Event will begin at 8:30 ET
**Safe Harbor Statement**
This presentation contains commentary and responses to your questions may contain “forward-looking” statements including outlook for the remainder of the fiscal year, which involve risks and uncertainties, and Emerson undertakes no obligation to update any such statements to reflect later developments. These risks and uncertainties include, the scope duration and ultimate impact of the COVID-19 pandemic, as well as economic and currency conditions, market demand, including related to the pandemic and oil and gas price declines and volatility, pricing, protection of intellectual property, cybersecurity, tariffs, and competitive and technological factors, among others, as set forth in the company’s most recent Annual Report on Form 10-K and subsequent reports filed with the SEC.

**Non-GAAP Measures**
In this presentation we will discuss some non-GAAP measures in talking about our company’s performance, and the reconciliation of those measures to the most comparable GAAP measures is contained within this presentation or is available at our website www.emerson.com under the investors tab.

**Trademark Ownership Statement**
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**Restructuring Actions**
Indicated restructuring actions at specific locations are preliminary proposals, subject to consultation, negotiation or other legal requirements.
### 2021 Emerson Investor Conference
**St. Louis, MO**

**Tuesday, February 16th, 2021**

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speaker(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:30 CT</td>
<td>Welcome</td>
<td>Lal Karsanbhai</td>
</tr>
<tr>
<td>7:30 – 9:00</td>
<td>Business Overview &amp; Strategic Update</td>
<td>Lal Karsanbhai &amp; David Farr</td>
</tr>
<tr>
<td>9:00 – 9:30</td>
<td>Environmental Sustainability Initiatives</td>
<td>Mike Train</td>
</tr>
<tr>
<td>9:30 – 9:45</td>
<td>Break</td>
<td></td>
</tr>
<tr>
<td>9:45 – 10:15</td>
<td>Commercial &amp; Residential Solutions</td>
<td>Jamie Froedge</td>
</tr>
<tr>
<td>10:15 – 10:45</td>
<td>Automation Solutions</td>
<td>Lal Karsanbhai</td>
</tr>
<tr>
<td>10:45 – 10:55</td>
<td>Break &amp; Analyst Dial-in</td>
<td></td>
</tr>
<tr>
<td>10:55 – 11:30</td>
<td>Questions &amp; Answers</td>
<td>Panel of EMR Leadership</td>
</tr>
</tbody>
</table>
We have been preparing for a zero or low growth environment since June 2019 - the hard work has positioned us well to execute during the coming global business upturn in 2021 and 2022.

A lot has unfolded the last 18 months – With an aggressive cost reset to drive new record margins; completed several strategic acquisitions; dealt with the global pandemic recession – And now returning to sales, earnings, and cash flow growth. **Thanks to all Emerson employee’s support**
Emerson delivered on our April 21st reset commitment to the investors and aggressive cost reduction program while continuing strategic technology investments.

<table>
<thead>
<tr>
<th></th>
<th>2019 Actual</th>
<th>April 21st 2020 Guidance</th>
<th>2020 Actual</th>
<th>2019/20 %Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reset Plan</td>
<td>As Reported</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>$18.4B</td>
<td>~$16.6B</td>
<td>$16.8B</td>
<td>✓</td>
</tr>
<tr>
<td>Underlying Sales Growth</td>
<td>3%</td>
<td>(9%) – (7%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Margin</td>
<td>42.5%</td>
<td>~42%</td>
<td>41.8%</td>
<td></td>
</tr>
<tr>
<td>Adjusted EBIT Margin</td>
<td>17.0%</td>
<td>~16%</td>
<td>16.7%</td>
<td>✓</td>
</tr>
<tr>
<td>Restructuring Costs</td>
<td>$95M</td>
<td>~$280M</td>
<td>$304M</td>
<td>✓</td>
</tr>
<tr>
<td>Operating Cash Flow</td>
<td>$3.0B</td>
<td>~$2.75B</td>
<td>$3.1B</td>
<td>✓</td>
</tr>
<tr>
<td>Adjusted EPS</td>
<td>$3.69</td>
<td>$3.00 - $3.20</td>
<td>$3.46</td>
<td>✓</td>
</tr>
<tr>
<td>Dividends per share</td>
<td>$1.96</td>
<td>$2.00</td>
<td>$2.00</td>
<td></td>
</tr>
<tr>
<td>Dividend to FCF Ratio</td>
<td>50%</td>
<td>~55%</td>
<td>48%</td>
<td></td>
</tr>
<tr>
<td>Cash Returned to Shareholders</td>
<td>$2.5B</td>
<td>~$2.2B</td>
<td>$2.2B</td>
<td>✓</td>
</tr>
</tbody>
</table>

Emerson is ready to take share as the global markets recover -- We capitalized on a difficult COVID induced recession to position for strong value creation in this next cycle -- Cost reset, strategic OSI software / American Governor acquisitions and rebalanced global organization for new growth markets and new growth opportunities.
Our portfolio has evolved through the decades, and we have two world-class platforms with room to expand – Emerson has continuously transformed itself to be relevant for global growth, penetration and strong profitability.

Over the last 30 years Emerson has acquired $14B and divested $13B in sales, continuously repositioning itself for sustained value creation -- This will continue under the new CEO leadership -- Give him time.
Acquisitions are an important element to mix towards higher growth, higher margin markets - - at all levels of Emerson’s technology stack

<table>
<thead>
<tr>
<th>Data Management &amp; Services</th>
<th>2016-2021YTD Deals</th>
<th>2020 Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>OSI Power</td>
<td>Zedi</td>
<td>$1.1B</td>
</tr>
<tr>
<td>Progea</td>
<td></td>
<td>$1.6B</td>
</tr>
<tr>
<td>Battleground (DMZ)</td>
<td>Ins insights</td>
<td>$14.1B</td>
</tr>
<tr>
<td>Data Management &amp; Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Converts rich data to information and develops actionable insights</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Control</th>
<th>Verdant</th>
<th>2016-2021YTD Deals</th>
<th>2020 Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performs action on rich data collected from the field</td>
<td>American Governor</td>
<td>OSI Power</td>
<td>Zedi</td>
</tr>
<tr>
<td></td>
<td>Machine Auto. Sol.</td>
<td></td>
<td>$1.6B</td>
</tr>
<tr>
<td>Control</td>
<td>Verdant</td>
<td>OSI Power</td>
<td>$14.1B</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Zedi</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Devices / Instruments / Sensors</th>
<th>2016-2021YTD Deals</th>
<th>2020 Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valves &amp; Controls / Aventics</td>
<td></td>
<td>$1.6B</td>
</tr>
<tr>
<td>Tools &amp; Test</td>
<td></td>
<td>$14.1B</td>
</tr>
<tr>
<td>Devices / Instruments / Sensors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Generates rich data</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Our established credibility with customers through world class devices/instruments/sensors lays the foundation to optimize our customers’ broad needs.

Customers rely on our control systems, which ensure their processes are optimized, running safely, efficiently, and productively.

This business focus and technology pyramid come out of the 2015 repositioning process – Gives us a clear road-map for internal investments and strategic acquisitions.
Emerson continuously remixing the portfolio over the last 20 years – Drives sustainable value creation

Emerson’s management has consistently managed the business portfolio; profitability structure; and strong cash flow conversion to drive sustainable value creation through many challenging business cycles.
Emerson is well positioned to outperform in the global post-COVID pandemic recovery

### Global Macro Economics
- Economies have adjusted to the reality of COVID being with us for a while
- Global V shaped recovery firmly underway -- per Emerson’s orders over the last 5 months
- GFI accelerating through the 2nd half of 2021 and through 2022

<table>
<thead>
<tr>
<th>GFI Growth</th>
<th>2021E</th>
<th>2022F</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>4.5%</td>
<td>4.0%</td>
</tr>
<tr>
<td>G7</td>
<td>2.0%</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

*IHS Forecasts & Management Assessment

Global government stimulus supports a strong growth cycle over the next few years

### Markets
- End market demand driving growth in Commercial & Residential Solutions businesses in 2021/22 -- refrigerant changes driving stronger growth through 2023
- Power market is in an unprecedented upheaval due to renewable energy and carbon reduction targets
- Life science and medical booming due to COVID-19 medical needs
- Traditional energy types in a recovery phase for next 2–3 years – as needed energy sources are rebalanced
- Our long-term build-out in digital capabilities, energy efficiency / productivity management are Emerson advantages

### Emerson
- The start of next growth cycle has begun -- expect (1%) – 1% underlying sales for Q2
- Emerson’s global market diversification has paid dividends and is positioned to do so over next 2 – 3 years
- The aggressive cost reset plan is being executed and reading through our results -- New peak margins are in focus
- We continued to invest in technology development and acquisitions
- Strong cash returned to shareholders (50-60%)
- Strong domain knowledge and large installed base positions Emerson to win in our customers digital transformation
- Broad leadership development process provides a strong, next generation team led by Lal Karsanbhai

Emerson is well positioned with current portfolio; strong profitability plans, and high levels of cash flow conversion for new leadership to take Emerson to new performance heights
LAL KARSANBHAI

Lal has served as Executive President of the company’s Automation Solutions business since 2018. Lal has led Automation Solutions to strong performance, elevating Emerson’s software profile and digital transformation business.

EMERSON CAREER

1995 International Planner
1999 Director Corporate Planning
2002 VP Industrial Regulators
2005 VP & GM Natural Gas
2008 President, Fisher Regulator Technologies
2012 VP Corporate Planning & Strategy
2014 President Network Power, Europe & MEA
2016 Group President, Measurement & Analytical
2018 Executive President, Automation Solutions
2021 Chief Executive Officer

BACKGROUND

Birthplace Lisbon, Portugal
Education University of Michigan, B.A. Economics
Washington University, MBA
Interests Runner, Reader
Lived in Europe, North America & Africa
DAVID N. FARR

Under David’s leadership, Emerson has transformed from a component manufacturing company to an industrial software leader with a singular purpose uniting nearly 85,000 employees. He built on the company’s longstanding disciplined management strategy, making it one of the few companies to increase its dividend to shareholders for 64 consecutive years. Additionally, he has been a fierce champion and sought-after voice for manufacturing.

EMERSON CAREER

- 1983: Assistant to Vice Chairman
- 1985: Manager Investor Relations
- 1986: VP Corporate Planning & Strategy
- 1989: President, Ridge Tool
- 1993: President, Asia-Pacific
- 1994: CEO, Astec
- 1999: COO
- 2000: CEO
- 2004: Chairman, Chief Executive Officer
- 2021: Non-Executive Chairman

BACKGROUND

- Birthplace: Syracuse, New York
- Education: Wake Forest University, B.S. Chemistry & Physics, Vanderbilt University, MBA
- Interests: Golf, Reading (Baseball Bats), Lived in Europe, Asia, North America
Financial performance

*Emerson has performed well under David’s leadership*

### Return of cash to shareholders

(Q1’FY01 – Q1’FY21)

<table>
<thead>
<tr>
<th>DIVIDEND PAYOUT</th>
<th>SHARE REPURCHASE</th>
<th>TOTAL RETURN</th>
</tr>
</thead>
<tbody>
<tr>
<td>$20.1B</td>
<td>$15.7B</td>
<td>$35.8B</td>
</tr>
</tbody>
</table>

### TSR vs. S&P, XLI

- **EMR TSR (2000-2021):** 400%
- **XLI (2000-2021):** 350%
- **S&P 500 (2000-2021):** 325%

All data shown is through Q1 FY21
Globalization

EMERGING MARKET EXPANSION
David established Emerson in China in 1993 and drove Emerson’s push into emerging markets with its own investments and acquisitions while competitors were following an export strategy. David led the effort in multiplying the footing of every business, increasing corporate support and implementing corporate programs, and attracting divisional management to the region.

REGIONAL OPERATIONAL STRATEGY
Emerson is a leader in “being local.” David was passionate about serving the emerging markets with a presence across sales, marketing, engineering, operations, and supply chain. You had to be a local company to compete, but Emerson was able to leverage its global scale to advance its emerging market competitiveness.

LEADERSHIP
While expats have a role to play when establishing a business in international locations, David led the efforts to develop local leaders to take the helm of the companies Emerson established around the world when he was in Asia and when he became CEO.

David has built a successful global company
Repositioning for growth

Collaboration is essential to provide solutions that span the technology layers of connected devices, controls, and software.

OPERATIONAL EXCELLENCE

Unwavering commitment to investing in world class operations to drive a safer work environment for all.

Through exceptional customer commitment, David drove improved on-time delivery resulting in increased speed and efficiency for our customers.

David brought a unique focus on high quality earnings, driven by the Emerson Management Process.

REPOSITIONING THREE FRANCHISES

Undertook three major repositioning efforts since 2000. In 2015, Emerson successfully executed a strategic repositioning of the company, divesting multiple businesses and narrowing its focus from five platforms to two.

Notable acquisitions include Westinghouse Process Control, Pentair Valves & Controls, Cooper-Atkins, Tools & Test, Aventics, Intelligent Platforms, Verdant, American Governor, and Open Systems International.

EMBRACING SOFTWARE DEVELOPMENT

Prior to becoming CEO, David put in motion key development programs centered around digital transformation, helping support the growth of the Plantweb Digital Ecosystem.

In 2020, David led several acquisitions to broaden and complement Emerson’s unique scalable offerings, reinforcing the company’s commitment to software as a key value driver.

Under David’s leadership, Emerson grew its software-enabled innovation portfolio to $2.4B.
Passionately engaging all stakeholders

CUSTOMERS

Fostering relationships at senior levels of our customer base

INDUSTRY STEWARDSHIP

Presenting as the Chairman of the National Association of Manufacturers

INVESTORS

Ringing the bell at the New York Stock Exchange

COMMUNITY

Building a new playground in Ferguson, Missouri
Developing future leaders

As a leader, you must see opportunities, recognize those opportunities, and make an impact.

Effective leaders take risks, they know how to evaluate risk, they know the pluses and minuses, and they know when to take it. You will fail, just don’t fail too often. I encourage people to fail and try, because that is the way you learn.

Get personally engaged in your career development and raise your hand, be ready to put something on the line.
AGENDA

2020 Review & The Path Forward

Our Culture

Market Dynamics & Growth Opportunities

Emerson Financial Plan
Culture Drives Performance

Performance Creates Value
Emerson has a culture that is driven to create value for its employees, customers, and shareholders.

**OUR PURPOSE**
Overarching Goal that Guides Us, The Impact or Change We Can Make in the World

**THE EMERSON MANAGEMENT PROCESS**
Puts Our Values in Action

**OUR CAUSES**
Aspirations and Activities that Provide Proof Behind Our Purpose

**OUR VALUES**
Foundation of Our Character and Behavior

We Drive Innovation That Makes The World Healthier, Safer, Smarter, and More Sustainable

---

**THE EMERSON MANAGEMENT PROCESS**

- **Planet**
- **Humanity**
- **Champion**
- **Inclusion**
- **Future**

**OUR VALUES**
- Integrity
- Continuous Improvement
- Safety & Quality
- Collaboration
- Support Our People
- Innovation
- Customer Focus
Our people went above and beyond to support customers and communities during the pandemic

ITALY
HUMAN RESOURCES

Celestina Raggi

Led the coordination of the COVID-19 crisis for two business units in Europe from the beginning, working to ensure the highest standards of social distancing, PPE, and temperature screening. Made daily personal sacrifices to protect the company and our employees.

MIDDLE EAST
SERVICE ENGINEERING

Walid Sabri  Hussain Aqeel

Despite increasing travel restrictions, Walid and Hussain elected to stay on location, away from their families for 3 months, to continue to serve our customers.

MEXICO
PLANT MANAGER

Asencion Garcia

Immediately enacted new health safety processes for COVID-19 to protect employees while delivering record production outputs during COVID -- 2020 Q4 output was 10% higher than the plant’s previous record.

UNITED KINGDOM
CORPORATE IT

Andy Priest

Andy carried out the coordination with multiple vendors globally to ensure connectivity and capacity for 40,000 employees at a time when everyone in the world was trying to increase bandwidth – he worked this diligently.
Culture and people are the most critical elements to creating sustained value and driving better business outcomes.
My management style is built on two principles, which I intend to use fully as CEO of the company. It’s built on trust and empowerment. I’ve always believed that if you trust the team and you empower the individuals to do the work, you get the best results. People feel excited that they own it, that they can run with it. I do hold people accountable, but if you empower and trust, that accountability is expected.”

EXPERIENCES
- Stretch roles and business assignments
- Different geographies, businesses, mobility
- Organization reviews

NETWORKING & RELATIONSHIPS
- Focus on drivers, traits, competencies
- 360 feedback
- Mentoring opportunities

FORMAL & CONTINUOUS EDUCATION
- Planning conferences
- Leadership development programs

LEADERSHIP DEVELOPMENT IS INTEGRAL TO EMERSON’S MANAGEMENT PROCESS
This tenet leads to great senior leadership retention and broad perspectives for our young talent
Diversity & Inclusion

Having a diverse and inclusive workplace allows us to strengthen our innovation through a variety of perspectives and backgrounds.

As an organization, we aspire to focused and intentional action to enhance our culture of diversity & inclusion. This will contribute to the rich exchange of ideas that inspires innovation and brings the best business solutions to our customers.

RECOGNITION

AMERICA’S BEST EMPLOYERS FOR WOMEN
Forbes Magazine

BEST PLACES TO WORK FOR LGBTQ EQUALITY 100% CORPORATE EQUALITY INDEX RATING
Human Rights Campaign

TOP 50 EMPLOYER, READER’S CHOICE
Ranked #13, Woman Engineer Magazine

TOP 50 EMPLOYER, READER’S CHOICE
Ranked #25, STEM Workforce Diversity Magazine

2019 CORPORATE CHAMPION
Women’s Forum of New York

2020 WORLD’S MOST ADMIRED COMPANIES
Fortune Magazine

WORKFORCE DIVERSITY

THE PERCENTAGE OF WOMEN
in management positions in our U.S. workforce has increased by 15% since 2015.

15%

THE PERCENTAGE OF MINORITIES
in U.S. management positions has increased by 32% since 2015.

32%

DIVERSE SLATES
targeting for all salaried positions to recruit, develop & retain diverse talent.

50%

EMPLOYEE RESOURCE GROUPS

TOTAL EMPLOYEES PARTICIPATING AND GROWING

7,500+

Veterans Resource Group
Blacks Reinforcing Diversity
Women in STEM
Somos
LGBTQ + Allies
Governance

Emerson’s Board of Directors is active & engaged on governance & compliance

PRODUCT SAFETY
Safety programs, safe product development

ETHICS INVESTIGATIONS
Anonymous reporting, ethics committee

THIRD PARTY MANAGEMENT SYSTEM
Due diligence screening, anti-bribery clause, and audit rights

RISK ASSESSMENT
Enterprise risk management, compliance risk assessment, and external assessment of program

CODE OF CONDUCT & POLICIES
Internal control questionnaire, acquisition integration process

COMMUNICATION & TRAINING
Annual ethics training, policy letter to 3rd parties

MONITORING
Anti-corruption audits, employee opinion surveys

ALIGNING INCENTIVES
Executive compensation focus on EPS growth & FCF, beginning in FY21, relative TSR will be included

Emerson’s Board of Directors

100%
100%

INDUSTRY EXPERTISE
CURRENT / FORMER CEO

46%
69%

WORKED / WORKING OUTSIDE U.S.
EMERGING MARKET PARTICIPATION

30%

CURRENT / FORMER FINANCIAL OFFICER

Female 23%
Ethnicity 15%
Nationality 8%

BOARD DIVERSITY

AVERAGE DIRECTOR TENURE: 7 YEARS
Emerson has built two global platforms encompassing three world class franchises

AUTOMATION SOLUTIONS
Diversifying in high growth markets leveraging strengths in sensing, control, and software
Solving new energy problems and capitalizing on investments in solutions for a more sustainable world

CLIMATE TECHNOLOGIES
Innovating new solutions that improve efficiency and lower the global warming potential impact of refrigerants
Delivering integrated solutions to diverse end markets in food and pharmaceuticals

TOOLS & HOME PRODUCTS
Innovating smart and connected solutions to solve the skilled trade gap and enable the new workforce
Delivering best in class home solutions via operational excellence

COMMERCIAL & RESIDENTIAL SOLUTIONS
Emerson continues to diversify in growing end markets

2020 Emerson Sales by End Market

<table>
<thead>
<tr>
<th>End Market</th>
<th>Sales %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>9%</td>
</tr>
<tr>
<td>Residential</td>
<td>15%</td>
</tr>
<tr>
<td>Cold Chain</td>
<td>8%</td>
</tr>
<tr>
<td>Chemical</td>
<td>11%</td>
</tr>
<tr>
<td>Power</td>
<td>10%</td>
</tr>
<tr>
<td>Discrete</td>
<td>9%</td>
</tr>
<tr>
<td>Hybrid</td>
<td>6%</td>
</tr>
<tr>
<td>Other</td>
<td>7%</td>
</tr>
<tr>
<td>Upstream</td>
<td>12%</td>
</tr>
<tr>
<td>Midstream</td>
<td>7%</td>
</tr>
<tr>
<td>Refining</td>
<td>6%</td>
</tr>
</tbody>
</table>

**2020-23T Sales CAGR**

- **Cold Chain**: 6%
- **Discrete**: 6%
- **Hybrid**: 8%
- **Power**: 10%
- **Chemical**: 11%
- **Commercial**: 15%
- **Residential**: 15%
- **Midstream**: 7%
- **Refining**: 6%

**SD Biosensor Test Kits**

- XpressPDF & GO Real-Time LUX Tracker to monitor environmental conditions through distribution
- Expanded distribution of COVID-19 tests to 126 countries

**Aluminum Palletizers**

- Combined solution of PACSystems platform & other Emerson intelligent devices to create “smart” palletizer
- Greater overall equipment effectiveness

**Aventics (Motion Control)**

- 44% YoY Global Commercial Vehicle FY21 Q1
- China release of CN6 Emissions Regulations provides > 350k medium & heavy-duty vehicles for Emerson (affecting 5 regional customers)
- Lower emissions benefit the global environment

**Life Sciences**

- Combined solution of PACSystems platform & other Emerson intelligent devices to create “smart” palletizer
- Systems, software and domain knowledge of continuous manufacturing to reduce costs, improve quantity, quality and reliability of pharmaceutical manufacturing
- Achieve maximum product quality at minimal cost

---

*Growth percentages for reported sales by business and industry
**Life Sciences includes distributed control systems and software
We are building our franchises through innovation and acquisitions across all technology layers

**DATA MANAGEMENT**

- Power Transmission & Distribution Software Platform
- Cloud Supervisory Control & SCADA Platforms
- Comfort Optimization
- Simulation, Modeling & Scheduling Software for Life Sciences
- Production Management
- Real-Time Cold Storage Monitoring & Tracking
- Wireless Monitoring
- Analytics & Data Lake

**CONTROL**

- Control, Visualization & IoT
- Hydroelectric Turbine Control
- Energy Management and Optimization
- Discrete Process Control
- Machine & Motion Control, I/O Networking
- Comfort Management

**DEVICE**

- Valves & Actuation
- Test & Measurement Instruments
- Gas Detection
- Fluid Automation
- Steam Regulators
- Energy Efficiency Technology
- Corrosion Monitoring
- Measurement Devices

---

$1.1B SALES

$1.6B SALES

$14.1B SALES

---

30
Emerson’s established portfolio of software innovations represents $2.4B in revenue

Expansion into vertical software platforms leverages Emerson’s installed base of devices that create the data.

Domain knowledge gives Emerson a competitive advantage vs its industrial peers and pure software entrants to the market.

Emerson’s comprehensive solutions will drive a return on our customers’ investment.
Digital transformation remains highly relevant to customers’ current and long-term business goals

Integrated operational performance platform

- **Plantweb Optics**
  Unifies data, people, and systems to drive operational performance

New innovations

- **Wireless Vibration Monitor**

Scaling proven applications

2020 RESULTS

45 SITES

with Digital Transformation installed base of $2M, deploying 3+ distinct solutions

2022 TARGET

100 SITES

with Digital Transformation installed base of $5M, deploying 5+ distinct solutions
Emerson’s end to end solutions are a critical part of the new energy value chain, helping our customers meet sustainability goals.
Acquisition of OSI expands our addressable market in global power automation to $6.7B

TOTAL ADDRESSABLE GLOBAL POWER SEGMENT $6.7B WITH OSI

Current Emerson Segment
Power Generation Control Systems

Expanding Emerson Segment (w/ OSI)
Transmission & Distribution Automation

- Distributed Control Systems (DCS)
- DCS Software & Applications
- Energy Management Systems
- Advanced Distribution Management Systems
- Sensors

2020 Power Generation DCS Market Emerson Participation
25%

2020 Transmission and Distribution Market OSI Participation
6%

ATTRACTION PENETRATION POTENTIAL
65% of Utilities have Yet to Transition to ADMS

• North American Utilities have shifted CAPEX budgets from ~50% T&D in 2009 to ~67% T&D
• Advanced Transmission & Distribution Automation Technologies Market expected to grow 7% CAGR from 2020 to 2030

Emerson Participation | 1998 | 2020
--- | --- | ---
Global | 13% | 25%

OSI Participation | 2020 | 2029F
--- | --- | ---
Global | 6% | 2x+

Source: ARC, IHS, internal estimates; Participation is representative of current served market
Emerson will achieve growth above market by leveraging diversification, digital, and sustainability

Continued focus on software and higher-growth adjacent markets

Emerson end-to-end solutions are a critical part of the new energy value chain

Enhance digital offering
Increase industrial software participation in target industries
Continue to pursue industry diversification and expand into new markets
Focus on solutions delivery
Focus on higher-growth end markets

Emerson has built three world class franchises that have strong market position, profitability, and cash flow.
**V-shaped recovery underway and market fundamentals continue to improve**

**Emerson**
- Automation Solutions
- Commercial & Residential Solutions

Trailing 3 Month Underlying Orders vs Prior Year

- **North America** recovery in Automation Solutions is the final geography to fall in place for continued improvement
- All Commercial & Residential Solutions segments are growing but some will moderate later in 2021
- Prior cycles indicate continued order improvement through 2021
- Economic recovery is setting up an improved 2022 and 2023

Orders data includes the Valves & Controls acquisition results in all periods presented, including on a pro forma basis for periods prior to the acquisition close April 28, 2017.
**Emerson 2021E forecast**
No change from February 2nd earnings call

<table>
<thead>
<tr>
<th>Guidance: Feb 2, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales Growth</strong></td>
</tr>
<tr>
<td>Acquisitions impact</td>
</tr>
<tr>
<td>FX Impact</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Underlying Sales Growth</strong></td>
</tr>
<tr>
<td>Automation Solutions</td>
</tr>
<tr>
<td>Comm. &amp; Res. Sols.</td>
</tr>
<tr>
<td></td>
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<tr>
<td><strong>Restructuring Actions</strong></td>
</tr>
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<tr>
<td><strong>Tax Rate</strong></td>
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<tr>
<td><strong>Operating Cash Flow</strong></td>
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<tr>
<td>Capital Spend</td>
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<tr>
<td><strong>Free Cash Flow</strong></td>
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<tr>
<td>Share Repurchase / M&amp;A</td>
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<tr>
<td>Dividend</td>
</tr>
<tr>
<td></td>
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<tr>
<td><strong>GAAP EPS</strong></td>
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<tr>
<td></td>
</tr>
<tr>
<td><strong>Adjusted EPS</strong></td>
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</tr>
</tbody>
</table>

Key assumptions:
- Demand continues to stabilize and gradually improve
- No major supply chain or operational challenges
- Oil prices: $45 to $55 WTI ppb

2021 profit
Headwinds / tailwinds vs. Prior year:
- Pension: +$40M
- OSI Inc amortization: ($65M)
- COVID-related savings: ($40M)
- Price cost: ($25M) in 2021 after +$150M in 2020
- Stock price: ($80M)
Emerson executing to exceed previous record profitability

- Emerson is positioned to deliver margin improvement as presented in February 2020, but on $2B lower sales in 2023
- We are entering the upswing of the next cycle
- The reset cost structure and sales growth drives planned margins

(1) Excludes gains/losses from divestitures/stock sales, impairments, and 1-time purchase accounting
(2) 2021-2023 Target based on Company Plan - excludes future acquisitions
Cost reset planning is complete; focus has shifted to execution, which is well underway

2019-2023 Cost Reset Plan Progress

- ~80% of reset spend is complete through Q1 2021
- ~$600M future benefit

Restructuring Spend

Complete

Future benefit

Incremental Savings

$220  $260  $650M+

2021  2022 / 2023

- Cost reset plan has less than a one-year payback on average
- Early actions were quickly completed and have read through our earnings over the last 6 months
- Facility moves have longer payback, are in flight, and will be managed

Note: Savings includes ~$20M of Corporate
2023 target adjusted EBITDA remains ~24% despite COVID pandemic

- Cost reset program target: ~24% EBITDA in 2023
- ~2.5% wage inflation is primary profitability headwind (~$500M)
- ~1.5% freight and other inflation is secondary profitability headwind contributor (~$200M)
- Price cost headwind in 2021 will normalize and return to tailwind over planning period
- Over the long run, we expect 70% to 80% of COVID related savings to return into the business
Emerson has a strong path to exceeding $20B in sales in 2023T

- Market growth ~3%
- Share gains drive above market organic growth
- Commercial & Residential Solutions growth is expected to be 5% to 7% in this plan
- Automation Solutions growth expected to be 3% to 5% in this plan
- OSI contributes ~30% of the acquisitive growth in this period - but more importantly, enables entry into transmission & distribution market
- Acquisition activity expected to increase post COVID

Note: Does not reflect impact of potential divestitures
Adjusted EPS driven by cost reset actions and operational excellence

- Plan to remain flexible for strategic acquisition opportunities
- Line-of-sight to $5 per share in 2023
- Base company growth and margin expansion are primary drivers of EPS
- In this plan, we are assuming fewer acquisitions and share repurchases due to $7B cumulative less revenue compared to the 2020 Investor Conference plan
- Net headwinds primarily consist of partial restoration of COVID cost savings

<table>
<thead>
<tr>
<th>2020A Adjusted</th>
<th>Net Headwinds</th>
<th>Base Company</th>
<th>Acquisitions</th>
<th>Share Repurchase</th>
<th>2023T Adjusted EPS</th>
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</thead>
<tbody>
<tr>
<td>$3.46</td>
<td>($0.16)</td>
<td>$1.25 - $1.50</td>
<td>$0.10</td>
<td>$0.10</td>
<td>$4.75 - $5.00</td>
</tr>
</tbody>
</table>
Emerson remains focused on returning 50% to 60% of operating cash flow to shareholders

- Dividends remain an important component of returning cash to our shareholders
- Share repurchase modulates to deliver 50 to 60% of OPCF to shareholders over time
- Planned cash flow supports up to $6B in acquisitions with balance sheet flexibility if the right strategic deals emerge
- Discipline in acquisition pursuit and valuation
- Continued investment into the business with ~3% Capex - business requirements are fully funded

Cash Sources
2020 – 2023T

- $15.3B
  - Depreciation & Amortization ~$3.9B
  - Net Income ~$9.3B
  - Net Debt Increase ~$2.1B

Cash Uses
2020 – 2023T

- $15.3B
  - Dividends ~$5.0B
  - Share Repurchase $1.7B - $3.1B
  - Acquisitions (Includes OSI) $4.5B - $5.9B
  - CapEx ~$2.4B
  - NWC/Other ~0.3B

Plan to remain flexible for strategic acquisition opportunities

Note: Inclusive of 2020, 2021E, 2022T, 2023T
• Emerson has strong path to grow FCF each year during this plan

• We continue to target 14% to 16% of FCF as a percent of sales

• History of high-quality earnings - converting >110% of net earnings to FCF in this plan

• FCF growth supports target range of dividend to FCF of 40% to 50%

<table>
<thead>
<tr>
<th>Year</th>
<th>FCF</th>
<th>Dividend / Share</th>
<th>FCF Net Earnings</th>
<th>dividend to FCF</th>
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<tbody>
<tr>
<td>2014</td>
<td>$2.9B</td>
<td>$1.72</td>
<td>110%</td>
<td>41%</td>
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<tr>
<td>2015</td>
<td>$2.3B</td>
<td>$1.88</td>
<td>105%</td>
<td>56%</td>
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<tr>
<td>2016</td>
<td>$2.5B</td>
<td>$1.90</td>
<td>131%</td>
<td>48%</td>
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<tr>
<td>2017</td>
<td>$2.2B</td>
<td>$1.92</td>
<td>135%</td>
<td>56%</td>
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<td>2018</td>
<td>$2.3B</td>
<td>$1.94</td>
<td>114%</td>
<td>54%</td>
</tr>
<tr>
<td>2019</td>
<td>$2.4B</td>
<td>$1.96</td>
<td>105%</td>
<td>50%</td>
</tr>
<tr>
<td>2020</td>
<td>$2.5B</td>
<td>$2.00</td>
<td>128%</td>
<td>48%</td>
</tr>
<tr>
<td>2021E</td>
<td>$2.5B</td>
<td>$2.02</td>
<td>~120%</td>
<td>48%</td>
</tr>
<tr>
<td>2022T</td>
<td>$2.5B</td>
<td></td>
<td>&gt;110%</td>
<td></td>
</tr>
<tr>
<td>2023T</td>
<td>$2.4B</td>
<td></td>
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</tr>
</tbody>
</table>

1Cash flows exclude impact of repositioning items in 2015 and 2016, divestiture gains in 2015, and impairments in 2014
Div/FCF excludes tax and separation costs on divestitures; 2Continuing Operations; 3Excluding one-time non-cash tax benefits
## Emerson's 2021E – 2023T financial forecast

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021E</th>
<th>2023T</th>
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<tbody>
<tr>
<td>Sales</td>
<td>$16.8B</td>
<td>$17.8B</td>
<td>$20B+</td>
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<tr>
<td>Gross profit</td>
<td>41.8%</td>
<td>42%</td>
<td>44%</td>
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<tr>
<td>Adj EBIT Margin</td>
<td>16.7%</td>
<td>17%</td>
<td>19%</td>
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<tr>
<td>Adj. EBITDA Margin</td>
<td>21.8%</td>
<td>22.5%</td>
<td>24%</td>
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<tr>
<td>Adj. EPS</td>
<td>$3.46</td>
<td>$3.70+/- $0.10</td>
<td>$4.75 - $5.00</td>
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<tr>
<td>Operating Cash Flow</td>
<td>$3.1B</td>
<td>$3.15B</td>
<td>$3.8B</td>
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<tr>
<td>CAPEX</td>
<td>$538M</td>
<td>$600M</td>
<td>$660M</td>
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<tr>
<td>% Sales</td>
<td>3.2%</td>
<td>3.4%</td>
<td>3.3%</td>
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<tr>
<td><strong>BALANCE SHEET LEVERAGE RATIOS</strong></td>
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<tr>
<td>Operating Cash Flow / Total Debt</td>
<td>41%</td>
<td>45%</td>
<td>45%</td>
</tr>
<tr>
<td>Total Debt / Adj. EBITDA</td>
<td>2.0x</td>
<td>1.8x</td>
<td>1.7x</td>
</tr>
</tbody>
</table>

Note: All forecast data and ratios are approximate.
Executing margin expansion and capitalizing on upswing in sales

Transforming Industries

1. Culture drives performance, leading to sustained shareholder value creation
2. World class franchises serving diverse high growth markets
3. Exceptional execution and discipline drive higher margins and cash flow
4. Performance drives EPS growth and strong balance sheet to provide investment optionality

Enabling Sustainability

Creating Value
Executing on Environmental Sustainability Priorities & Opportunities

February 16, 2021
Emerson’s environmental sustainability framework — we are highly relevant, across our portfolio, to a lower carbon future

GREENING OF
Reducing GHG emissions intensity by 20% across 185 major sites by 2028.

Enlisting our energy providers, supply chain partners, and logistics services to support similar objectives.

Embedding sustainability focus throughout our management process.

GREENING BY
Providing products, expertise, solutions & services to help our customers transition to lower carbon by:
Energy Source Decarbonization
Emissions Management
Electrification & System Integration
Energy Efficiency & Optimization

GREENING WITH
Engaging external stakeholders by:
Partnersing to develop innovative solutions
Participating in sector and customer initiatives
Sharing our expertise to shape future policy developments globally

SCOPE 4
Impact of solutions

"SCOPE 4"

RESEARCH & INNOVATION
Universities & Research Centers
Industry Pilots

INDUSTRY LEADERSHIP
Customer Connections
Sector Forums

GOVERNMENT POLICY

Emerson committed to a 20% greenhouse gas emissions intensity reduction by 2028

Committed to 20% reduction of GHG intensity measured at 185 sites globally

Reduction in energy usage & Increasing mix of renewable energy

39 → 31
2018  2028
Intensity: metric tons CO2e / sales $M

Led by Board of Directors
Environmental sustainability steering committee
Embedded in the management process
Environmental sustainability leaders and teams at every site

LEADING ENGAGEMENTS
- Energy suppliers
- Supply chain
- Logistic partners
Embedding sustainability into the culture of Emerson

ENVIRONMENTAL SUSTAINABILITY HUB

ENERGY TREASURE HUNTS
- **Participation:** Sustainability site team and internal subject matter experts
- **Process:** Evaluate energy usage weekday and weekend. Look, listen, measure
- **Prioritize:** Largest energy usages, improvement opportunities, capital

TOP FACILITY OPPORTUNITIES
- Equipment Shutdown
- LED Lighting
- Building Control Systems
- HVAC Setback
- Compressed Air Optimization
- Cleaning & Temp. Chambers

HIGHLIGHTS
- **Onsite Power Generation**
  - 2.6MW rooftop solar in Dubai
- **Renewable Energy Purchases**
  - ~820K sqft. Cluj, Romania site powered by 100% renewable energy
- **Efficient Equipment**
  - LED lighting project reduces energy and maintenance costs by 77%
  - New melt furnaces reduce energy 68%
- **Volatile Organic Compound Reduction**
  - Filtering & absorption systems
  - Transition to low VOC paints
  - Water-soluble cutting fluid
- **Recycling & Waste Initiatives**
  - Waste recycling
  - Food diversion
  - Water treatment / re-use at multiple locations
Sources and uses of **energy** in the US: Navigating the Sankey diagram

**Sources of Energy**
- Solar: 1.04
- Nuclear: 8.46
- Hydro: 2.5
- Wind: 2.74
- Geotherm: 0.21
- Nat Gas: 32.1
- Coal: 11.4
- Biomass: 4.98
- Oil: 36.7

**Uses of Energy**
- Residential: 11.9
- Commercial: 9.41
- Industrial: 26.4
- Transport: 28.2

Total Consumed: 100.2 Quads

*Units in quadrillion BTU's consumed annually
Source: Lawrence Livermore National Laboratory, 2019
Leading our customers through their decarbonization journey

ENABLING A GREEN ENERGY FUTURE

SUPPORTING GLOBAL TRANSITION TO CLEANER ENERGY

DRIVING TOP QUARTILE PERFORMANCE AND EFFICIENCY OF EXISTING INFRASTRUCTURE

ENERGY SOURCE DECARBONIZATION

LOW-CARBON POWER (SOLAR, WIND, NUCLEAR, HYDRO)

LOW-CARBON FUELS (BIOFUELS, LNG)

HYDROGEN & HYDROGEN-BASED FUELS

RECENT ACQUISITION:

*Units in quadrillion BTU’s consumed annually
Source: Lawrence Livermore National Laboratory, 2019
Real examples of energy source decarbonization today

1. Engaged with start-up and established renewable energy providers
   SOLAR & WIND

2. Compression solutions used to process landfill gases to biogas
   RENEWABLE NATURAL GAS

3. Next generation of energy solutions
   AMMONIA FOR STORAGE AND TRANSPORT OF GREEN H₂

Applications
Cooling and separation of high purity gasses
Industrial electrolyzers for large-scale H₂ production

8 MW hybrid PV solar plant
Mennetou, France

SOLUTIONS
- Ovation SCADA
- Controllers & Monitors
- Remote Access
- Commissioning
- Compression
- Edge Computing
- DeltaV DCS/SIS
- Boiler & Fuel Control
- Pressure, Temperature, Control/Safety Valves/Regulators
- Asset Performance
- Digital Twin Simulation
- Distributed Control
- Edge Computing
- Coriolis Flow Meters
- Regulators
Reducing emissions of primary energy and electricity

**Energy Flow**

**Sources of Energy**

- Solar: 1.04
- Nuclear: 8.46
- Hydro: 2.5
- Wind: 2.74
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**Emissions Management**

- Residential: 11.9
- Commercial: 9.41
- Industrial: 26.4
- Transport: 28.2

**Emissions Monitoring & Control**

**Carbon Capture Utilization & Storage**

**Natural & Low GHG Refrigerants**

*Units in quadrillion BTU's consumed annually

Source: Lawrence Livermore National Laboratory, 2019
Real examples of capturing emissions today

1. Carbon Capture Utilization & Storage

   Abu Dhabi National Oil Company Project

   800K tons of CO₂ / year

   Products & Services
   - DeltaV DCS & SIS
   - Instruments & Valves
   - Automation Contractor Services

2. Fugitive Emissions Reduction

   Loss of Product
   - Legal Penalties
   - Higher Operating Costs

   Suite of Devices and Monitors

   Data Management

   Monitoring

   Devices

3. CO₂ Natural Refrigerant Heat Pump

   Hydro Quebec
   Large Capacity Heating, Cooling and Hot Water

   ~4x Efficient As Traditional Technologies for Water Heating/Cooling
   Clean Energy Powered
   Uses the Lowest GWP Refrigerant
Replacing traditional combustion & managing grids

**SOURCES OF ENERGY***

- Solar 1.04
- Nuclear 8.46
- Hydro 2.5
- Wind 2.74
- Geotherm 0.21
- Net Gas 32.1
- Coal 11.4
- Biomass 4.98
- Oil 36.7

Energy Flow

**Power Generation & Distribution**

- Residential 11.9
- Commercial 9.41
- Industrial 26.4
- Transport 28.2

Total Consumed: 100.2 Quads

**ELECTRIFICATION & SYSTEM INTEGRATION**

- **END-USE ELECTRIFICATION (HEAT PUMPS)**
- **ENERGY SUPPLY OPTIMIZATION**
- **ENERGY STORAGE & GRID MANAGEMENT**

**RECENT ACQUISITIONS:**

- Electric power and utilities transmission and distribution
- SCADA/HMI platforms for industrial supervision

**GREENING BY**

*Units in quadrillion BTU’s consumed annually
Source: Lawrence Livermore National Laboratory, 2019
Real examples of electrification & grid management today

1. Electric Heat Pump Replacing Traditional Combustion
   DECARBONIZING HEATING & COOLING
   Transitioning away from fossil fuels and operating more efficiently

2. Gas & Liquid Management
   PRECISE DISTRIBUTION, FULFILLMENT & CONTROL
   Integrating business and operational activities for efficient resource management

3. Real Time Grid Management
   OPTIMIZE ENERGY TRANSMISSION & DISTRIBUTION
   Controls power flow and voltage to end users and distributed energy resources
Reducing waste & enhancing efficiency

ENERGY EFFICIENCY & OPTIMIZATION

ADVANCED CONTROLS & ANALYTICS

SIMULATION & REMOTE MONITORING

WASTE MANAGEMENT

RECENT ACQUISITION:

Energy management solutions for hospitality industry

*Sourcing of energy:

<table>
<thead>
<tr>
<th>Source</th>
<th>Use</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solar</td>
<td>1.04</td>
<td>28.2</td>
</tr>
<tr>
<td>Nuclear</td>
<td>8.46</td>
<td>22.3</td>
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<tr>
<td>Hydro</td>
<td>2.5</td>
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</tr>
<tr>
<td>Wind</td>
<td>2.74</td>
<td>5.93</td>
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<td>Geotherm</td>
<td>0.21</td>
<td>13.5</td>
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<tr>
<td>Net Gas</td>
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<td>12.9</td>
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<tr>
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<td>7.74</td>
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<tr>
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<td>6.12</td>
</tr>
<tr>
<td>Oil</td>
<td>36.7</td>
<td>4.17</td>
</tr>
</tbody>
</table>

*Units in quadrillion BTU’s consumed annually

Source: Lawrence Livermore National Laboratory, 2019

Uses of Energy:

- Power Generation: Used Energy 32.7
- Residential: Energy 11.9
- Commercial: Energy 9.41
- Industrial: Energy 26.4
- Transport: Energy 28.2

Total Consumed: 100.2 Quads
Real examples of energy efficiency & optimization today

1. Sensi™ Smart Thermostats

**USERS SAVE 23% HVAC ENERGY CONSUMPTION**

Remote access, usage reports, flexible scheduling, geo-fencing

2. Full Operations Digital Twin

**DYNAMIC TRAINING ON CONTROL ROOM ACTIONS & FIELD OPERATIONS**

Train on running a virtual batch ensures life sciences production stays on schedule

3. Monitor Food from Farm to Fork

**TEMPERATURE, LOCATION, QUALITY MONITORING FOR END-TO-END COLD CHAIN INTEGRITY**

End-to-end data, services and insights
Sources and uses of energy in the US: Navigating the Sankey diagram

<table>
<thead>
<tr>
<th>Sources of Energy</th>
<th>Energy Flow</th>
<th>Uses of Energy</th>
<th>Total Consumed: 100.2 Quads</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solar 1.04</td>
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<td>Lost Energy 67.5</td>
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</tr>
<tr>
<td>Nuclear 8.46</td>
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<td>Used Energy 32.7</td>
<td></td>
</tr>
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<td>Hydro 2.5</td>
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<td>Residential 11.9</td>
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<tr>
<td>Wind 2.74</td>
<td></td>
<td>Commercial 9.41</td>
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<tr>
<td>Geotherm 0.21</td>
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<tr>
<td>Nat Gas 32.1</td>
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<td>Transport 28.2</td>
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<td>Coal 11.4</td>
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<td>Used Energy 32.7</td>
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<td>Biomass 4.98</td>
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<td>Residential 11.9</td>
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<td>Oil 36.7</td>
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<td>Commercial 9.41</td>
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</tr>
</tbody>
</table>

*Units in quadrillion BTU’s consumed annually
Source: Lawrence Livermore National Laboratory, 2019
Applications for hydrogen are accelerating
Four use cases – broad Emerson capabilities applicable to all

**BLENDING INTO NATURAL GAS**
Injection into existing infrastructure
5% to 30% blend projects underway

**FUEL INFRASTRUCTURE FOR TRANSPORTATION**
Production, transportation, metering & dispensing value chain
Commercial trucking and daytime fleets

**INDUSTRIAL PROCESSES**
Transition high temperature fossil fuel combustion processes to hydrogen
Examples: Steel, cement, petrochemicals

**POWER GENERATION**
Electrolyzer to separate hydrogen from water
Store hydrogen for future “dispatchable” use in turbines for electricity production

---

**WORLD ENERGY OUTLOOK**
**GLOBAL HYDROGEN DEMAND BY SECTOR**

- **Ammonia**
- **Synfuel**
- **Industry**
- **Buildings**
- **Transport**
- **Power**
- **Refining**

Sustainable Development Scenario, 2019-2050
IEA World Energy Outlook 2020
Emerson is highly relevant in a lower carbon future

Four major strategies for environmental sustainability

1. **ENERGY SOURCE DECARBONIZATION**
   - Low-carbon power (solar, wind, nuclear, hydro)
   - Low-carbon fuels (biofuels, LNG)
   - Hydrogen & hydrogen-based fuels

2. **EMISSIONS MANAGEMENT**
   - Emissions monitoring & control
   - Carbon capture utilization & storage
   - Natural & low GHG refrigerants

3. **ELECTRIFICATION & SYSTEM INTEGRATION**
   - End-use electrification (heat pumps)
   - Energy supply optimization
   - Energy storage & grid management

4. **ENERGY EFFICIENCY & OPTIMIZATION**
   - Advanced controls & analytics
   - Simulation & remote monitoring
   - Waste management
Emerson technologies and domain expertise are relevant in a wide range of sustainability solutions

<table>
<thead>
<tr>
<th></th>
<th>Sensing</th>
<th>Metering</th>
<th>Wireless</th>
<th>Compression</th>
<th>Pneumatic / Hydraulic</th>
<th>Final Control</th>
<th>Edge Compute</th>
<th>Control Systems</th>
<th>Analytics</th>
<th>Location / Tracking</th>
<th>Simulation / Digital Twin</th>
<th>Remote Ops</th>
<th>Cyber</th>
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<td>Biomethane</td>
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<tr>
<td>Waste Plastics to Energy</td>
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</tr>
<tr>
<td>Emissions Control &amp; Monitoring</td>
<td>•</td>
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</tr>
<tr>
<td>Grid Advanced Dist. Mgmt</td>
<td>•</td>
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<tr>
<td>Carbon Capture &amp; Storage</td>
<td>•</td>
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<tr>
<td>CO₂ Heat Pump</td>
<td>•</td>
<td>•</td>
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</tr>
<tr>
<td>Industrial Hydrogen</td>
<td>•</td>
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</tr>
<tr>
<td>Hydrogen Infrastructure</td>
<td>•</td>
<td>•</td>
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<td>•</td>
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<td>•</td>
</tr>
</tbody>
</table>
Supporting the transition to a lower carbon future

<table>
<thead>
<tr>
<th>Year</th>
<th>Global Population</th>
<th>CO₂ Emissions (Mt)</th>
<th>Actual</th>
<th>Stated Policy Scenario</th>
<th>Sustainable Development Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>7B</td>
<td>30K</td>
<td>18K</td>
<td>20K</td>
<td>30K</td>
</tr>
<tr>
<td>2019</td>
<td>7.8B</td>
<td>33K</td>
<td>17K</td>
<td>22K</td>
<td>33K</td>
</tr>
<tr>
<td>2040</td>
<td>9.2B</td>
<td></td>
<td></td>
<td>33K</td>
<td>14K</td>
</tr>
</tbody>
</table>

**CHALLENGES ARE NUMEROUS**

- Rare earth minerals & processing
- Energy storage
- Leveraging existing infrastructure
- Grid resiliency/spinning reserves
- Population/economic growth
- Energy access and energy security
- Land use and water resources
- Negative carbon offset technologies
- Resource efficiency
- Eco design
- Product lifecycle/end of life recycling

**Collaboration required to get more at-scale implementations put in place so we can all learn and enhance roadmaps**
Emerson globally engaging with many constituents to help advance sustainability policy and technology

<table>
<thead>
<tr>
<th>GOVERNMENT &amp; POLICY</th>
<th>INNOVATION &amp; INDUSTRY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NORTH AMERICA</strong></td>
<td><strong>EUROPE</strong></td>
</tr>
<tr>
<td>Policy-based alignment with industry</td>
<td>Engaging &amp; shaping EU legislation &amp; funding</td>
</tr>
<tr>
<td>Influence HVAC/R policy through standards &amp; committee governance</td>
<td>F-gas &amp; energy efficiency Working group</td>
</tr>
<tr>
<td>Shape HVAC/R policy around environmentally friendly refrigerants</td>
<td>Understand long term material trends that impact Emerson</td>
</tr>
<tr>
<td>Pre-commercial collaboration with industry groups</td>
<td>Provide technical input and expertise on refrigerants</td>
</tr>
<tr>
<td>Improved efficiency of HVAC/R eco-systems</td>
<td>Collaborate with key industry players to achieve EU’s net-zero target</td>
</tr>
<tr>
<td>Cold climate heat pump innovation with sustainable refrigerants</td>
<td>Applying resource efficiency methodology from University of Cambridge</td>
</tr>
<tr>
<td>Assist companies in developing authentic sustainability roadmaps</td>
<td>Engaging experts and participating in at-scale cutting-edge solutions to decarbonization challenges</td>
</tr>
<tr>
<td>Improve operational efficiency of steam-methane furnaces</td>
<td>Education for optimizing operations to minimize energy &amp; carbon emissions</td>
</tr>
<tr>
<td><strong>ASIA &amp; MEA</strong></td>
<td>****</td>
</tr>
<tr>
<td>Resource efficiency &amp; benefits to energy &amp; material reduction</td>
<td>Drive waste reduction &amp; recycling with government programs</td>
</tr>
<tr>
<td>Technology exchange for higher efficiency and lower pollution</td>
<td>Collaboration on sustainability responsive government policy recommendations</td>
</tr>
<tr>
<td>Collaboration with economic development board</td>
<td>Discussing proof of concept projects for local industry</td>
</tr>
<tr>
<td>Opportunity for low-carbon development study partnership</td>
<td>Higher energy efficiency &amp; best cost for refrigeration solutions</td>
</tr>
<tr>
<td>MOU Partnership for sustainability lab</td>
<td></td>
</tr>
</tbody>
</table>
Emerson is focusing on environmental, social, and governance priorities

**GREENING OF EMERSON**
focuses on embedding environmental sustainability into our culture and delivering on our GHG intensity reduction target of 20% by 2028

**GREENING BY EMERSON**
of our customers is a real opportunity to make a difference across all critical sustainability strategies:
- Energy Source Decarbonization
- Emissions Management
- Electrification & System Integration
- Energy Efficiency & Optimization

**GREENING WITH EMERSON**
leverages our global perspective, relationships, and collaborations to find real pathways forward and accelerate at-scale implementations

**EMERSON HAS ESTABLISHED SIGNIFICANT MOMENTUM** in building a more inclusive culture, supporting communities, and advocating for more STEM skill development

**EMERSON INTEGRITY** emanates from a strong, global, and connected governance process led by our Board of Directors

---

The Global Goals for Sustainable Development
United Nations Department of Economic and Social Affairs
Break: Presentations will resume shortly
Commercial & Residential Solutions

February 16, 2021
During the pandemic, Emerson solutions enabled human health and comfort while protecting critical infrastructure and supply chains.

**Cargo Monitoring**
- **3 Million**
  - temperature-sensitive trips monitored per year

**Marine Container Monitoring**
- **~1.6 Million**
  - ocean container trips monitored per year

**Facility Monitoring & Controls**
- **9 Million+**
  - connected pieces of equipment monitored

**Health & Human Comfort**
- **90 Million+ Compressors**
  - in global residences

**Healthcare**
- **300,000 Sensors**
  - capturing 8 billion data points each year

**Food Retail**
- **$250 Billion+**
  - of perishable product is protected annually by our monitored controls and software
Commercial & Residential Solutions Overview

Financial Summary

Growth & Market Dynamics
### Commercial & Residential Solutions

#### Businesses
- **Residential**, 47%
- **Commercial**, 25%
- **Food Retail**, 9%
- **Food Service**, 7%
- **Industrial**, 7%
- **Transport**, 4%

#### Verticals
- **Healthcare**, 1%
- **Transport**, 4%
- **Industrial**, 7%
- **Food Service**, 7%
- **Food Retail**, 9%

#### Geographies
- **Americas**, 69%
- **Europe**, 12%
- **Asia MEA**, 19%

---

**2020 Financials**

- **Heating & AC**, 50%
- **Cold Chain**, 21%
- **Tools & Home Products**, 29%

---

*Images and data depict various industries and financial metrics.*
## Commercial & Residential Solutions

<table>
<thead>
<tr>
<th>Industries Served</th>
<th>2020 Platform Sales: $5.6B</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Heating &amp; AC ($2.8B)</strong></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td></td>
</tr>
<tr>
<td>Commercial Buildings</td>
<td></td>
</tr>
<tr>
<td>Hospitality</td>
<td></td>
</tr>
<tr>
<td>Multi-Dwelling Units</td>
<td></td>
</tr>
<tr>
<td>Human Health &amp; Comfort, Energy Management, Environmental Sustainability</td>
<td></td>
</tr>
<tr>
<td><strong>Cold Chain ($1.2B)</strong></td>
<td></td>
</tr>
<tr>
<td>Food Retail, Foodservice</td>
<td></td>
</tr>
<tr>
<td>Healthcare</td>
<td></td>
</tr>
<tr>
<td>Industrial</td>
<td></td>
</tr>
<tr>
<td>Transport</td>
<td></td>
</tr>
<tr>
<td>Safety &amp; Quality of Food and Medicine, Energy Management, Sustainability</td>
<td></td>
</tr>
<tr>
<td><strong>Tools &amp; Home Products ($1.6B)</strong></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td></td>
</tr>
<tr>
<td>Industrial</td>
<td></td>
</tr>
<tr>
<td>Productivity &amp; Safety of Infrastructure, Sustainability</td>
<td></td>
</tr>
</tbody>
</table>

| Devices                                                                         |                             |
|                                                                                 |                             |
| $5.4B                                                                           |                             |

| Software & Control                                                              |                             |
|                                                                                 |                             |
| ~$0.2B                                                                          |                             |

| $19B Served Market                                                               |                             |
| $8B Served Market                                                                |                             |
| $11B Served Market                                                               |                             |

*2020 Financials
### Commercial & Residential Solutions

*Note: All forecast data are approximate*

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021E</th>
<th>2023T</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>$5.6B</td>
<td>10% - 12%</td>
<td>$6.7B</td>
</tr>
<tr>
<td><strong>Underlying</strong></td>
<td></td>
<td>8% - 10%</td>
<td>5% – 7% CAGR</td>
</tr>
<tr>
<td><strong>Adj. EBIT</strong></td>
<td>$1.2B</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Adj. EBIT Margin</strong></td>
<td>20.7%</td>
<td>30+ bps</td>
<td>20+ bps</td>
</tr>
<tr>
<td><strong>Adj. EBITDA Margin</strong></td>
<td>25.4%</td>
<td>20+ bps</td>
<td>28%</td>
</tr>
</tbody>
</table>

Commercial & Residential Solutions positioned to exceed prior highs in key financial metrics through the cycle.
Cost reset planning is complete, focus has shifted to execution

2019 – 2023 Adj. EBITDA

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2021E</th>
<th>2022T</th>
<th>2023T</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>25.0</td>
<td>25.4</td>
<td>~28%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2019-2023 Cost Reset Plan Progress

- ~80% of reset spend is complete through Q1 2021
- Complete ~$110M
- Future benefit
- Incremental savings $35
- Total Complete ~$130M

Future benefit

2021E

2022T / 2023T
AGENDA

Commercial & Residential Solutions Overview

Financial Summary

Growth & Market Dynamics
Value creation persists through regulatory cycles; user preferences and macro trends drive growth opportunities via technology and solution delivery

<table>
<thead>
<tr>
<th>MARKET</th>
<th>GROWTH DRIVERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heating &amp; AC</td>
<td>Residential AC: Home remodeling and new construction, channel replenishment;</td>
</tr>
<tr>
<td></td>
<td>efficiency standards &amp; low GWP refrigerants</td>
</tr>
<tr>
<td></td>
<td>Commercial AC: New efficiency standards &amp; low GWP refrigerants</td>
</tr>
<tr>
<td></td>
<td>Global Heating: Europe heat pump; China coal to heat pump conversion</td>
</tr>
<tr>
<td>Cold Chain</td>
<td>Food Retail: Regulations and user preferences drive redesigns, energy efficiency;</td>
</tr>
<tr>
<td></td>
<td>new store formats, food safety and quality</td>
</tr>
<tr>
<td></td>
<td>Food Service: Growth tied to COVID stabilization, food safety and quality</td>
</tr>
<tr>
<td></td>
<td>Healthcare: Strong growth due increased pharmaceutical monitoring trend</td>
</tr>
<tr>
<td></td>
<td>Transport: Electrification, decarbonization, and emissions management</td>
</tr>
<tr>
<td></td>
<td>Industrial: Accelerating growth in renewable gas</td>
</tr>
<tr>
<td>Tools &amp; Home Products</td>
<td>Residential: Home remodeling and new construction</td>
</tr>
<tr>
<td></td>
<td>Commercial: Expect longer, slower recovery</td>
</tr>
<tr>
<td></td>
<td>Industrial: Manufacturing and infrastructure upgrades drive recovery</td>
</tr>
</tbody>
</table>
Our portfolio is well positioned to address market needs; driven by regulations, macro trends, and changing user preferences

<table>
<thead>
<tr>
<th>STRATEGIC IMPERATIVES</th>
<th>REGULATIONS / MARKET TRENDS</th>
<th>CUSTOMER SOLUTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency and optimization</td>
<td>• US transition to new efficiency standards: Jan. 2023</td>
<td></td>
</tr>
<tr>
<td>Emissions management</td>
<td>• AIM act: EPA to regulate GWP refrigerants</td>
<td></td>
</tr>
<tr>
<td>Decarbonization &amp; sustainability</td>
<td>• Kigali amendment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• “F-gas” phase down accelerating</td>
<td></td>
</tr>
<tr>
<td>Human health and comfort</td>
<td>• Medicine/vaccine supply chain</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Increasing expectations of air quality at home and at work</td>
<td></td>
</tr>
<tr>
<td>Food quality, safety, and sustainability</td>
<td>• China waste classification</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Increased focus on food chain of custody, quality, and safety</td>
<td></td>
</tr>
<tr>
<td>Infrastructure management; productivity</td>
<td>• Building and manufacturing more sustainable infrastructure</td>
<td></td>
</tr>
<tr>
<td>and safety</td>
<td>• Skilled worker shortage</td>
<td>FlexShaft</td>
</tr>
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<td></td>
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</tbody>
</table>

InSinkErator

Drain Cleaning

Hydraulic Tools
HVAC/R regulation changes are a key driver in overall growth; current recovery driven by channel replenishment and strength of residential markets
Upcoming Regulations Drive Change in HVAC/R Architectures While Advancing Sustainability

OEM System Redesigns
(United States)

# of SKUs

Previous Efficiency Change

Low GWP Redesign

Efficiency Changes
(+7% - 15%)

Low GWP Refrigerant Transition
(2088 GWP → 750 GWP or lower)

Efficiency Changes

Chillers
Air Conditioners

2022
2023
2024
~2025

Commercial Refrigeration
4000 → 1500 GWP

Commercial Refrigeration
1500 → 300 GWP

+50% - 60%
Accelerating decarbonization and electrification trends drive growth in European and China heating markets

Europe Heat Pump

EU decarbonization objective generates incentives for renewable heating

China Heating & Comfort

China heating market benefits from decarbonization policies discouraging fossil fuel boilers

On track to grow 25% in 2021; ~$400M opportunity by 2030 and ~$700M opportunity over next 30 years
Commercial & Residential Solutions helps ensure the integrity of the Healthcare and Life Sciences value chain

Healthcare and Life Sciences Value Chain
Full Refrigeration, Transportation, Cargo Management and Monitoring Solutions

Container compression, controls and monitoring
In-transit temperature monitoring services
Ultra low temp compression and control
Temperature and environmental monitoring

Help ensure the safe transport, storage, and compliance of critical vaccines and pharmaceuticals

Expected Sales CAGR Next 3 Years
10%+

HUMAN HEALTH & COMFORT
Driving sustainability across entire food value chain

Food Value Chain
Full Refrigeration, Cargo Tracking and Monitoring, Temperature Management, and Waste Management Solutions
*Broadest Portfolio Across Served Markets*

- New system architectures and Sustainable refrigerant solutions
- In-transit Cargo monitoring
- Food waste and renewable natural gas solutions

Shopper preferences changing
Retailers need to navigate regulatory compliance
Cellular based IoT services improve quality and safety
Driven by sustainability trends; accelerated by regulations and credits

$1.7B Sales in 2020

Food Quality, Safety, and Sustainability
Waste classification regulations in China are expected to provide strong waste disposer growth opportunities

**Global Waste Disposer**
Increased focus on more sustainable waste management, combined with our market leadership to drive increased US and global adoption

**United States Growth Drivers**
- Residential Housing Starts/Remodels
- Septic Adoption
- Hygiene Focus

**China Growth Drivers**
- Waste Classification Regulations
- Sustainability, Hygiene Focus
- Kitchen Convenience

---

**2020**

<table>
<thead>
<tr>
<th>Total Installed Base (Units)</th>
<th>Household Penetration</th>
</tr>
</thead>
<tbody>
<tr>
<td>68M</td>
<td>54%</td>
</tr>
</tbody>
</table>

**2020**

<table>
<thead>
<tr>
<th>Total Installed Base (Units)</th>
<th>Household Penetration</th>
</tr>
</thead>
<tbody>
<tr>
<td>2M</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

**2030**

<table>
<thead>
<tr>
<th>Total Installed Base (Units)</th>
<th>Household Penetration</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-20M</td>
<td>3-5%</td>
</tr>
</tbody>
</table>
Professional Tools well positioned with strong, signature brands offering productivity and safety enhancement solutions

Global Mechanical, Electrical, Plumbing (MEP)
Software, Controls, and Applications Accelerating Growth and Driving Productivity & Safety Features to New Heights

Leading Conduit Bending Technology with Integrated Building Information Modeling
- 35% scrap reduction; improves fabrication productivity by 40%

MegaPress – Pressing Product Eliminates Need to Thread Larger Pipes
- 75% faster vs threading on 2”
- 85% faster vs welding on 4”
- Flameless connections

Industry-First Fully Insulated Battery Hydraulic Tools
- Helps prevent ~60% of common accidents
- IP-Protected 3-Layer insulation

Award Winning Remote Cutter
- Enhances safety for cutting underground cables

Productivity

Safety

~$0.9B Sales in 2020
Accelerating development of software enabled solutions by leveraging large and diverse installed bases

**Residential, Hospitality, Multi-Dwelling Units**
- 92M Residential Compressor Installations
- 59M InSinkErator Disposers
- 1.4M Sensi Thermostats
- 430K Verdant Monitoring Units

**Cold Chain**
- 10M Refrigeration Compressor Installations
- 850K Cold Chain Case Controls
- 150K Units Lumity Supervisory Control Platform

**Commercial / Industrial**
- 27M Commercial Compressor Installations
- 265K Connected Tools
## Developing markets and adjacencies to drive incremental growth

<table>
<thead>
<tr>
<th>Heating &amp; AC</th>
<th>Cold Chain</th>
<th>Tools &amp; Home Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>~$19B + Adj. Segments</td>
<td>~$8B + Adj. Segments</td>
<td>~$11B + Adj. Segments</td>
</tr>
</tbody>
</table>

- **Emerson**
  - Air Management & Quality
  - Energy Management
  - Environmental Sensing
  - Cold Weather Heat Pump
  - Emissions Management
  - Indoor Farming

- **Emerson**
  - Life Sciences & Pharmaceuticals
  - Food Safety & Quality
  - Renewable Gas Solutions
  - Industrial Heat Pump
  - Vehicle Electrification

- **Emerson**
  - Test & Measurement
  - Battery
  - Hydraulic Power Tools
  - Global Expansion
  - Hygiene Solutions
Transforming Industries

Sustainability, health, productivity, and safety trends are leading to double-digit growth opportunities across our portfolio.

Our global leadership within HVAC/R industries positions us well to navigate the largest efficiency and refrigerant period of change in history.

Enabling Sustainability

Our installed base across industries and applications creates a runway for software-enabled solutions.

Creating Value

Market trends and our core strengths align well with multiple adjacent, expansion opportunities.

The path to ~28% adjusted EBITDA in 2023 is in focus, with the majority of key actions completed or underway.
Automation Solutions

February 16, 2021
2020 Sales: $11.2B

<table>
<thead>
<tr>
<th>DATA MANAGEMENT</th>
<th>$1.1B Standalone Software &amp; Associated Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONTROL</td>
<td>$1.4B Control &amp; Safety Systems</td>
</tr>
<tr>
<td>INTELLIGENT DEVICES</td>
<td>$8.7B Instrumentation and Final Control</td>
</tr>
</tbody>
</table>

Numbers represent 2020 sales
# Global Footprint – 55,000 Employees

## Americas
- **$58B Installed Base**
  - Plants: 60
  - Service Centers: 70

## Europe
- **$29B Installed Base**
  - Plants: 40
  - Service Centers: 80

## Asia, Middle East & Africa
- **$36B Installed Base**
  - Plants: 30
  - Service Centers: 60

### 2020 Sales
- Americas: 45%
- Asia, Middle East & Africa: 34%
- Europe: 21%

Number of employees as of September 30, 2020: 97 employees.
$203B Automation Market Segments

**Process**
- Power & Renewables
- Pipelines & Terminals
- Refining
- Upstream
- Chemical & Clean Fuels

**Hybrid**
- Life Sciences
- Food & Beverage
- Metals & Mining
- Pulp & Paper
- Specialty Machinery

**Discrete**
- Automotive
- Industrial & Commercial
- Medical
- Packaging

<table>
<thead>
<tr>
<th>Segment</th>
<th>2020 Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>10%</td>
</tr>
<tr>
<td>Discrete</td>
<td>13%</td>
</tr>
<tr>
<td>Hybrid</td>
<td>9%</td>
</tr>
<tr>
<td>Power &amp; Renewables</td>
<td>16%</td>
</tr>
<tr>
<td>Chemical &amp; Clean Fuels</td>
<td>16%</td>
</tr>
<tr>
<td>Refining</td>
<td>9%</td>
</tr>
<tr>
<td>Pipelines &amp; Terminals</td>
<td>10%</td>
</tr>
<tr>
<td>Upstream O&amp;G</td>
<td>17%</td>
</tr>
</tbody>
</table>

**2020 Sales**

- New Infrastructure (KOB1): 20%
- Upgrades / Modernizations (KOB2): 23%
- MRO / Recurring Revenue (KOB3): 57%
Emerson technology is essential to critical infrastructure, human safety, and COVID response networks.

- **COVID Vaccine Manufacturing**: 75% of globally approved vaccines utilize Emerson control systems and software.
- **Personal Protective Equipment**: 2 Billion+ Masks made using Emerson products.
- **Ventilators and Oxygen Therapy**: 1.2 Million products supplied since March 2020.
- **Global Power Generation**: 20% automated using Emerson solutions.
- **Transmission and Distribution**: 41% of Top 100 US utilities managed by Emerson solutions.
- **Global Pipelines**: 200,000 Miles supervised by Emerson software solutions.
Hybrid and Discrete are supporting an early-cycle recovery that will broaden to include more sustainable investments by traditional Process customers.

Orders data includes the Valves & Controls acquisition results, including on a pro forma basis between October 1, 2015 and the acquisition close on April 28, 2017.
Automation Solutions is focused on executing the structural cost reset plan and will take advantage of the market rebound in this planning period.

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021E</th>
<th>2023T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$11.2B</td>
<td>2% – 6%</td>
<td>$12.8B</td>
</tr>
<tr>
<td>Underlying</td>
<td></td>
<td>(3%) – 1%</td>
<td>3% – 5% CAGR</td>
</tr>
<tr>
<td>Adj. EBIT</td>
<td>$1.8B</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adj. EBIT Margin</td>
<td>15.8%</td>
<td>60 bps</td>
<td></td>
</tr>
<tr>
<td>Adj. EBITDA Margin</td>
<td>20.8%</td>
<td>100 bps</td>
<td>24%</td>
</tr>
</tbody>
</table>

Automation Solutions plans to exceed prior highs in key financial metrics by 2023.

Note: All forecast data are approximate.
Decisive action and execution of restructuring programs has repositioned the business to create value as growth returns.

2019 – 2023 Adj. EBITDA

- 2019: 20.9%
- 2020: 20.8%
- 2021E: ~24%

Restructuring spend:
- ~80% of reset spend is complete through Q1 2021
- Complete: ~$465M

Incremental savings:
- $175M
- $215M
- Future benefit: ~$510M+

2021E, 2022T / 2023T
Day-to-day spend is accelerating as all geographies trend toward growth; the balance of our diverse end markets provides confidence in the recovery.

**Kind of Business**
- MRO / Recurring Revenue (KOB3)
- Upgrades / Modernizations (KOB2)
- New Infrastructure (KOB1)

**World Area**
- Asia Pacific
- Europe
- Middle East & Africa
- North America
- Latin America

**Industry**
- Automotive
- Machine Builders
- T&D
- Life Sciences
- Traditional Power Generation
- Industrial / Commercial
- Chemical & Clean Fuels
- Metals & Mining
- Upstream Oil
- Upstream Gas
- Refining
- Pipelines & Terminals

**2020 – 2023 Market CAGR**
- 2% – 3%

- KOB3 to lead out of downturn with “break-fix” transitioning to production optimization
- KOB2 projects tied to digital transformation and sustainability programs
- Project funnel steady but limited progression towards final decision
- Asia bounce back driven by China consumer demand strength
- Europe to follow with Discrete and Clean Fuels opportunities
- Americas to lag with sequential improvement throughout 2021 leading into 2022 growth
- Early-cycle Discrete markets to lead recovery
- Continued strength in Transmission & Distribution and Life Sciences
- Metals & Mining and Chemical outlook improved with demand
- Oil & Gas markets to lag with Gas showing long-term potential as transition fuel
Oil & Gas will continue to be vital elements of the global energy mix; this investment cycle will likely rely even more on gas as a transition fuel.

- Average oil price $90
- Global mega projects
- Investments in North America Unconventional

Supply and demand imbalance – 2015 1.9MMbpd
Consolidation: ~150 annual M&A deals
Unconventional well pad optimization
Selective investments by NOC and NA Independents
Demand recovery to 100MMbpd+ by 2022
Digital transformation investments

Source: IHS Markit
NOC = National Oil Company

Global Upstream Oil & Gas Spend

Oil Production
- Oil will remain a critical part of the world’s energy supply
- Capital spend will shift from new infrastructure to upgrades
- Increased investment to improve sustainability through efficiency gains and emissions reduction

2019 2040
98 MMbpd 104 MMbpd
Spend on Oil Production Expected to Shift Towards Emerson Solutions

Gas Production
- Natural gas becomes a larger part of the world’s energy supply
- Capital spend split across new capacity and modernization
- Increased investment to improve sustainability through efficiency gains and emissions reduction

2019 2040
4,089 bcm 5,221 bcm
Spend on Gas Production Expected to Shift Towards Emerson Solutions

Source: IEA World Energy Outlook 2020
bcm = billion cubic meters; MMbpd = million barrels per day
Evolving customer business priorities are aligned with Emerson investments in software, digital transformation, and sustainability.

**Automation Mega Trends**

- **Sustainability**
- **Digital Transformation**
- **Autonomous Operations**
- **Infrastructure Modernization**

**Emerson Strategic Initiatives Discussed Today**

- **Industry Diversification**
- **Software**
- **Electrification & Decarbonization**
Our proven approach to industry diversification programs has delivered accelerated growth in attractive markets.
Software is a core differentiator and Emerson is well positioned to capture spend as customers transition to cloud and subscription models.

**Stand-alone Software & Associated Services**

2020 Sales: **$1.1B**

Short-Term Sales CAGR: **High Single Digits**

- Automation and Control Software
- Operations Management Software
- Advanced Industry Software

**Embedded Device & Control Software**

2020 Sales: **$1.1B**

Short-Term Sales CAGR: **Mid Single Digits**

- Device Diagnostics
- Digital Valve Controller Diagnostics
- Licensed Control Software

**Double Digit**

Short-Term Recurring Revenue CAGR

- **Standalone Software License Sales**
  - Short-Term Recurring Revenue CAGR: Double Digit

- **2019**: ~30%
- **2020**: ~35%
- **2023T**: ~45%

**Recurring**
Organic software developments are the foundation of our software business enhancing current capabilities and modernizing deployment models.

### Automation and Control Software

- DeltaV Application Software
- Ovation Application Software
- Cybersecurity
- AMS Device Manager

#### Development Priorities
- Remote / Autonomous Operations
  - Cybersecurity
  - Visualization

### Operations Management Software

- Plantweb Insight Analytics
- Plantweb Optics Platform
- Digital Twin / Simulation
- Alarm Analytics

#### Development Priorities
- Edge / Cloud
  - SaaS / Subscription
  - IT / OT Integration

### Advanced Industry Software

- Syncade MES
- Pipeline Digital Twin
- Ovation Power Applications
- Terminal Manager

#### Development Priorities
- Industry Analytics
  - Edge / Cloud
  - SaaS / Subscription
Software acquisitions must meet rigorous criteria aligned with our value creation framework and be quickly integrated into our software ecosystem.

<table>
<thead>
<tr>
<th>Industry Diversification</th>
<th>Software Acquisition Strategic Criteria</th>
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<tbody>
<tr>
<td>Process</td>
<td>Hybrid</td>
</tr>
<tr>
<td>Progea</td>
<td>HMI / SCADA / IIoT Solutions</td>
</tr>
<tr>
<td>OSI</td>
<td>Power Grid Management Solutions</td>
</tr>
<tr>
<td>Inmation (equity investment)</td>
<td>Enterprise Information Management</td>
</tr>
<tr>
<td>Zedi</td>
<td>Cloud SCADA</td>
</tr>
<tr>
<td>Bio-G</td>
<td>Production Scheduling Analytics</td>
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<tr>
<td>KnowledgeNet</td>
<td>Process / Asset Analytics</td>
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<tr>
<td>ProSys</td>
<td>Alarm Management</td>
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<tr>
<td>Paradigm</td>
<td>Exploration &amp; Production Software</td>
</tr>
<tr>
<td>GeoFields</td>
<td>Pipeline Integrity</td>
</tr>
</tbody>
</table>

- **Attractive Adjacency**
  - Visualization
  - Analytics
  - IT / OT Connectivity
  - Simulation / Optimization

- **Domain Expertise**
  - Specialized knowledge embedded in application suites / vertical platforms
  - Reliability, safety, sustainability / emissions

- **Modern Technology Stack**
  - SaaS / Cloud
  - Ease of deployment
  - Extensibility across the business
Automation is highly relevant in a more sustainable world, improving the economic viability and operational efficiency of decarbonization investments.

**EMERSON SALES**

**ENERGY SOURCE**

**DECARBONIZATION**

**2020 – 2023 Market CAGR**

**High Single Digits**

- $485M
- 12% CAGR
- $680M

**2020 – 2023 Market CAGR**

**Mid Single Digits**

- **Optimize Production**
  - Largest lever in IEA Sustainable Development Scenario
- **Energy Intensity**
  - Eliminate fuel waste in support of increased product demand
- **Regulatory Driven**
  - Flaring, fugitive emissions, emissions monitoring
- **Investor Pressure**
  - Customers making decarbonization commitments

**ENERGY EFFICIENCY & OPTIMIZATION**

**EMISSIONS MANAGEMENT**

**ENERGY SOURCE & DECARBONIZATION**

**ELECTRIFICATION & SYSTEM INTEGRATION**

**ELECTRIFICATION & DECARBONIZATION**

**EMISSIONS MANAGEMENT**

**ENERGY EFFICIENCY & OPTIMIZATION**

**EMERSON SALES**

Enabling Top Quartile Performance With the Industry’s Broadest Portfolio of Digital Solutions
Emerson technology can be leveraged throughout the hydrogen value chain – upcoming green hydrogen wave is a $750M+ automation opportunity.

Source: ThyssenKrupp
Automation Solutions is in an early cycle recovery and poised for growth, participation gain, and profit improvement.

1. Unique software, control, and intelligent device franchise in $203B global automation market
2. Disciplined execution of operational plans to achieve 2023 margin expansion target – ~24% adjusted EBITDA
3. Diversified market strategies will deliver Strong underlying growth
4. $1.1B standalone software & associated services business with double digit recurring revenue growth
5. Domain knowledge to help customers with their digital transformation journey
2021 Investor Conference

February 16, 2021
Break: Q&A will begin shortly
Appendix
Reconciliation of Non-GAAP Measures

In this presentation non-GAAP measures (denoted with an *) are used when talking about the Company's performance, and a reconciliation of those measures to the most comparable GAAP measures is contained below.

Emerson’s commitment to 20% GHG reduction is normalized to sales, across our global manufacturing and shared service facilities by the year 2028, measured by our baseline year of 2018.

Statements in this presentation regarding our aspirational purpose, causes, values, and related commitments, goals or targets, including those regarding sustainability, greenhouse gas emissions, 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, and supplier and customer engagement, there may be times where actual outcomes vary from those expected. While we strive to live our purpose and make a positive impact on society while continuing to advance towards 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.

*All values are in billions, except per share amounts or where noted
Reconciliation of Non-GAAP Measures

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<tbody>
<tr>
<td>Sales change (GAAP)</td>
<td>6% (11)% - (9)%</td>
<td>(9)%</td>
<td>4% - 8%</td>
<td>3% - 5%</td>
<td></td>
</tr>
<tr>
<td>FX</td>
<td>2% ~ 2%</td>
<td>1%</td>
<td>~ (3)%</td>
<td>~ (3)%</td>
<td></td>
</tr>
<tr>
<td>Acq / Div</td>
<td>(5)%</td>
<td>- %</td>
<td>- % (1)%</td>
<td>~ (1)%</td>
<td></td>
</tr>
<tr>
<td>Underlying*</td>
<td>3% (9)% - (7)%</td>
<td>(8)%</td>
<td>0% - 4%</td>
<td>(1)% -1%</td>
<td></td>
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<table>
<thead>
<tr>
<th>2021E Sales % chg. vs. PY</th>
<th>Auto Solns</th>
<th>Comm &amp; Res Solns</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales change (GAAP)</td>
<td>2% - 6%</td>
<td>10% - 12%</td>
</tr>
<tr>
<td>FX</td>
<td>~ (3) %</td>
<td>~ (2) %</td>
</tr>
<tr>
<td>Acq / Div</td>
<td>~ (2) %</td>
<td>~ %</td>
</tr>
<tr>
<td>Underlying*</td>
<td>(3)% - 1%</td>
<td>8% - 10%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sales CAGR</th>
<th>2020-2023T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales CAGR (GAAP)</td>
<td>~6.5%</td>
</tr>
<tr>
<td>Acq/Div/FX</td>
<td>(2.5)%</td>
</tr>
<tr>
<td>Sales underlying CAGR*</td>
<td>~4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Adjusted EBITDA ($ in Millions)</th>
<th>2019</th>
<th>2023T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pretax earnings (GAAP)</td>
<td>$ 2,859</td>
<td>~$3,600</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>174</td>
<td>150</td>
</tr>
<tr>
<td>EBIT*</td>
<td>3,033</td>
<td>3,750</td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>95</td>
<td>50</td>
</tr>
<tr>
<td>Purchase accounting charges</td>
<td>-</td>
<td>50</td>
</tr>
<tr>
<td>Adjusted EBIT*</td>
<td>3,128</td>
<td>3,850</td>
</tr>
<tr>
<td>Depreciation / amortization</td>
<td>822</td>
<td>1,050</td>
</tr>
<tr>
<td>Adjusted EBITDA*</td>
<td>$ 3,950</td>
<td>~$4,900</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>(200)</td>
<td></td>
</tr>
<tr>
<td>Adjusted EBITDA excluding acquisitions*</td>
<td>~$4,700</td>
<td></td>
</tr>
</tbody>
</table>

*All values are in billions, except per share amounts or where noted
Reconciliation of Non-GAAP Measures

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</tr>
</thead>
<tbody>
<tr>
<td>Pretax margin (GAAP)</td>
<td>18.0%</td>
<td>15.6%</td>
<td>-13%</td>
<td>13.9% (170 pts)</td>
<td>-15%</td>
<td>-18%</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>1.1%</td>
<td>0.9%</td>
<td>-1%</td>
<td>0.9% - 140 pts</td>
<td>1%</td>
<td>0.5%</td>
</tr>
<tr>
<td>EBIT margin*</td>
<td>19.1%</td>
<td>16.5%</td>
<td>-14%</td>
<td>14.8% (170 pts)</td>
<td>-16%</td>
<td>-18.5%</td>
</tr>
<tr>
<td>Restructuring and related costs &amp; advisory fees</td>
<td>0.2%</td>
<td>0.5%</td>
<td>2%</td>
<td>1.9% 140 pts</td>
<td>1%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Adjusted EBIT margin*</td>
<td>19.3%</td>
<td>17.0%</td>
<td>-16%</td>
<td>16.7% (30 pts)</td>
<td>-17%</td>
<td>-19%</td>
</tr>
<tr>
<td>Depreciation / amortization</td>
<td>3.2%</td>
<td>4.5%</td>
<td>5.1%</td>
<td>5.5% 5%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Adjusted EBITDA margin*</td>
<td>22.5%</td>
<td>21.5%</td>
<td>21.8%</td>
<td></td>
<td>-22.5%</td>
<td>-24%</td>
</tr>
<tr>
<td>Acquisitions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Adjusted EBITDA margin excluding acquisitions*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5%</td>
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</thead>
<tbody>
<tr>
<td>Earnings per share (GAAP)</td>
<td>$3.71</td>
<td>$3.24</td>
<td>(13)%</td>
<td>$2.62 - $2.82</td>
</tr>
<tr>
<td>Restructuring and related costs</td>
<td>0.12</td>
<td>0.42</td>
<td>9%</td>
<td>~ 0.38</td>
</tr>
<tr>
<td>Certain tax benefits</td>
<td>(0.14)</td>
<td>(0.20)</td>
<td>(2)%</td>
<td>~</td>
</tr>
<tr>
<td>Adjusted earnings per share*</td>
<td>$3.69</td>
<td>$3.46</td>
<td>(6)%</td>
<td>$3.00 - $3.20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Adjusted earnings per share*</th>
<th>2021E</th>
<th>2023T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per share (GAAP)</td>
<td>$3.29 - $3.49</td>
<td>$4.62 - $4.87</td>
</tr>
<tr>
<td>Restructuring and related costs</td>
<td>~ 0.27</td>
<td>~ 0.07</td>
</tr>
<tr>
<td>Purchase accounting charges and fees</td>
<td>~ 0.07</td>
<td>~ 0.06</td>
</tr>
<tr>
<td>Equity investment gain</td>
<td>~ (0.03)</td>
<td>~</td>
</tr>
<tr>
<td>Adjusted earnings per share*</td>
<td>$3.60 - $3.80</td>
<td>$4.75 - $5.00</td>
</tr>
</tbody>
</table>

*All values are in billions, except per share amounts or where noted
## Reconciliation of Non-GAAP Measures

### Free Cash Flow

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Operating cash flow (GAAP)</td>
<td>$3.7</td>
<td>$2.5</td>
<td>$2.9</td>
<td>$2.7</td>
<td>$2.9</td>
<td>$3.0</td>
<td>$3.1</td>
<td>~$3.15</td>
</tr>
<tr>
<td>Impact of taxes on divestiture gains and repositioning items</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operating cash flow adjusted*</td>
<td>3.7</td>
<td>3.0</td>
<td>3.1</td>
<td>2.7</td>
<td>2.9</td>
<td>3.0</td>
<td>3.1</td>
<td>~3.15</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(0.8)</td>
<td>(0.7)</td>
<td>(0.6)</td>
<td>(0.5)</td>
<td>(0.6)</td>
<td>(0.8)</td>
<td>(0.6)</td>
<td>(0.6)</td>
</tr>
<tr>
<td>Free cash flow*</td>
<td>$2.9</td>
<td>$2.3</td>
<td>$2.5</td>
<td>$2.2</td>
<td>$2.3</td>
<td>$2.4</td>
<td>$2.5</td>
<td>~$2.55</td>
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### Free Cash Flow to Net Earnings

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</thead>
<tbody>
<tr>
<td>Operating cash flow to net earnings (GAAP)</td>
<td>172%</td>
<td>93%</td>
<td>176%</td>
<td>164%</td>
<td>131%</td>
<td>130%</td>
<td>155%</td>
<td>~150%</td>
<td>&gt; 135%</td>
</tr>
<tr>
<td>Impact of taxes on divestiture gains, repositioning items and non-cash tax benefits</td>
<td>(33)%</td>
<td>44%</td>
<td>(18)%</td>
<td>-%</td>
<td>14%</td>
<td>-%</td>
<td>-%</td>
<td>-%</td>
<td>-%</td>
</tr>
<tr>
<td>Operating cash flow to net earnings adjusted*</td>
<td>139%</td>
<td>137%</td>
<td>158%</td>
<td>164%</td>
<td>145%</td>
<td>130%</td>
<td>155%</td>
<td>~150%</td>
<td>&gt; 135%</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(29)%</td>
<td>(32)%</td>
<td>(27)%</td>
<td>(29)%</td>
<td>(31)%</td>
<td>(25)%</td>
<td>(27)%</td>
<td>(30)%</td>
<td>(25)%</td>
</tr>
<tr>
<td>Free cash flow to net earnings adjusted*</td>
<td>110%</td>
<td>105%</td>
<td>131%</td>
<td>135%</td>
<td>114%</td>
<td>105%</td>
<td>128%</td>
<td>~120%</td>
<td>&gt; 110%</td>
</tr>
</tbody>
</table>

### Dividend To Free Cash Flow

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</thead>
<tbody>
<tr>
<td>Dividends to operating cash flow (GAAP)</td>
<td>33%</td>
<td>50%</td>
<td>43%</td>
<td>46%</td>
<td>43%</td>
<td>40%</td>
<td>~44%</td>
<td>39% - 46%</td>
</tr>
<tr>
<td>Impact of taxes on divestiture gains and repositioning items</td>
<td>-%</td>
<td>(7)%</td>
<td>(3)%</td>
<td>-%</td>
<td>-%</td>
<td>-%</td>
<td>-%</td>
<td>-%</td>
</tr>
<tr>
<td>Dividends to operating cash flow adjusted*</td>
<td>33%</td>
<td>43%</td>
<td>40%</td>
<td>46%</td>
<td>43%</td>
<td>40%</td>
<td>~44%</td>
<td>39% - 40%</td>
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<tr>
<td>Capital expenditures</td>
<td>8%</td>
<td>13%</td>
<td>8%</td>
<td>10%</td>
<td>11%</td>
<td>10%</td>
<td>11%</td>
<td>9%</td>
</tr>
<tr>
<td>Dividends to free cash flow*</td>
<td>41%</td>
<td>56%</td>
<td>48%</td>
<td>56%</td>
<td>54%</td>
<td>50%</td>
<td>~55%</td>
<td>48%</td>
</tr>
</tbody>
</table>

*All values are in billions, except per share amounts or where noted
Reconciliation of Non-GAAP Measures

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021E</th>
<th>2023T</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Debt / EBITDA</strong></td>
<td>3.2x</td>
<td>~2.6x</td>
<td>~2.3x</td>
</tr>
<tr>
<td>Total debt / pretax earnings</td>
<td>(1.0)</td>
<td>(0.8)</td>
<td>(0.6)</td>
</tr>
<tr>
<td>Interest, taxes, depreciation,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>amortization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total debt / EBITDA*</td>
<td>2.2x</td>
<td>~1.8x</td>
<td>~1.7x</td>
</tr>
<tr>
<td>Restructuring and related</td>
<td>(0.2)</td>
<td>(0.0)</td>
<td>(0.0)</td>
</tr>
<tr>
<td>costs &amp; advisory fees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total debt / Adjusted EBITDA*</td>
<td>2.0x</td>
<td>~1.8x</td>
<td>~1.7x</td>
</tr>
</tbody>
</table>

**Free Cash Flow % Sales**

<table>
<thead>
<tr>
<th></th>
<th>2021E - 2023T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow % of sales</td>
<td>17% - 19%</td>
</tr>
<tr>
<td>Capital expenditures % Sales</td>
<td>(3)%</td>
</tr>
<tr>
<td>Free cash flow % of sales</td>
<td>14% - 16%</td>
</tr>
</tbody>
</table>

**Automation Solutions Adjusted EBIT**

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automation Solutions Segment EBIT (GAAP)</td>
<td>$1.5</td>
</tr>
<tr>
<td>Restructuring and related costs</td>
<td>0.3</td>
</tr>
<tr>
<td>Automation Solutions Segment Adjusted EBIT*</td>
<td>$1.8</td>
</tr>
</tbody>
</table>

**Automation Solutions Adjusted EBITDA Margin**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2020 vs 2021E</th>
<th>2023T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automation Solutions Segment EBIT (GAAP)</td>
<td>16.0%</td>
<td>13.6%</td>
<td>~140 bps</td>
<td>~19%</td>
</tr>
<tr>
<td>Restructuring and related costs</td>
<td>0.5%</td>
<td>2.2%</td>
<td>~ (80) bps</td>
<td>~-%</td>
</tr>
<tr>
<td>Automation Solutions Adjusted EBIT Margin*</td>
<td>16.5%</td>
<td>15.8%</td>
<td>~ 60 bps</td>
<td>~19%</td>
</tr>
<tr>
<td>Depreciation / amortization</td>
<td>4.4%</td>
<td>5.0%</td>
<td>~ 40 bps</td>
<td>~5%</td>
</tr>
<tr>
<td>Automation Solutions Segment Adjusted EBITDA Margin*</td>
<td>20.9%</td>
<td>20.8%</td>
<td>~ 100 bps</td>
<td>~24%</td>
</tr>
</tbody>
</table>

**Automation Solutions Sales CAGR**

<table>
<thead>
<tr>
<th></th>
<th>2020-2023T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales CAGR (GAAP)</td>
<td>3% - 5%</td>
</tr>
<tr>
<td>Acq/Div/FX</td>
<td>~ -%</td>
</tr>
<tr>
<td>Sales underlying CAGR*</td>
<td>3% - 5%</td>
</tr>
</tbody>
</table>

*All values are in billions, except per share amounts or where noted
Reconciliation of Non-GAAP Measures

### Commercial & Residential Solutions Adjusted EBIT

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial &amp; Residential Solutions EBIT (GAAP)</td>
<td>$1.1</td>
</tr>
<tr>
<td>Restructuring and related costs</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Commercial &amp; Residential Solutions Adjusted EBIT</strong></td>
<td><strong>$1.2</strong></td>
</tr>
</tbody>
</table>

### Commercial & Residential Solutions Adjusted EBITDA Margin

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2020 - 2021E Change</th>
<th>2023T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial &amp; Residential Solutions EBIT Margin (GAAP)</td>
<td>20.6%</td>
<td>19.8%</td>
<td>70+ bps</td>
<td>~23.6%</td>
</tr>
<tr>
<td>Restructuring and related costs</td>
<td>0.4%</td>
<td>0.9%</td>
<td>~ (40) bps</td>
<td>0.1%</td>
</tr>
<tr>
<td>Commercial &amp; Residential Solutions Adjusted EBIT Margin*</td>
<td>21.0%</td>
<td>20.7%</td>
<td>30+ bps</td>
<td>~23.7%</td>
</tr>
<tr>
<td>Depreciation / amortization</td>
<td>4.0%</td>
<td>4.7%</td>
<td>~ (10) bps</td>
<td>4.3%</td>
</tr>
<tr>
<td>Commercial &amp; Residential Solutions Adjusted EBITDA Margin*</td>
<td>25.0%</td>
<td>25.4%</td>
<td>20+ bps</td>
<td>~28.0%</td>
</tr>
</tbody>
</table>

### Commercial & Residential Solutions Sales CAGR

<table>
<thead>
<tr>
<th></th>
<th>2020-2023T CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales CAGR (GAAP)</td>
<td>5% - 7%</td>
</tr>
<tr>
<td>Acq/Div/FX</td>
<td>~ - %</td>
</tr>
<tr>
<td>Sales underlying CAGR*</td>
<td>5% - 7%</td>
</tr>
</tbody>
</table>

*All values are in billions, except per share amounts or where noted*