in fiscal 2022,

Emerson and the Emerson Charitable Trust will shift charitable giving primarily toward initiatives related to the developmental and educational experience of children and youth, from early childhood through high school. We will prioritize funding of initiatives targeting under-resourced communities to help create better, more equitable outcomes for all. We look forward to providing further updates on this commitment in future ESG reports.

EMERSON PHILANTHROPY AROUND THE WORLD

Emerson is committed to making a difference in the countries and communities where we operate around the world. Examples of some of our philanthropic activities in India and China are outlined below. Visit our website to learn more about our global philanthropy efforts.

INDIA CSR PROGRAM

Over the past four years, Emerson's India corporate social responsibility strategy has shifted to focus on education-related initiatives and to improve the communities where Emerson operates. For example, we partnered with Learning Links Foundation to setup Tinkering STEAM (science, technology, engineering, the arts and math) labs in locations across India. Additionally, we are supporting programs offered by Magic Bus Foundation, Massoom and Lend-A-Hand India (LAHI) for secondary life skills development, employability and vocational training.

CHINA CSR PROGRAM

Emerson is a longtime corporate supporter of a Red Cross program to help children with congenital heart disease living in undeveloped areas of Southwest and Northwest China. Emerson also supports the China Red Cross Foundation, funding establishment and training for campus medical clinics at 10 rural schools in Midwest China. Over the past two years, this initiative has helped provide basic medical services and physical exams for more than 20,000 students.

SUPPORT OUR PEOPLE FUND

In 2021, we launched the employee-focused Support Our People Fund, named after Emerson's core value of Support Our People, to help employees globally who face financial hardship. The Fund is being financed through annual support from the Emerson Charitable Trust and individual donations from employees. To raise employee awareness, Emerson launched the fund with a challenge match, matching over \$100,000 of employee donations to the Fund. We also introduced employee payroll deductions to allow employees to auto-donate to the Fund.



STEM Education

Emerson is playing a lead role in our local communities and globally to help prepare our future leaders with STEM-related education and to raise awareness of career opportunities in these fields.



\$2.6M

Funding commitments in fiscal 2021 in support of STEM education programs in the United States. Over the past 10 years, Emerson has donated over \$19 million to STEM initiatives.

WE LOVE STEM

Our longstanding “We Love STEM” campaign to increase support for science, technology, engineering and math (STEM) education and awareness of career opportunities has reached thousands of children in 12 countries, and activities led by employee volunteers continued in 2021 in a virtual format due to the ongoing global pandemic. Here are some examples:

VIRTUAL WE LOVE STEM DAY (UNITED STATES)

To engage our U.S. employees’ children of all ages safely during the global pandemic in our annual We Love STEM Day, employee volunteers hosted three concurrent national live virtual events. Participants received an age-appropriate STEM activity kit to follow along with during the live demonstration. Nearly 600 children of employees who work at 37 different Emerson locations around the United States participated. More than 60 Emerson employees volunteered their time to plan, organize and stage the activities.



As part of our 2021 We Love STEM initiative, Emerson donated 1,200 STEM activity kits to the nonprofit Boys and Girls Clubs of Greater St. Louis and the Girls Inc. chapter of St. Louis.

VIRTUAL STEM COMPETITION

In Canada, Emerson sponsored its second annual virtual STEM competition, designed to foster creativity and ingenuity in the areas of science, technology, engineering and math for children. This year's applicants were encouraged to imagine and create a better post-pandemic world with the goals of advancing clean energy, improving food supply and strengthening society. The nearly 50 applicants, ranging from ages 6 to 16 years, were assisted by more than 20 mentors from five Canadian universities and colleges who helped the students think about and refine their ideas and presentations. The top 10 finalists presented their projects virtually to a distinguished panel of judges.

CHILDREN'S DAY + WE LOVE STEM

Employees from Emerson's factory in Chengdu, China celebrated Children's Day and held a STEM activity with their young children at a local classic car museum this year. The children learned about the automobile development process during a tour of the exhibition hall and then got to help assemble a toy car.





Governance and Accountability

Corporate Governance

Emerson is dedicated to high standards of corporate governance.



*In May 2021, Emerson appointed **James Turley** as independent Board Chair.*

We take the necessary steps to help ensure our company acts responsibly and in accordance with the Emerson Purpose. Our commitment to addressing ESG issues is vital to maintaining and developing the trust and confidence of our employees, customers, suppliers and communities.

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.

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 Finance. Required Board Committees are independent pursuant to requirements of the NYSE 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:

INDEPENDENT CHAIR

In May 2021, Emerson appointed James Turley as independent Board Chair. Emerson’s Directors include 10 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 six new Directors to the Board — four of which are diverse. Currently, 45% of Directors are women or persons of color, and average Director tenure is seven years.

EMPLOYEE EXPERIENCE

In 2021, Emerson appointed its first Chief People Officer to help ensure our company evolves with the changing needs of today’s talent and remains positioned to succeed in the future.

DIVERSITY, EQUITY AND INCLUSION

Emerson is committed to enabling a culture where everyone feels valued, trusted and empowered. Currently, two of three required Board committees are chaired by women, and 60% of the Office of the Chief Executive is diverse. Emerson also recently introduced a diversity goal at our leadership level and formed two new employee resource groups in 2021.

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 GHG emission reduction goals, which will be presented for the Compensation Committee’s consideration in determining top leaders’ annual bonuses for fiscal 2022.

Key Events and Developing Culture in 2021

-  **Appointed Independent Chair**
-  **1st Chief Sustainability Officer**
-  **Successful Transition to new CEO**
-  **1st Chief People Officer**

2022 Board at A Glance

Independence



Diversity



Tenure



PEOPLE AND COMMUNITY

In 2021, Emerson established the Support Our People Fund for employees, and updated its charitable giving to focus on addressing education equity in our communities.

ENHANCED ESG OVERSIGHT

Emerson recently amended the Corporate Governance and Nominating Committee charter to emphasize its role in overseeing important public policy and corporate social responsibility issues, including health, safety and environmental sustainability policies and reporting as well as providing oversight of the ESG report.

AUDIT COMMITTEE FINANCIAL EXPERTS

In 2021, the Board determined three members of the Audit Committee are Audit Committee Financial Experts under SEC rules.

GHG REDUCTION TARGETS

In early 2021, Emerson appointed its first Chief Sustainability Officer to lead the company and Environmental Sustainability Steering Committee and further our sustainability efforts, including our progress to reducing our GHG emissions by 20%, normalized to sales, by 2028, compared to a 2018 baseline.

UPDATED BYLAWS

In 2021, Emerson amended its Bylaws to split the CEO and Board Chair roles. Emerson also further improved its proxy access bylaw to remove a limitation on the number of proxy access nominees that was based on our classified Board structure.



RISK MANAGEMENT AND OVERSIGHT

The Board oversees Emerson's risk management process. This process provides the Board timely visibility into the identification, reporting, assessment and management of critical risks. The Audit Committee has specific responsibility for assisting the Board in risk management, including major financial risk exposures and the steps taken to monitor, mitigate and control such exposures. The Audit Committee and the full Board also review Emerson's environmental activities, audits and expenditures annually.

The Corporate Governance and Nominating Committee is responsible for assisting the Board in overseeing Emerson's conflict of interest policies, codes of ethics, ESG, political activities and compliance with laws and regulations.

The formal annual 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. This could include potential issues such as ethics or human rights violations, environmental risks, etc.

POLITICAL PARTICIPATION

Emerson's shareholders, employees and customers are affected by public policies at all levels of government. To protect shareholder value, Emerson engages with public officials to educate them on our company operations, emerging technologies and markets. Further information about Emerson's policies and procedures for political participation can be found on the [Trade Associations and Lobbying](#) page of the Emerson website.

Integrity & Ethics

At Emerson, we expect all employees and leaders to uphold high standards of honest and ethical behavior in the company and in 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.

Our Corporate Governance and Nominating Committee of the Board of Directors oversees the program and helps ensure we take a comprehensive approach through monitoring, investigation

and evaluation — merging three core functional areas including Human Resources, Audit and Compliance, and Law.

We communicate our Ethics and Compliance program to employees through trainings, documentation and reporting channels where employees are encouraged to escalate questions or concerns. The program is reviewed annually to help ensure consistency with the current business environment and industries 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 around the world. The latest version is available to all employees and the public at [Emerson.com/ethics](https://emerson.com/ethics) and has been translated into more than 20 languages. Supplemental ethics guidelines are also provided to executive officers and members of the Board of Directors — and available to the public — to address the special responsibilities of these leaders.

CEO AND SENIOR FINANCIAL OFFICER CODE OF ETHICS

Our company’s most senior leaders adhere to the CEO and Senior Financial Officers Code of Ethics, which outlines expectations including exhibiting and promoting integrity, and providing accurate and timely financial reporting.

At Emerson, integrity is not only a foundational corporate value, it is an ongoing imperative and a daily mindset that drives us forward, the right way.

Our Employee Code of Conduct handbook, “The Right Way,” serves as the foundation for how Emerson employees conduct business around the world.

ANNUAL ETHICS TRAININGS

To help ensure comprehension of our 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 and an evaluation at the end. While we prioritize in-person training when possible, online training is also offered to help ensure we reach our remote workforce.

ETHICS HOTLINE AND REPORTING PROCESS

Our ethics reporting process provides employees clear steps on how to report unethical behavior while ensuring the protection of their employment status. We are fully committed to safeguarding against retaliation or harassment of whistleblowers.

Employees are provided with several avenues to escalate ethics concerns, including our Ethics Reporting website and Ethics hotline number. Both channels are operated by an independent third party and allow for employee anonymity.

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, of which Emerson has a set criterion, are required to be reported directly to the Chief Ethics Officer and Chief Compliance Officer. Emerson's ethics review and resolution program is reviewed annually by internal and external auditors.

CONFLICT OF INTEREST EVALUATION AND REPORTING

Conflicts of interest are taken seriously at Emerson. Employees complete an annual questionnaire to identify potential conflicts of interest between Emerson and any of its directors, officers or employees. This questionnaire is provided in more than 20 languages, and over 40,000 directors, officers and employees responded in 2021. All newly reported conflict of interest cases are investigated and acted on within 30 days.



Areas of Compliance Risk Oversight at Emerson

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

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 the extent to which the program aligns 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 the program is aligned with these practices.

ANTI-CORRUPTION CONTROLS

Emerson follows detailed processes to prevent corruption across our global operations. Quarterly, all business units are required to certify an Internal Control Questionnaire, which includes anti-corruption controls. Emerson’s internal audit also conducts annual anti-corruption audits at locations identified as part of a risk assessment. Approximately 61,000 employees have received anti-corruption training over the past three years, and nearly 1,500 employees in Emerson’s third-party anti-corruption due diligence program received virtual training over the past year.

To actively manage risk associated with third parties, Emerson also conducts thorough screenings and ongoing risk assessments of these groups, giving special attention to locations that operate in high-risk countries and industries.

~61,000

employees have received anti-corruption training over the past three years.

~1,500

employees in Emerson’s third-party anti-corruption due diligence program received virtual training over the past year.

Workplace Safety

One of our core Values, Safety and Quality, is at the foundation of everything we do.



Our Corporate Safety Council is composed of our top human resources, operations and safety leaders. The Council oversees safety efforts, meeting quarterly to help ensure strategy alignment and to track progress on priorities, including safety education, prevention, trends and compliance. Each location has a dedicated safety leader, with each of our locations of 50 or more employees having a committee operating at the local level. Front-line employees are represented to address health and safety concerns proactively. We conduct safety training for all operational employees and management.

We annually recognize achievements in safety performance at our facilities with Safety Leadership Awards, including our Chief Operating Officer Safety Award given to locations with outstanding safety performance and culture programs.

Our Climate Technologies facility in Suzhou, China received the 2021 Chief Operating Officer Safety Award for an exemplary safety program and demonstrated performance.

We believe every incident may be preventable, and we aim to reduce and further eliminate the risk of serious injuries through focused and intentional action. The following initiatives were implemented or substantially enhanced in 2021:

I OWN SAFETY

This global, five-module series explores the state of safety at Emerson and prepares employees to take ownership of environment, health and safety (EHS) performance. The objectives of the session are to help ensure every employee understands Emerson’s vision for EHS performance and culture, believes every incident may be preventable and takes 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.

In 2021, Emerson sites around the globe utilized concepts from I Own Safety to reinforce decision making and safe behaviors across all parts of our business.

VELOCITYEHS

This EHS data management tool is deployed across every Emerson site and enables our businesses to gather, track and analyze relevant information in the evaluation and mitigation of operational risks. A new Management of Change (MOC) module was added to the VelocityEHS Suite at the end of fiscal year 2020. The MOC module helps systematically manage change. It allows us to be proactive in controlling health, safety and environmental risks and hazards as they pertain to our facilities, operations and personnel.

SEND WORD NOW

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

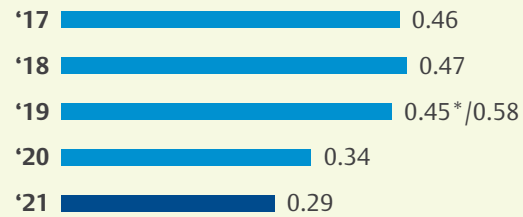
World Safety Day was held in June 2021. Employees wore green to show their support and participated in activities focused on culture, prevention and awareness. Sites hosted target risk reduction projects, hands-on training activities, safety-related games and contests and community outreach events.



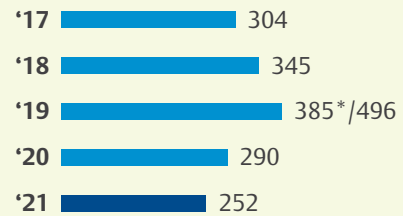
46%
decrease in total recordable
rate of injuries since 2016

EMERSON GLOBAL HEALTH AND SAFETY PERFORMANCE

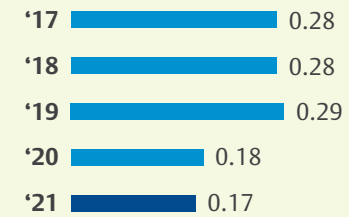
Total Recordable Rate of Injuries



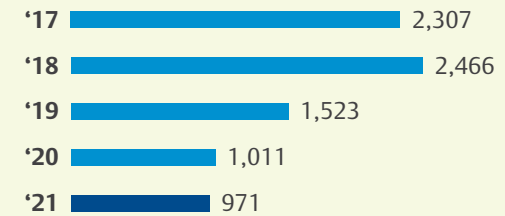
Recordable Injuries



Lost or Restricted Workday Cases Rate



First-Aid Cases



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

Supply Chain

At Emerson, our supply chain is integral to our business.



We work closely with supply chain partners all over the world to source high quality and cost-effective components, provide supply chain resiliency and reinforce the importance of business integrity.

At our Guadalajara White Rogers plant, we invited supply chain partner Benchmark to participate in an Energy Treasure Hunt. This collective team developed an extensive list of energy efficiency ideas with the potential to reduce associated carbon emissions by 15%.

We operate our global supply chain network to the highest level of ethical, human rights and environmental standards. We regularly evaluate and update these standards, launch new initiatives, invest in better resources and systems and enhance our supplier engagement processes to make a positive impact for our customers and communities.

AFFIRMING SUPPLIER RESPONSIBILITY

Our Supplier Code of Conduct sets expectations for suppliers to comply with principles of ethical behavior, labor practices, human rights and environmental protections. Currently, over one-third of Emerson’s supply chain spend is under contracts requiring acknowledgment of this clause and we are working to build this percentage over time. We are also in the process of updating our purchase order terms and conditions in all jurisdictions to specifically ask our suppliers to adhere to our Supplier Code of Conduct.

To evaluate our suppliers’ awareness of and compliance with our Supplier Code of Conduct, as well as understand their own corporate social responsibility policies, we conduct regular

Supply Chain ESG Focus Areas



- REACH
- RoHS
- WEEE
- Conflict Minerals
- GHG Emissions



- Minority or Women Owned Suppliers (U.S.)
- Diversity, Equity and Inclusion
- Forced/ Child Labor Workplace Safety



- Ethical Behavior
- Anti-Corruption
- Conflicts of Interest
- Supply Chain Security

\$5.45B

Emerson's direct material spend with suppliers worldwide in fiscal 2021.

20,000+

Emerson suppliers worldwide in fiscal 2021.

surveys of more than 740 suppliers. Since launching the Supplier Qualification Module in 2018, we have grown coverage to 70% of our annual direct supplier spend. This direct engagement process provides a mechanism for open dialogue with our suppliers on environmental, social and governance information.

We require suppliers who wish to participate in our e-sourcing initiatives to acknowledge their understanding and compliance with our Supplier Code of Conduct before they can bid. We also conduct site visits for many of our new suppliers as part of our qualification process.

REGIONAL SOURCING

At Emerson, we have long employed a regionalization strategy where we manufacture and source within regional markets to drive responsiveness with our customers. In 2021, 83% of our spend was regionalized – and we expect this percentage to grow as we capitalize on more opportunities to localize.

These long-standing efforts have led to increased speed, cost savings and cashflow generation, and risk mitigation while supporting local customer needs and regulatory requirements in the countries we operate. Our strategy provides economic benefits for local suppliers and communities within these regions, as well as environmental benefits, including reduced transportation and associated emissions.

DRIVING SUPPLIER SUSTAINABILITY

As part of our commitment to environmental sustainability across our supply chain, Emerson continues to engage and support suppliers on their own journeys to minimize waste, reduce emissions and make the world more sustainable. In October 2021, we initiated Greening Together Summits with critical suppliers to exchange perspectives and best practices on environmental sustainability and decarbonization. We will be working with these critical suppliers on carbon abatement roadmaps and actions for each major supply chain category.

TRAINING OF EMERSON SUPPLY CHAIN

At Emerson, we are striving to improve the processes that drive ethical, innovative and sustainable supply chain practices. Acting responsibly requires knowledge of a range of complex issues involving suppliers across diverse geographies, cultures and business practices. In October 2021, we launched a Supplier Code of Conduct training program for Emerson employees who engage with our suppliers. There are more than 300 supply chain professionals enrolled in the training program. We also launched a Supplier Code of Conduct training program for our suppliers with focus on critical ESG topics.



Emerson's Chief Sustainability Officer, **Mike Train**, presenting at the Greening Together Summit.



Vanessa McKenzie presenting at the Greening Together Summit.

EMERSON EMPLOYEES MAKING AN IMPACT: Engaging Suppliers for a Sustainable Future

Vanessa McKenzie is a Corporate Vice President and Legal Group Leader in Emerson's M&A, Supply Chain and Vendor Management Organizations. As a member of our Environmental Sustainability Steering Committee, she helps lead the integration of sustainability objectives into all aspects of our business, including supplier operations. Recently, she helped launch a series of Greening Together Summits with key suppliers to exchange best practices and jointly develop our carbon abatement roadmaps. Looking forward, Vanessa is confident that Emerson and our supply chain partners will drive significant impact in our collective environmental sustainability objectives.

Cybersecurity

Empowering our operations and customers
in today's virtual environments.



ENHANCING OUR CYBERSECURITY POSTURE

The rapid digitalization of workplaces and business processes, accelerated by the pandemic, requires heightened focus on cybersecurity for the world's most critical industries and companies. The complexity and frequency of cyber-related events continues to grow and requires a constant effort to respond.

To test and reinforce the internal cybersecurity processes of Emerson, we utilize an independent third-party to audit our primary data centers and key elements of our Enterprise IT organization to help ensure alignment with ISO 27001, an international standard on information security management. Our businesses also utilize additional security frameworks such as ISA 62443 and SOC2 depending on the nature of products or services they produce.

Emerson aligns with the National Institute of Standards and Technology Cybersecurity Framework to help ensure that Enterprise IT infrastructure and cybersecurity solutions and services provided to customers remain robust and effective. We routinely utilize third-party services to evaluate cybersecurity maturity and test effectiveness of overall cybersecurity controls.

Emerson has established company-wide information security policies and procedures. Emerson employees participate in annual cybersecurity training.

Our Chief Information Security Officer conducts quarterly briefings on information security to the Audit Committee to help assure strong governance of our cybersecurity processes.



Reporting

UN Sustainable Development Goals



GOAL 4 – QUALITY EDUCATION

Education is an area of particular importance to us, as we know it can be the catalyst to great opportunity for under-resourced communities and minority populations. As part of Emerson’s vision to create a more equitable future for all, in 2022 we pledged to allocate \$200 million of our charitable giving over the next 10 years to programs and initiatives by nonprofit organizations and educational institutions that address the vital issue of education inequity, with a particular focus on the developmental and educational experience of children and youth from early childhood through high school. Emerson also provides support for technical schools and colleges. For example, Emerson has pledged \$500,000 toward the establishment of a Center for Advanced Manufacturing being planned at the Ozarks Technical Community College (OTC) to provide training and education in robotics, mechatronics and automation, along with other modern manufacturing methods.

See also: [University & Technical College Programs, Page 50](#), [Transitioning Our U.S. Philanthropy Focus to Education Equity Needs, Page 53](#), [STEM Education, Page 55](#)

GOAL 5 – GENDER EQUALITY

In 2021, Emerson continued to honor our commitment to inclusion as we progress toward our ambitious diversity, equity and inclusion (DE&I) goals: doubling our representation of women globally to 40% of our leadership, and U.S. minorities to 30% of our leadership by the year 2030.

For years, the Women’s Impact Network at Emerson has provided support and networking opportunities for women employees around the world. In 2021, the 5,000-member group reached a milestone of 100 chapters across the organization. In addition to the group’s growth, the Women’s Impact Network has helped push Emerson forward as an organization, helping to increase the number of women in leadership positions, hosting regular webinars and attracting a new generation of women in STEM to the company through partnerships with the Society of Women Engineers and several universities.

See also: [Elevating the Representation of Women and Underrepresented Populations, Page 39](#), [Employee Resource Groups, Page 41](#), [Recent Corporate Governance Actions, Page 59](#)

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 6 – CLEAN WATER AND SANITATION

Through our fluid control products and solutions, Emerson works to improve water quality and increase access to safe drinking water by helping our customers ensure their water applications are clean, safe and compliant with regulations. Our technologies automate the treatment of 12 billion gallons per day of North American water and wastewater with over 30% focused on clean water. We help maintain a reliable, sustainable clean water supply by automating the treatment process of over 4.5 billion gallons per day. Emerson technologies are also working to improve the efficiency of clean water treatment, reducing chemical use by 10%, resulting in higher-quality clean drinking water in North American communities.

We also completed a wastewater project with the Great Lakes water authority (GLWA), one of the largest wastewater treatment plants in the U.S., to reduce their costs and improve process quality.



GOAL 7 – AFFORDABLE AND CLEAN ENERGY

Emerson is committed to delivering environmentally sustainable solutions to support our customers' decarbonization strategies and improve energy efficiency. For example, Emerson serves as the trusted partner of the U.S. Department of Energy to develop more sustainable climate technologies. We are currently engaged in nine different projects through the Oak Ridge National Lab to increase energy efficiency, spanning heat pump solutions to low-cost cooling and heating thermal storage.

We have also partnered with the National Renewable Energy Lab (NREL) to advance research and development to increase building operational efficiency. NREL is transforming energy by developing grid-interactive buildings that strengthen the resiliency, efficiency and affordability of energy systems globally.

See also: *Promoting the Decarbonization of the Grid*, Page 25, *Greening By Emerson*, Page 26, *Collaborating with Leading Research Institutions*, Page 35



GOAL 8 – DECENT WORK AND ECONOMIC GROWTH

In 2021, Emerson committed \$2.6 million to STEM education programs in the United States. Our longstanding “We Love STEM” campaign to increase support for STEM education and awareness of career opportunities has reached thousands of children in 12 countries, and activities led by employee volunteers continued in 2021 in a virtual format.

See also: *Training and Development*, Page 48, *Workforce Development*, Page 49, *STEM Education*, Page 55, *Workplace Safety*, Page 64, *Regional Sourcing*, Page 68





GOAL 9 – INDUSTRY INNOVATION AND INFRASTRUCTURE

In 2021, Emerson committed \$100 million 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. This investment commitment contributes to the development of disruptive discrete automation solutions, environmentally sustainable technologies and industrial software in key industries. Our goal is to invest in four to six early-stage startups each year over five years as part of our ongoing commitment to advance solutions, software and technologies that drive innovation toward a greener future.

Emerson is also providing its automation software and technologies for an extensive modernization project for the New York Power Authority’s (NYPA) 2,525-megawatt (MW) Robert Moses Niagara Power Plant. NYPA is the largest state-owned public power organization in the U.S., operating 16 generating



GOAL 12 – RESPONSIBLE CONSUMPTION AND PRODUCTION

Emerson is working to help ensure our company and our customers responsibly make the most of the planet’s resources. For example, our Lumity Site Supervisor provides HVACR, lighting and building control that can be used to reduce electricity consumption.

Our Sensi™ suite of smart home solutions is helping customers control and achieve heating and cooling efficiency targets in homes and businesses. This year, Emerson teamed up with Ameren Missouri to give away Sensi smart thermostats to Ameren Missouri customers seeking to lower their heating costs while doing their part to reduce energy.

See also: Emerson’s Ambition to Achieve Net Zero Emissions, Page 11, Our Approach to Environmental Sustainability and a Net Zero World, Page 10, Reducing Our GHG Emissions, Page 14, Energy Source Decarbonization, Page 28, Powering the Future Through Innovation, Page 52, Workforce Development, Page 49

facilities and more than 1,400 circuit-miles of high-voltage transmission lines. Emerson will implement the distributed control system to help improve plant reliability and assist with all configuration and commissioning services.

See also: Electrification and System Integration, Page 29, Investing in Innovative Breakthrough Technology, Page 32, Convening Leaders and Communities, Page 36



GOAL 13 – CLIMATE ACTION

Emerson recognizes a net zero ambition for our own company is a critical step forward as we build a more sustainable business and contribute to a more sustainable world. As a result, we have established a target to reach net zero greenhouse gas (GHG) emissions across Scopes 1, 2 and 3 by 2045 compared to a 2021 baseline. Our net zero design targets 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. In the near term, we aim to reach net zero across our operations for Scope 1 and 2 GHG emissions by 2030, targeting a 25% absolute reduction of our Scope 3 GHG emissions in that same timeframe. Emerson’s near-term targets have been approved by SBTi and we are currently preparing the submission to validate our long-term net zero target design.



GOAL 17 – PARTNERSHIPS FOR THE GOALS

No one organization or policy solution on its own can address the challenges we face in advancing these ambitious goals. Emerson actively participates in wide range of strategic collaborations to develop innovative solutions to address global sustainability challenges, including the U.S. Department of Energy, the National Renewable Energy Lab, The University of Cambridge, the European Clean Hydrogen Alliance, Business Ambition for 1.5°C partnership, RE100, the Clean Energy Buyer’s Association, the Association of Energy Engineers, the EPA’s Energy Star Partnership and many others.

Our Chief Sustainability Officer, Mike Train, will continue to drive external engagements with policymakers, universities, customers and other stakeholders to further our contribution to Goal 17.

See also: [Greening With Emerson, Page 33](#), [Elevating the Representation of Women and Underrepresented Populations, Page 39](#), [Workforce Development, Page 49](#).

Our Copeland Compressor operation in Lebanon, Missouri completed an Energy Treasure Hunt in 2021 and is implementing several important energy reduction projects. This facility also utilizes 100% of its electricity from renewable sources and is making significant strides in the journey to achieving net zero operations.

See also: [Our Approach to Environmental Sustainability and a Net Zero World, Page 10](#), [Reducing Our GHG Emissions, Page 14](#), [Greening By Emerson, Page 26](#), [Greening With Emerson, Page 33](#).

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 operations. 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	Emerson 2021 ESG Report: Company Profile, p. 6 Emerson 2021 Form 10-K: Item 1 - Business	
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	Emerson.com: Contact Us Emerson 2021 Form 10-K: Item 2 - Properties Emerson.com: Corporate Overview	
102-5	Ownership and legal form	Emerson.com: Corporate Governance (Articles of Incorporation)	
102-6	Markets served	Emerson 2021 Form 10-K: Item 1 - Business Emerson.com: Automation Solutions Emerson.com: Commercial & Residential Solutions	
102-7	Scale of the organization	Emerson 2021 Form 10-K: Item 1 - Business; Item 2 - Properties; Results of Operations, p.15 Emerson 2021 ESG Report: Company Profile, p. 6	

Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
102-8	Information on employees and other workers	Partially reported: 2021 ESG Report: Company Profile, p. 6 ; Emerson Workforce Diversity Leadership Representation, p. 39 Emerson 2021 Form 10-K: Item 1 - Business	8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
102-9	Supply chain	Emerson 2021 Form 10-K: Item 1 - Business 2021 ESG Report: Supply Chain, p. 67	8 DECENT WORK AND ECONOMIC GROWTH
102-10	Significant changes to the organization and its supply chain	Emerson 2021 Form 10-K: Item 1 - Business Emerson 2021 Annual Report: Letter to Shareholders	
102-11	Precautionary Principle or approach	Emerson 2021 ESG Report: Corporate Governance (Risk Management and Oversight), p. 60 Emerson 2021 Form 10-K: Item 1A Risk Factors	
102-12	External initiatives	Emerson Trade Associations Emerson 2021 ESG Report, Collaborating for a Net Zero World: Greening With Emerson, p. 33	17 PARTNERSHIPS FOR THE GOALS
102-13	Membership of associations	Emerson.com: Corporate Governance (Trade Associations & Lobbying)	17 PARTNERSHIPS FOR THE GOALS
102-14	Statement from senior decision-maker	Emerson 2021 ESG Report: CEO Message, p. 3	
102-15	Key impacts, risks and opportunities	Emerson 2021 ESG Report: Corporate Governance (Risk Management and Oversight), p. 60 Emerson 2021 Form 10-K: Item 1A - Risk Factors Emerson 2021 Annual Report, p. 12 - 13	
102-16	Values, principles, standards and norms of behavior	Emerson 2021 ESG Report: Our Values, p. 8 ; Integrity & Ethics, p. 61 Emerson.com: Corporate Governance (Business Ethics)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
102-17	Mechanisms for advice and concerns about ethics	Emerson.com: Corporate Governance (Ethics and Compliance) Emerson 2021 ESG Report: Integrity & Ethics (Ethics Hotline and Reporting Process), p. 62	16 PEACE, JUSTICE AND STRONG INSTITUTIONS




Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
102-18	Governance structure	Emerson 2022 Annual Meeting Proxy Statement: Board and Corporate Governance, p. 7 Emerson 2021 ESG Report: Corporate Governance, p. 58 Emerson.com: Corporate Governance (Principles and Practices)	
102-19	Delegating authority	Emerson 2022 Annual Meeting Proxy Statement: Board and Corporate Governance (Environmental, Social & Governance), p.7 Emerson 2021 ESG Report: Our Approach to Environmental Sustainability and a Net Zero World, p. 10 Emerson.com: Corporate Governance (Principles and Practices – Board Oversight of Management) Emerson.com: Corporate Governance and Nominating Committee Charter	
102-20	Executive-level responsibility for economic, environmental and social topics	Emerson 2021 ESG Report: CEO Message, p. 3	13 CLIMATE ACTION
102-21	Consulting stakeholders on economic, environmental and social topics	Emerson 2022 Annual Meeting Proxy Statement: Our Board of Directors, p. 2; Board and Corporate Governance, p. 9 (Shareholder Engagement)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
102-22	Composition of the highest governance body and its committees	Emerson.com: Corporate Governance Emerson 2021 ESG Report: Corporate Governance (Board of Directors Policies), p. 58 Emerson 2022 Annual Meeting Proxy Statement: Our Board of Directors, p. 2; Board and Committee Operations, p. 7 - 18 (Board Composition)	5 GENDER EQUALITY 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
102-23	Chair of the highest governance body	Emerson.com: Corporate Governance (Principles and Practices) Emerson 2021 ESG Report: Corporate Governance (Board of Directors Policies), p. 58 Emerson 2022 Annual Meeting Proxy Statement: Board and Corporate Governance, p. 9 (Board Leadership Structure)	
102-24	Nominating and selecting the highest governance body	Emerson.com: Corporate Governance (Principles and Practices) Emerson 2022 Annual Meeting Proxy Statement: Board and Corporate Governance, p. 13 (Nomination Process)	5 GENDER EQUALITY 16 PEACE, JUSTICE AND STRONG INSTITUTIONS










Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
102-25	Conflicts of interest	Emerson 2021 ESG Report: Integrity & Ethics (Conflict of Interest Evaluation and Reporting), p. 62 Emerson 2022 Annual Meeting Proxy Statement: Board and Corporate Governance, p. 10 (Review, Approval or Ratification of Transactions with Related Persons; Director Independence) Corporate Social Responsibility: Operating Responsibly (Integrity and Ethics)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
102-26	Role of highest governance body in setting purpose, values and strategy	Emerson 2021 ESG Report: Corporate Governance (Recent Corporate Governance Actions), p. 59 Emerson.com: Corporate Governance (Principles and Practices) Emerson.com: Corporate Governance and Nominating Committee Charter Emerson 2022 Annual Meeting Proxy Statement: Board and Corporate Governance (Environmental, Social & Governance), p. 7	
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.	
102-28	Evaluating the highest governance body's performance	Emerson 2022 Annual Meeting Proxy Statement: Board and Corporate Governance, p. 13 (Board and Committee Evaluations)	
102-29	Identifying and managing economic, environmental and social impacts	Emerson.com: Corporate Governance and Nominating Committee Charter Emerson 2021 ESG Report: Corporate Governance (Risk Management and Oversight), p. 60 Emerson 2022 Annual Meeting Proxy Statement: Board and Corporate Governance (Environmental, Social & Governance), p. 7	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
102-30	Effectiveness of risk management processes	Emerson 2021 ESG Report: Corporate Governance (Risk Management and Oversight), p. 60 Emerson 2022 Annual Meeting Proxy Statement: Board and Corporate Governance, p. 7 (Environmental, Social & Governance (ESG))	
102-31	Review of economic, environmental and social topics	Emerson 2021 ESG Report: Corporate Governance (Risk Management and Oversight), p. 60 Emerson 2022 Annual Meeting Proxy Statement: Board and Corporate Governance (Environmental, Social & Governance), p. 7 Emerson.com: Corporate Governance and Nominating Committee Charter	

















Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
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.	
102-33	Communicating critical concerns	Emerson 2022 Annual Meeting Proxy Statement: Communications with the Company and Obtaining Emerson Documents, p. 66 Emerson 2021 ESG Report: Integrity & Ethics (Ethics Hotline and Reporting Process), p. 62	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
102-35	Remuneration policies	Emerson 2022 Annual Meeting Proxy Statement: Executive Compensation, p. 19 -38	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
102-36	Process for determining remuneration	Emerson 2022 Annual Meeting Proxy Statement: Executive Compensation, p. 19 -38	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
102-37	Stakeholders' involvement in remuneration	Emerson 2022 Annual Meeting Proxy Statement: Proxy Item No. Advisory Vote on Executive Compensation, p. 59	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
102-38	Annual total compensation ratio	Emerson 2022 Annual Meeting Proxy Statement: Pay Ratio Disclosure, p. 50	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
102-40	List of stakeholder groups	Emerson.com: Corporate Governance (Trade Associations and Lobbying) Other organizations listed throughout the report	
102-41	Collective bargaining agreements	Emerson 2021 ESG Report: Employee Engagement (Labor Relations), p. 46	8 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	Emerson 2022 Annual Meeting Proxy Statement: Our Board of Directors, Board and Corporate Governance, p. 2, p. 7 Emerson 2021 ESG Report: Collaborating for a Net Zero World: Greening With Emerson, p. 33	17 PARTNERSHIPS FOR THE GOALS
102-45	Entities included in the consolidated financial statements	Emerson 2021 Form 10-K: Subsidiaries of Emerson Electric Co., September 30, 2021	

Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
102-48	Restatements of information	Emerson 2021 ESG Report: Driving Net Zero Operations: Greening Of Emerson, p. 14	
102-50	Reporting period	Emerson 2021 ESG Report: About This Report, p. 100	
102-51	Date of most recent report	June 15, 2021	
102-52	Reporting cycle	Emerson 2021 ESG Report: About This Report, p. 100	
102-53	Contact point for questions regarding the report	Emerson 2021 ESG Report: About This Report, p. 100	
102-54	Claims of reporting in accordance with the GRI Standards	This material references GRI Standards 2018 as is detailed in this index. Emerson ESG 2021 Report: About This Report, p. 100	
102-55	GRI content index	Emerson 2021 ESG Report: Referenced GRI Standards Index, p. 76	
201-1	Direct economic value generated and distributed	Emerson 2021 Form 10-K: Results of Operations	8 DECENT WORK AND ECONOMIC GROWTH
201-2	Financial implications and other risks and opportunities due to climate change	Emerson 2021 Form 10-K: Item 1A - Risk Factors, p. 8 Emerson 2021 CDP Response	13 CLIMATE ACTION
201-3	Defined benefit plan obligations and other retirement plans	Emerson 2021 Form 10-K: Notes to Consolidated Financial Statements; Retirement Plans	
203-1	Infrastructure investments and services supported	Emerson 2021 ESG Report: Social Responsibility (Industry Stewardship), p. 51 ; (Corporate Philanthropy), p. 53	5 GENDER EQUALITY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES

Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
203-2	Significant indirect economic impacts	Emerson 2021 ESG Report: Workforce Development, p. 49; Corporate Philanthropy, p. 53; STEM Education, p. 55	<div style="background-color: #d62728; color: white; padding: 2px;">1 NO POVERTY</div> <div style="background-color: #2ca02c; color: white; padding: 2px;">3 GOOD HEALTH AND WELL-BEING</div> <div style="background-color: #d62728; color: white; padding: 2px;">4 QUALITY EDUCATION</div> <div style="background-color: #8c564b; color: white; padding: 2px;">8 DECENT WORK AND ECONOMIC GROWTH</div>
204-1	Proportion of spending on local suppliers	Emerson 2021 ESG Report: Supply Chain (Regional Sourcing), p. 68	<div style="background-color: #8c564b; color: white; padding: 2px;">8 DECENT WORK AND ECONOMIC GROWTH</div>
205-2	Communication and training about anti-corruption policies and procedures	Partially reported: Emerson 2021 ESG Report: Integrity & Ethics (Anti-Corruption Controls), p. 63	<div style="background-color: #1f77b4; color: white; padding: 2px;">16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div>
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: #1f77b4; color: white; padding: 2px;">16 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.	<div style="background-color: #1f77b4; color: white; padding: 2px;">16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div>
207-1	Approach to tax	Emerson Statement of Tax Principles	
207-2	Tax governance, control and risk management	Emerson Statement of Tax Principles	
207-3	Stakeholder engagement and management of concerns related to tax	Emerson Statement of Tax Principles	
301-1	Materials used by weight or volume	Partially reported: Emerson 2021 ESG Report: Driving Net Zero Operations: Greening Of Emerson (Utilizing Product Life Cycle Assessments), p. 24	<div style="background-color: #ffc107; color: white; padding: 2px;">12 RESPONSIBLE CONSUMPTION</div>

Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
302-1	Energy consumption within the organization	Emerson 2021 ESG Report: Driving Net Zero Operations: Greening Of Emerson, p. 14 ; Environmental Data, p. 95 2021 CDP Climate Change Report	   
302-3	Energy intensity	Emerson 2021 ESG Report: Environmental Data, p. 95	
302-4	Reduction of energy consumption	Partially reported: Emerson 2021 ESG Report: Our Approach to Environmental Sustainability and a Net Zero World (Emerson's Ambition to Achieve Net Zero Emissions), p. 11 ; Driving Net Zero Operations: Greening Of Emerson, p. 14 ; Environmental Data, p. 95	   
303-1	Interactions with water as a shared resource	Partially reported: 2021 CDP Water Security Report	 
303-3	Water withdrawal	2021 CDP Water Security Report	 
303-5	Water consumption	Partially reported: Emerson 2021 ESG Report: Driving Net Zero Operations: Greening Of Emerson (Water Consumption), p. 19	 

Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
305-1	Direct (Scope 1) GHG emissions	Emerson 2021 ESG Report: Driving Net Zero Operations: Greening Of Emerson (Greenhouse Gas Emissions), p. 15 ; Environmental Data, p. 95	    
305-2	Energy indirect (Scope 2) GHG emissions	Emerson 2021 ESG Report: Driving Net Zero Operations: Greening Of Emerson (Greenhouse Gas Emissions), p. 15 ; Environmental Data, p. 95	    
305-3	Other indirect (Scope 3) GHG emissions	Emerson 2021 ESG Report: Net Zero Across Our Value Chain by 2045 (Establishing a Scope 3 Footprint and Improving Data Quality and Analysis), p. 22 ; Environmental Data, p. 95	    

Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
305-4	GHG emissions intensity	Emerson 2021 ESG Report: Driving Net Zero Operations: Greening Of Emerson, p. 14; Environmental Data, p. 95	    
305-5	Reduction of GHG emissions	Emerson 2021 ESG Report: Driving Net Zero Operations: Greening Of Emerson, p. 14; Environmental Data, p. 95	    
307-1	Noncompliance with environmental laws and regulations	Emerson 2021 ESG Report: Greening Of Emerson (Assuring Environmental Compliance), p. 19 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.	
308-1	New suppliers that were screened using environmental criteria	Partially reported: Emerson 2021 ESG Report: Supply Chain, p. 67	
403-1	Occupational health and safety management system	Partially reported: Emerson 2021 ESG Report: Workplace Safety (VelocityEHS), p. 65	 
403-2	Hazard identification, risk assessment and incident investigation	Partially reported: Emerson 2021 ESG Report: Workplace Safety, p. 64	 

Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
403-3	Occupational health services	Partially reported: Emerson 2021 ESG Report: Workplace Safety, p. 64	<div style="background-color: #2e8b57; color: white; padding: 2px;">3 GOOD HEALTH AND WELL-BEING</div> <div style="background-color: #800000; color: white; padding: 2px;">8 DECENT WORK AND ECONOMIC GROWTH</div>
403-4	Worker participation, consultation, and communication on occupational health and safety	Partially reported: Emerson 2021 ESG Report: Workplace Safety, p. 64	<div style="background-color: #2e8b57; color: white; padding: 2px;">3 GOOD HEALTH AND WELL-BEING</div> <div style="background-color: #800000; color: white; padding: 2px;">8 DECENT WORK AND ECONOMIC GROWTH</div>
403-5	Worker training on occupational health and safety	Partially reported: Emerson 2021 ESG Report: Workplace Safety, p. 64	<div style="background-color: #2e8b57; color: white; padding: 2px;">3 GOOD HEALTH AND WELL-BEING</div> <div style="background-color: #800000; color: white; padding: 2px;">8 DECENT WORK AND ECONOMIC GROWTH</div>
403-6	Promotion of worker health	Emerson 2021 ESG Report: Employee Engagement (Wages and Benefits), p. 46	<div style="background-color: #2e8b57; color: white; padding: 2px;">3 GOOD HEALTH AND WELL-BEING</div> <div style="background-color: #800000; color: white; padding: 2px;">8 DECENT WORK AND ECONOMIC GROWTH</div>
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Partially reported: Emerson 2021 ESG Report: Workplace Safety, p. 64	<div style="background-color: #2e8b57; color: white; padding: 2px;">3 GOOD HEALTH AND WELL-BEING</div> <div style="background-color: #800000; color: white; padding: 2px;">8 DECENT WORK AND ECONOMIC GROWTH</div>
403-8	Workers covered by an occupational health and safety management system	Partially reported: Emerson 2021 ESG Report: Workplace Safety (VelocityEHS), p. 65	<div style="background-color: #2e8b57; color: white; padding: 2px;">3 GOOD HEALTH AND WELL-BEING</div> <div style="background-color: #800000; color: white; padding: 2px;">8 DECENT WORK AND ECONOMIC GROWTH</div>
403-9	Work-related injuries	Emerson 2021 ESG Report: Workplace Safety (Emerson Global Health and Safety Performance), p. 66	<div style="background-color: #2e8b57; color: white; padding: 2px;">3 GOOD HEALTH AND WELL-BEING</div> <div style="background-color: #800000; color: white; padding: 2px;">8 DECENT WORK AND ECONOMIC GROWTH</div>
404-1	Average hours of training per year per employee	688,646.5 total hours of training provided to 86,700 colleagues equals 7.9 average hours of training per colleague.	

Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
404-2	Programs for upgrading employee skills and transition assistance programs	Emerson.com: Careers (Training & Development) Emerson.com: Investing in People (Transition Assistance) Emerson 2021 ESG Report: Training and Development, p. 48	8 DECENT WORK AND ECONOMIC GROWTH
404-3	Percentage of employees receiving regular performance and career development reviews	Emerson 2021 ESG Report: Training and Development (Performance Reviews), p. 48	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
405-1	Diversity of governance bodies and employees	Emerson 2021 ESG Report: Social Responsibility (Emerson Workforce Diversity), p. 39 Emerson 2022 Annual Meeting Proxy Statement: Board Diversity, p. 3 Emerson 2021 Key ESG Data: Workforce Diversity	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Emerson 2021 ESG Report: Employee Engagement (Labor Relations), p. 46	8 DECENT WORK AND ECONOMIC GROWTH
408-1	Operations and suppliers at significant risk for incidents of child labor	Partially reported: Emerson 2021 ESG Report: Employee Engagement (Human Rights), p. 47	8 DECENT WORK AND ECONOMIC GROWTH 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Partially reported: Emerson 2021 ESG Report: Employee Engagement (Human Rights), p. 47	8 DECENT WORK AND ECONOMIC GROWTH

Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
412-1	Operations that have been subject to human rights reviews or impact assessments	Emerson 2021 ESG Report: Supply Chain (Training of Emerson Supply Chain), p. 68	8 DECENT WORK AND ECONOMIC GROWTH
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Emerson 2021 ESG Report: Supply Chain (Affirming Supplier Responsibility), p. 67	8 DECENT WORK AND ECONOMIC GROWTH
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Emerson 2021 ESG Report: Supply Chain (Affirming Supplier Responsibility), p. 67	8 DECENT WORK AND ECONOMIC GROWTH
413-1	Operations with local community engagement, impact assessments, and development programs	Partially reported: Emerson 2021 ESG Report: Supply Chain (Regional Sourcing), p. 68	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
414-1	New suppliers that were screened using social criteria	Emerson 2021 ESG Report: Supply Chain (Affirming Supplier Responsibility), p. 67	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Disclosure	GRI Standards Disclosure Title	Location/Response	Related UN SDGs
415-1	Political contributions	Emerson.com : Trade Associations & Lobbying	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
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 health and safety impacts 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.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
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 health and safety impacts 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.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
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.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
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.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

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, given the diversified nature of Emerson’s business, 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
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	RT-CH-110a.1	Metric tons (t) CO ₂ e, Percentage (%)	Emerson 2021 ESG Report, Emissions Intensity and Greenhouse Gas Emissions, p.15 : 112,326 MT CO ₂ 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 2021 ESG Report, Emerson’s Ambition to Achieve Net Zero Emissions, p. 11 ; Greening Of Emerson, p.14 2021 CDP Climate Change Report
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	RT-EE-130a.1 RT-IG-130a.1	Gigajoules (GJ) Percentage (%)	Environmental Data, p. 95 (1) 1,275,440 MWh electricity used (2) 96% grid electricity (3) 4% renewable
Water Management	(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 cubic meters (m3), Percentage (%)	2021 CDP Water Security Report, Section W1. 2b, 3,567 megaliters withdrawn
	Number of incidents of non-compliance associated with water quality permits, standards and regulations	RT-CH-140a.2	Number	2021 CDP Water Security Report, Section W2.2a, three water-related fines, none of which are considered significant

Disclosure Topic	Metric	SASB Code	Units	Emerson Metric/Disclosure Location
	Description of water management risks and discussion of strategies and practices to mitigate those risks	RT-CH-140a.3	N/A	2021 CDP Water Security Report, Section W3.3
Employee Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	RT-IG-320a.1	Rate	Emerson 2021 ESG Report, Emerson Global Health and Safety Performance, p. 66: 0.29 total recordable rate of injuries
Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery; (2) anti-competitive behavior	RT-EE-510a.1	N/A	Emerson 2021 ESG Report, Anti-Corruption Controls, p. 63 Emerson Employee Code of Conduct, Giving Gifts or Other Things of Value and Bribery, p. 9; Antitrust or Anti-competition, p.14 Emerson Business Ethics Emerson Supplier Code of Conduct
	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
	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	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
Activity Metrics	Number of employees	RT-EE-000-B	Number	Emerson 2021 Form 10-K: Item 1 – Business, Human Capital Resources: approximately 86,700 employees at September 30, 2021

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.

Governance

Disclose the company’s governance around climate-related risks and opportunities.

Summary Response	Recommended Disclosure	Disclosure Location
<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>a. Describe the board’s oversight of climate-related risks and opportunities.</p>	<p>2021 CDP Climate Change Report, sections C1. 1a, C1. 1b Emerson 2022 Annual Meeting Proxy Statement: Board and Corporate Governance p.7 (Environmental, Social & Governance) Emerson 2021 ESG Report, Risk Management and Oversight p. 60</p>
<p>Our CEO and Chief Sustainability Officer engage directly with the Board to report progress toward greenhouse gas (GHG) targets, and coordinated with the Board on the development of our net zero ambition. 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>b. Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p>2021 CDP Climate Change Report, sections C1.2, C1.2a</p>
<p>The members of the Office of the Chief Executive (OCE), which includes the most senior leaders of the company, bring the relevant experience essential to developing and executing our climate-related strategies. An Environmental Sustainability Steering Committee, comprised of many of these executive leaders, meets bi-annually to evaluate the company’s sustainability strategy.</p>		

Strategy

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.

Summary Response

Emerson is committed to developing and maintaining sustainable, responsible practices and offerings in its global operations to create value for customers and shareholders. Our business strategy and product development processes take into consideration the implications of climate change. Climate-related risks and opportunities are considered in our strategies throughout the business and value chain, including within product development, supplier engagement, business objectives and operations and financial planning.

Emerson expects climate-related scenarios to eventually impact our business. We are in the process of developing short and long-term sustainability planning that includes climate related scenario analysis into the business strategy. Emerson utilizes internationally recognized climate related scenarios (IEA, IPCC, etc.) to understand and inform strategy regarding our broad portfolio of products, expertise, and solutions for our customers and the likely evolution of energy systems going forward.

Recommended Disclosure

- Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term
- Describe the impact of climate-related risks and opportunities on the company's business, strategy, and financial planning.
- Describe the resilience of the company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Disclosure Location

[2021 CDP Climate Change Report, Risks and Opportunities, section C2](#)

[2021 CDP Climate Change Report, sections C2.3a, C2.4a, C3.1, C3.2, C3.3, C3.4](#)

[2021 CDP Climate Change Report, Business Strategy, section C3](#)
Emerson 2021 ESG Report, Emerson's Ambition to Achieve Net Zero Emissions, [p. 11](#)

Risk Management

Disclose how the company identifies, assesses and manages climate-related risks.

Summary Response

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. 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.

Recommended Disclosure

- Describe the company's processes for identifying and assessing climate-related risks.
- Describe the company's processes for managing climate-related risks.
- Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management.

Disclosure Location

[2021 CDP Climate Change Report, sections C2.1b, C2.2](#)

[2021 CDP Climate Change Report, section C2.2](#)

[2021 CDP Climate Change Report, sections C1.1a, C1.1b, C1.2, C1.2a](#)

Metrics and Tactics

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Summary Response

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 Target initiative's (SBTi) Net-Zero Standard, the world's leading organization in driving the adoption of science-based targets.

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.

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. Emerson's near-term targets have been approved by SBTi and we are currently preparing the submission to validate our long-term net zero target design.

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.

In 2019, Emerson announced a target to reduce greenhouse gas emissions by 20%, normalized to sales, by the year 2028. The company's intensity goal covers all of our global manufacturing facilities where we own, operate and have control over operations. This represents roughly 80% of our Scope 1 and 2 GHG footprint. 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.

Recommended Disclosure

- a. Disclose the metrics used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process.
- b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.
- c. Describe the targets used by the company to manage climate-related risks and opportunities and performance against targets.

Disclosure Location

- [2021 CDP Climate Change Report, Business Strategy, section C3](#)
- [2021 CDP Climate Change Report, sections C2.2a, C6.1, C6.2, C6.3, C7](#)
Emerson 2021 ESG Report, Emerson's Ambition to Achieve Net Zero Emissions, [p. 11](#); Environmental Data, [p. 95](#)
- [2021 CDP Climate Change Report, section C4.1b](#)
Emerson 2021 ESG Report, Emerson's Ambition to Achieve Net Zero Emissions, [p. 11](#); Reducing Our GHG Emissions, [p. 14](#)

Environmental Data

Metric	GRI Indicator	2018	2019	2020	2021
Scope 1 + 2 Emissions (metric tons CO₂e)					
Scope 1 + 2 GHG emissions intensity (mT CO ₂ e / Sales \$M)	305-4	52.6	49.0	47.4	43.7
Scope 1 + 2 GHG emissions intensity from 2018 baseline	305-5	-	-6.7%	-9.9%	-16.8%
Scope 1 + 2 GHG emissions total	305-1 and 305-2	914,995	901,013	795,110	797,086
Scope 1 + 2 GHG emissions from manufacturing facilities		704,328	689,799	630,870	615,163
Scope 1 + 2 GHG emissions from non-manufacturing facilities		210,667	211,214	164,240	181,923
Scope 1 + 2 regional GHG emissions breakdown NA		485,539	468,274	422,163	411,962
Scope 1 + 2 regional GHG emissions breakdown LATAM		123,112	122,823	102,389	113,298
Scope 1 + 2 regional GHG emissions breakdown EU		102,853	101,096	83,430	84,589
Scope 1 + 2 regional GHG emissions breakdown MEA		27,550	27,524	24,121	21,388
Scope 1 + 2 regional GHG emissions breakdown AP w/o China		77,513	79,917	70,182	55,082
Scope 1 + 2 regional GHG emissions breakdown China only		98,428	101,379	92,824	110,767

Metric	GRI Indicator	2018	2019	2020	2021
Scope 1 + 2 GHG emissions breakdown by business (COMRES)		438,832	430,285	385,987	401,454
Scope 1 + 2 GHG emissions breakdown by business (AUTOSOL)		414,346	409,206	359,517	351,812
Scope 1 + 2 GHG emissions breakdown by business (CORP)		61,817	61,522	49,605	43,820
Scope 1 Emissions (metric tons CO₂e)					
Scope 1 emissions total	305-1	202,998	196,962	179,149	195,945
Scope 1 GHG emissions by natural gas		137,182	132,252	121,970	122,511
Scope 1 GHG emissions by propane		7,020	8,452	8,803	7,281
Scope 1 GHG emissions by stationary diesel		3,585	1,008	896	862
Scope 1 GHG emissions by residual fuel oil		193	231	355	213
Scope 1 GHG emissions by kerosene		449	547	632	550
Scope 1 GHG emissions from mobile sources		45,101	44,999	37,025	54,264
Scope 1 GHG emissions from refrigerants		9,423	9,423	9,423	10,216
Scope 1 GHG emissions from agricultural byproducts		45	48	44	46
Scope 2 Emissions (metric tons CO₂e)					
Scope 2 emissions total (market-based)	305-2	711,997	704,052	615,961	601,141
Scope 2 emissions total (location-based)	302-3	709,532	701,556	619,446	604,629
Reduction in Scope 2 GHG emissions by renewable energy / total avoided	302-2	16,455	17,353	17,148	18,217

Metric	GRI Indicator	2018	2019	2020	2021
Energy (MWh)					
Energy consumption (MWh)	302-4	2,282,041	2,258,512	2,039,436	2,116,917
Natural gas use	302-1	756,886	729,686	672,959	675,944
Mobile sources	302-1	78,883	78,431	62,631	113,970
Stationary diesel use	302-1	14,155	3,981	3,537	3,405
Kerosene use	302-1	1,743	2,124	2,456	2,144
Residual fuel oil use	302-1	750	899	1,379	829
Agricultural byproducts		6,469	6,890	6,337	6,590
Propane use		33,200	39,976	41,633	34,437
Purchased steam	302-1	1,330	1,330	1,405	1,355
Purchased hot water		1,527	3,691	3,042	2,803
Electricity use	302-1	1,387,097	1,391,504	1,244,057	1,275,440
On-site renewable electricity generation		4,948	5,003	3,441	4,180
Contracted renewable electricity		27,628	29,363	36,634	43,616
Number of locations with 100% renewable electricity		5	6	8	11
Energy intensity (MWh / Sales \$M)		131.1	122.9	121.5	116.1
Energy intensity reduction compared to 2018	302-3	-	-6.2%	-7.3%	-11.5%

Metric	GRI Indicator	2018	2019	2020	2021
Scope 3 Emissions (metric tons CO₂e)					
Scope 3 emissions purchased goods & services and capital goods (Category 1+2)	305-3			1,675,000	2,049,500
Scope 3 emissions upstream fuel & energy related activities (Category 3)	305-3			170,000	163,000
Scope 3 emissions up & downstream transportation & distribution (Category 4+9)	305-3				803,000
Scope 3 emissions waste in operations (Category 5)	305-3				52,100
Scope 3 emissions business travel (Category 6)	305-3				19,200
Scope 3 emissions employee commuting (Category 7)	305-3				155,000
Scope 3 emissions use of sold products (Category 11)	305-3				588,000,000
Scope 3 emissions end-of-life treatment (Category 12)	305-3				150,000
Scope 3 emissions total	305-3				591,391,800

Scope 3 categories 10 and 15 are negligible, categories 13 and 14 are not applicable. For combined Scope 1 + 2 calculations, note Scope 2 market-based emissions were used to calculate the totals. Scope 3 categories 1-3 emissions calculations for 2021 use a different methodology than the previous year.

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 the high GWP value of these 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.

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 (GHG) inventory compilation and to provide guidance and review on the Scope 3 GHG calculations required to align with both the GHG Protocol (GHGP) and the Science Based Targets initiative's (SBTi) 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 two decades.



**About
This
Report**

About This Report

The Emerson 2021 Environmental, Social and Governance Report presents information focused primarily on data collected and activities that occurred during calendar 2021 or Emerson’s fiscal 2021 (October 1, 2020 — September 30, 2021), except where indicated otherwise.

In 2021, the Company completed the acquisition of OSI, a leading operations technology software provider, which broadens and complements Automation Solutions’ software portfolio and ability to help customers in the global power industry, and other end markets, transform and digitize operations to more seamlessly incorporate renewable energy sources and improve energy efficiency and reliability.

In May 2022, we completed the successful closing of the combination of Emerson’s industrial software businesses – OSI Inc. and its Geological Simulation Software business – with Aspen Technology, Inc. to create a global industrial software leader (“new AspenTech”). With the close of the transaction, Emerson owns 55% of new AspenTech on a fully diluted basis and AspenTech shareholders own the remaining 45%.

Where appropriate, we have indicated whether the data we present here includes discontinued businesses.

Certain data, statistics, and metrics included in this report, including those related to GHG emissions, are estimates,

have not been prepared in accordance with generally accepted accounting principles and have not been reviewed for assurance by an independent third-party. 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.

In this Report, we may use certain terms including those that GRI or others 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 used, or 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. This Report is not comprehensive and should be read in conjunction with our Annual Report on Form 10-K and our other SEC filings.

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**

About This Report (cont.)

SAFE HARBOR STATEMENT

This report contains various forward-looking statements and includes assumptions concerning Emerson's operations, future results and 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) 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; (14) changes in tax rates, laws or regulations and the resolution of tax disputes in U.S. and non-U.S. jurisdictions; (15) the impact of improper conduct by our employees, agents or business partners; (16) the outcome of pending and future litigation, including environmental compliance; (17) availability of renewable energy on a commercially reasonable basis; and (18) 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. 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 you that the results reflected or implied by any such statements will be realized or achieved.

