



2018 CORPORATE RESPONSIBILITY REPORT



**Rockwell
Automation**





SOCIAL RESPONSIBILITY AND SUSTAINABILITY

our principles

WE RESPECT and support the dignity of all workers and our company policies and practices are designed to uphold worker human rights.

WE EMBRACE equal employment opportunities, reject illegal employment discrimination in any form and strive to treat all employees with fairness and dignity.

WE ARE COMMITTED to demonstrating the highest standards of health and safety for our employees and customers.

WE STRIVE to continually improve our environmental performance including resource conservation and pollution prevention.

WE ARE COMMITTED to making a positive impact on the communities in which we live and work.

WE ADHERE to a Code of Conduct based on principles and laws that guide the decisions and actions of our employees and suppliers.

You'll find our complete Global Social Responsibility and Sustainability Policy on our website: rockwellautomation.com



A NOTE FROM OUR

Chairman & CEO

Sustainability and social responsibility have always been important attributes of Rockwell Automation, but I'm especially proud of the steps we've taken in 2018 to make these a fundamental part of our culture. Our sole focus as a business is to help industrial companies and their people be more productive, to make the most of scarce resources.

During the past year we've launched powerful new variable-speed drives, to coax the maximum amount of work from electric motors while using as little energy as possible. Enabled by our new strategic partnership with PTC, we provide software to help operators visualize power consumption across their enterprises. We've also invested in programs to increase the engagement and well-being of our employees, along with workforce development programs for our customers.

We help customers automate manual, repetitive physical processes. With automation, we enable people to focus on higher value activities — to solve problems, make decisions, and innovate. When we complement these capabilities by harnessing the power of the Industrial Internet of Things and information software, we unlock additional levels of productivity. This is how we bring The Connected Enterprise to Life. This is how we help our customers and their people work smarter and safer.

Our new brand promise, "Expanding Human Possibility," reinforces the central role people play in advanced manufacturing. It's about bringing out the best in people and technology. Our Academy of Advanced Manufacturing (AAM), which provides technical education for returning servicemen and women, is a great example. Nearly 100 veterans graduated during the program's first year. I'm immensely proud of how the program both addresses our customers' needs for a trained workforce and helps those who served in our armed forces re-enter civilian life. AAM reflects our worldwide commitment and investment to lifelong learning and STEM education.

In the end, most of us want the same thing from our work, regardless of our specific vocation. We want to know what we do is important, that we'll have the tools and support needed to do a good job, and we'll have the opportunity to move ahead. At Rockwell Automation, we're committed to a culture where everyone can and wants to do their best work, and where diverse perspectives are sought and welcomed. We're committed to doing things the right way, every day, for the long term with integrity and respect for each other and the environment.

Our renewed focus on people — at our customers, in our communities, and within our company — intertwines our business goals and social responsibilities. It's a privilege to lead such a company.

Sincerely,



Blake D. Moret
Chairman and CEO
Rockwell Automation

financial

\$6.7B in sales

sustainability



Met 2022 goal to reduce greenhouse gas emissions normalized to sales by 30% compared to 2008 baseline

100%

of our largest manufacturing facilities (24) certified to the ISO 14001:2015 family of environmental management standards

82%

of waste deferred from landfills

**Dow Jones
Sustainability Indices**

Listed 8X North American Index



FTSE4Good

Listed 17X

integrity

10 x



Named one of the World's Most Ethical Companies

CORPORATE RESPONSIBILITY REPORT

20
18

AT-A-GLANCE

LOCATED IN 80+ COUNTRIES WORLDWIDE

employees

23K

more than half
outside the U.S.

Forbes

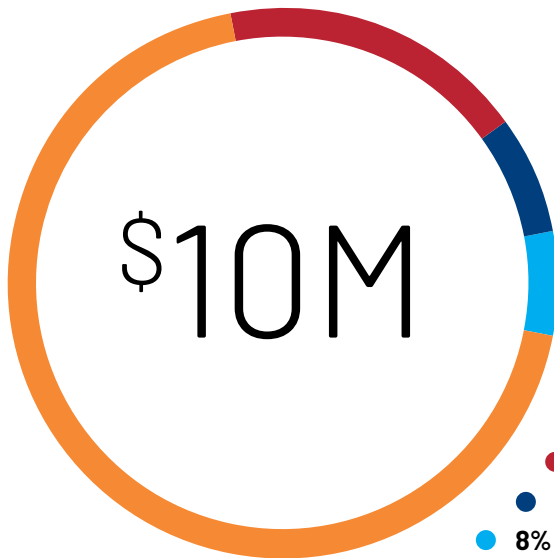
Inaugural ranking of America's
Best Employers for Women



Ranked one of the Top 100 Most
Attractive Employers in China



Earned a perfect score of 100%
on the Human Rights Campaign's
Corporate Equality Index for the
sixth consecutive year



philanthropy

We partner with nonprofits, academic institutions, and
businesses to expand human possibility in our communities

● 64% Education

● 18% Health and human services

● 10% Civic

● 8% Arts and culture

safety

0.43

Global safety performance, as measured
by Recordable Case Rate, remained best in
class in 2018 when compared to the average
private industry rate and the average rate for
electronic manufacturing peers

15

Locations certified
OHSAS 18001
occupational health
and safety standard

supplier diversity

\$272M+

Spent with approximately 600 U.S. businesses owned by
women, ethnic and racial minorities, LGBTQ, veterans or
service disabled veterans, and designated Small Business
Administration enterprises.

SUSTAINABLE customers

Rockwell Automation is the world's largest company dedicated to industrial automation and information. We integrate control and information across the enterprise to help industrial companies and their people be more productive.

We expand human possibility by combining the imaginations of people with the potential of machines to make the world work better. From increasing the efficient production of medicines that boost human health to reducing waste in automotive production, the work we do changes how people live.

We solve the challenge of bringing together data, systems, and processes across an entire organization to arm leaders with relevant, reliable information. We bring to life Connected Enterprises that create more productive, efficient, and nimble businesses. We help people work smarter and the world work better.

Irving Consumer Products is building a new state-of-the-art plant in Macon, Georgia. Our technologies and support services will help control the plant's initial production line and provide data to manage energy use.

"The new, fully-integrated motor control system will help support our company's focus on managing our energy usage, reducing environmental impacts, and achieving our vision of having an Irving consumer product in every North American household by 2020," said David Dennis, vice president of manufacturing.

The \$400 million project, scheduled to open in 2019, will create more than 200 permanent, skilled jobs.

+200
NEW JOBS

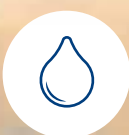
We support sustainable industries and applications

Numerous industries and applications that support environmental sustainability use Rockwell Automation technology and expertise.

- GEOTHERMAL
- SOLAR
- HYDRO
- BIOMASS
- WIND
- WATER/
WASTEWATER
- ELECTRICAL
VEHICLE

We help customers hit sustainability goals with products, solutions, and services designed to achieve:

- Reduced waste
- Reduced emissions
- Increased energy efficiency
- Regulatory and environmental compliance
- Safety of personnel, equipment, and processes



WATER



AIR



GAS



ELECTRICITY



STEAM



At Faribault Foods' Minnesota plant, leaders monitor the entire production process, including WAGES (water, air, gas, electricity, steam) consumption data, in real-time. The company has reduced natural gas use by more than 38 percent and reduced water usage by more than 100 million gallons a year with

Rockwell Automation controls running the plant's heat and energy-recovery system. The system reuses 100 percent of the heat from the can-cooling process to warm city water for soaking, blanching, and cooking, and reuses cooled water to reduce can temperatures during cooking.

The new system also has provided an unprecedented level of data, which helped Faribault Foods achieve Safe Quality Food accreditation at all three of its plants.

"We are constantly improving our production processes, not only at our Faribault location but also at our Elk River and Cokato plants," said Phil Hines, director of engineering, Faribault Foods. "We've selected Rockwell Automation as our control partner on each project because its technology, support, and solution designs help support our business goals."

Added company President Reid MacDonald, "We are consistently innovating our products and manufacturing practices to be as efficient as possible, in every sense of the word. Faribault Foods is committed to being a sustainable partner for all of our customers, both now and for years to come."

Around the world, we're putting automation to work to make our customers smarter, safer, and more sustainable. We're building the future of industry by combining the best of industrial automation with the latest digital technology. We're expanding human possibility for a better world.

38%
NATURAL GAS
100M
GALLONS WATER
PER YEAR

Advanced automation technologies on board the world's first hydrogen powered vessel

The Energy Observer, the world's first zero-emissions vessel powered by hydrogen and renewable energy, is on a six-year odyssey visiting 50 countries and stopping at 101 ports of call to prove a potential energy system of the future. The Energy Observer uses a combination of intermittent renewable energy sources including solar panels, wind turbines, lithium-ion batteries, and hydrogen production to achieve 24-hour energy autonomy.

At the heart of its energy management system is our advanced automation technologies. With our products and services we help the Energy Observer team – on board and on shore – monitor, control, and optimize energy sources and make smart decisions about when to switch from one energy source to another.

1ST

HYDROGEN POWERED VESSEL

1ST

ZERO EMISSIONS VESSEL

Pettit National Ice Center reduces electricity and natural gas use

At the Pettit National Ice Center, a U.S. Olympic Training Site, less than an inch or a hundredth of a second can determine whether a speed skater takes a place on the podium or a seat in the crowd. Precise ice, air temperatures, and humidity are critical to peak performance and Olympic dreams.

Facility Director Paul Golonski monitors and manages those ideal conditions whether he's at work, home, or in another country with an updated control system and expertise donated by Rockwell Automation.

"I expected significant energy savings, but what we achieved amazed me," he said. "These results are critical because we can reinvest the savings and operate as a more environmentally and financially sustainable community asset."

Built in 1992, the Pettit is one of only two indoor 400-meter Olympic speed skating Ovals in the U.S. More than 425,000 visitors use the worldwide training venue each year.





SAVINGS PER YEAR

1M KILOWATT
HOURS

35% NATURAL
GAS

2M GALLONS
OF WATER

Safety and sustainability

A key element of any sustainable business is the safety of its people, machines, and processes.

As the world's largest industrial machine safety automation provider, we work with many of the world's safest companies. Studies have consistently found these safest companies are also the most productive. A new survey by LNS Research reinforced that finding, noting the industry's top safety performers use a combination of culture, technology, and procedures to avoid safety incidents while improving business performance.

The survey found that those organizations in which EHS, operations, and engineering work together to address safety reported a median incident rate 15 percent lower than those without such collaboration. Meanwhile, with the use of advanced safety technologies, 75 percent noted operational improvements and 60 percent experienced financial improvements.

We bring together application expertise and technical capabilities through The Connected Enterprise to help customers create a safer and more productive workplace. Leaders can use our advanced safety solutions integrated with machine controls to access real-time insights into worker behaviors, machinery compliance, causes of safety stoppages, safety anomalies, and trends.

Product compliance and disclosure

We take a proactive approach, often ahead of deadlines, to work to comply with industry standards and regulatory requirements in the countries and regions where we sell products. In 2018, we addressed and prepared for a number of new regulations and changes regarding hazardous substances, energy efficiency, and life-cycle product impacts. These included new RoHS requirements in Taiwan and the United Arab Emirates, the European Union's REACH 05A regulatory change, additional substances in EU RoHS, EU Ecodesign Directive changes, European Union "Circular Economy" initiative requirements, and the updated EU WEEE Directive.

SUSTAINABLE company

EMPLOYEE ENGAGEMENT AND INCLUSION

We are 23,000 problem solvers who look out for our customers and each other. We care about the work we do. We make an impact on the world because we strive to solve real challenges and expand human possibility. To do that, we create an environment where we can and want to do our best work, where each of us feels we contribute to something that matters. When we're engaged, we're at our best. That's how we drive better outcomes for customers and ourselves.

Every voice at Rockwell Automation counts. One of the many ways we listen is through our Global Voices employee engagement survey. Our Employee Engagement Index score has remained strong and stable, but there is always room to do better and take action faster. That's why starting in 2018, we survey colleagues annually instead of our prior practice of every three years.

More than 19,000 employees participated in 2018 and we received more than 30,000 write-in comments. Among our top strengths, employees feel safe at work, the work we do is meaningful, and we behave ethically. We can improve by removing barriers that slow us down and continuing to provide good career opportunities and rewards to employees.

We've moved quickly to do just that. No teams. No task forces. Just action. Each of our 3,200 people managers picked "One Thing" they can do to address an issue raised in their survey results. Managers are held accountable for their One Thing as part of their annual performance review. More than 1,700 actions are underway while company-wide our Global Voices Council focuses on how to better empower all employees to work with speed and agility.

To continue to gather feedback, we have a number of ongoing "Pulse" efforts. We installed polling kiosks in Brazil where we survey employees weekly. We conduct a quarterly survey in the quality function of our Operations and Engineering Services unit. And we held focus groups with members of our Employee Resource Groups. Besides capturing our employees' voices, we review compensation and benefits, turnover rates, and other important data to help ensure we're attracting, retaining, and engaging the best available people.

Bringing The Connected Enterprise to life for our customers starts with the connections we make to each other. We value each person's skills and expertise because diverse perspectives and experiences are the foundation of great collaboration. With our culture of inclusion, we fuel innovation.

Check your blind spots

We were the first company in Wisconsin to host the national Check Your Blind Spots mobile tour. Stopping at dozens of organizations across the country, the interactive tour helps visitors recognize, acknowledge, and, ultimately, minimize potential unconscious biases. The tour is part of the CEO Action for Diversity & Inclusion Pledge that our Chairman and CEO Blake Moret signed in 2017. With more than 500 signatures, it's the largest CEO-driven business commitment to advancing diversity and inclusion within the workplace in the U.S.

In 2018, *Forbes* named us to its first ranking of “America’s Best Employers for Women” and *DiversityInc* cited us a “Noteworthy Company” as part of its “Top 50 Companies for Diversity” list. These awards build on our selection as one of only three global companies in 2017 to receive the prestigious Catalyst Award, honoring innovative organizational initiatives that address the recruitment, development, and advancement of all women, including diverse women.

Our culture of inclusion starts at the top with our Board of Directors. More than 25 percent of our board is comprised of female and diverse directors. In every business unit, within every function, in every region, Inclusion Change teams address barriers and operationalize inclusion in all we do.

Since late 2017, the #MeToo movement has forced organizations to reexamine their workplace cultures and how they address sexual harassment. But long before that, our Inclusion Change team in our North American Global Sales and Marketing organization was focused on this issue. For us, #MeToo provided an opportunity to take a broader look at harassment and how to better prevent and address behavior and situations that undermine our culture of inclusion.

Because each of us plays a role in creating an environment where we feel comfortable, safe, and able to do our best work, we partnered with academic and security experts at Marquette University to develop Bystander Intervention training. Participants learned how to recognize and safely intervene, prevent, and/or stop inappropriate comments, actions, and behaviors. To date, we’ve held programs for our sales colleagues in Milwaukee, Wisconsin; Chicago, Illinois; and Charlotte, North Carolina. We also offered a training session, “You Can Stop Harassment and Bullying in Its Tracks,” at the Society of Women Engineers’ national conference.

In hopes of inspiring change beyond our own workplace, we’ve made it a priority to share our culture of inclusion journey with customers and partners, many of whom are leaders in their respective fields and industries, and other professional associations.

Connecting employees

Our Employee Resource Groups (ERGs) cultivate a diverse and engaging environment to build relationships, grow professionally, and contribute to the success of our company. The ERGs connect individuals who share similar characteristics and values including ethnicity, gender, sexual orientation, disability status, age, military status, and spirituality.

13 ERGS

56 CHAPTERS

20 COUNTRIES

5,000+ MEMBERS

Leading organizations and indices consistently recognize our environmental, social, and governance practices.



2X NAMED



FTSE4Good

LISTED 17X

Dow Jones
Sustainability Indices

8X LISTED NORTH
AMERICAN INDEX

Professional Women’s Council celebrates 25 years

Since its formation in 1993 as our first ERG, the Professional Women’s Council has grown to 28 chapters, in 17 countries with more than 1,100 members.





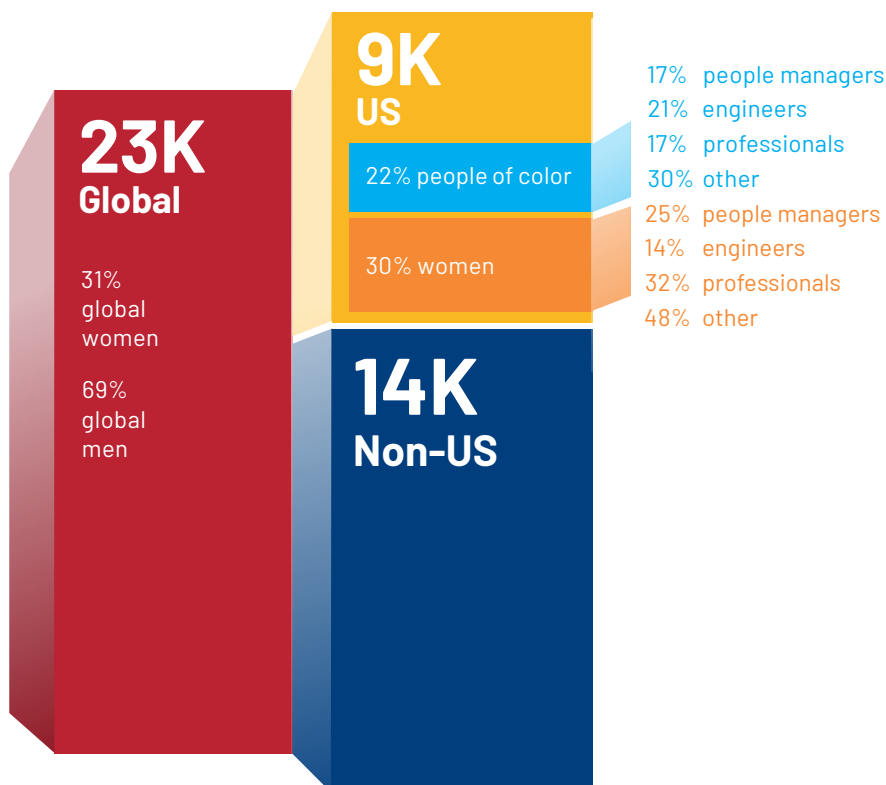
Inclusive leadership

Ernest Nicolas, Jr., vice president, Global Supply Chain, was inducted into The Executive Leadership Council (ELC), the preeminent membership organization for the development of black leaders. He is the first Rockwell Automation executive inducted into the global organization comprised of current and former black Fortune 1000 CEOs, board members, senior executives, entrepreneurs, and thought leaders.

"ELC is about the power of inclusive leadership," said Ernest. "For me, that means being a dynamic, thoughtful leader and paying it forward. I want to invest in the next generation of black leaders by helping them successfully manage being the 'only' while ensuring they remain committed to developing and inviting others like them to the table."

Some of our largest customers, partners, and suppliers, including Coca Cola, Cisco, General Motors, P&G, Pfizer, PWC, and W.W. Grainger, are also ELC members. The rigorous membership review process requires a candidate to have significant philanthropic work and achievement beyond what's expected in an executive role. Ernest has co-chaired our company United Way Campaign for the past two years. He is also a member of the Board of Directors of the Milwaukee Urban League.

Employees



Building a culture of inclusion

2,100+ LEADERS

completed Conscious and Inclusive Leadership training since 2015 to help mitigate the impact of bias in interactions and decision-making

1,020+

LEADERS

4,500+

EMPLOYEES

completed White Men as Full Diversity Partners training since 2008 to gain awareness about dominant group dynamics and white male privilege

ETHICS AND INTEGRITY

We are unwavering in our commitment to do what's right in every situation. Our customers, employees, shareholders, and people who do business with us value working with an ethical, principled partner.

For the tenth year, the Ethisphere Institute named us to its annual list of World's Most Ethical Companies. This distinguished list includes 135 global companies "who recognize their critical role to influence and drive positive change in the business community and societies around the world." The honor reflects the ethical decisions our employees and contractors make every day.

The choices are not always easy, and, often, they're courageous. Jeff Stewart, our EMEA (Europe, Middle East, Africa) regional channel manager, terminated relationships with two of our distributors after he determined they were in breach of contract and violated our trust. While ending those relationships may have impacted his and the region's sales goals, it was the right thing to do for both our customers and our company. That's why we honored Jeff as our annual Integrity Champion.

"We have a large ecosystem of partners who help us go to market and deliver value to customers," said Neil Enright, regional vice president, EMEA. "The strength of that ecosystem relies on us engaging with ethical partners, and it relies on people like Jeff and his team having courage to challenge partners who are not supporting our policies and values."

Just as we do for ourselves, we hold our partners to the highest standards of ethics, integrity, and compliance. In 2018, we published our first Partner Network Code of Conduct to better ensure our partners understand our expectations. The Code addresses a number of issues including anti-corruption and respect for people, safety, and the environment.

Internally, we expanded our annual ethics training program adding Arabic to our list of languages. The training, refreshed each year with real-world scenarios, is now available in 15 languages. We also use the training to gather feedback. Almost all (99%) of the 4,300 employees who participated in our voluntary survey noted their manager was ethical and honest. Nearly all (98%) also feel comfortable raising ethics or compliance issues, or reporting wrongdoings. The survey found employees comfortable reporting concerns with a variety of people – manager (92%), human resources (83%), and our Ombuds Office (83%).

We were one of the first U.S. companies to start an Ombuds program. Since 1985, it's been a core component of our ethics and compliance efforts, providing a trusted resource for employees and members of the public to ask questions, voice concerns, and report allegations of misconduct. We thoroughly investigate all reports involving potential Code of Conduct violations. Individuals can contact the Ombuds anonymously and we provide safeguards against any retaliation.

In 2018, the Ombuds received 519 contacts, up from 452 the prior year. We believe the continued increase in contacts demonstrates our "Speak Up" culture and recognition that ethics is everyone's responsibility. We conducted 150 Code of Conduct investigations in 2018. As a result, we disciplined 32 employees and terminated an additional 20 employees.

Our reputation for integrity is well-deserved, but never taken for granted. It's one of the key reasons we've been a respected business leader and partner for over a century.



Global Ethics Summit

Blake Moret was among the featured faculty at the Ethisphere Institute's 2018 Global Ethics Summit. More than 500 attended, including CEOs, board members, chief legal officers, chief ethics & compliance officers, international team members, global law firm partners, academics, and other business influencers.



SUPPLIER RELATIONSHIPS

Together with our suppliers, we bring the best of what we offer to any challenge to serve customers and deliver on our promise to help them achieve The Connected Enterprise. We work with smart people and honest partners.

We actively seek out suppliers who are leaders and problem solvers in their sectors and who reflect today's diverse marketplace. A diverse supplier base provides us with the best and broadest range of expertise. Not only does this help us better meet customer needs, but it also contributes to the economic growth of communities where we do business.

Through our memberships with national advocacy groups including the National Minority Supplier Development Council, Women's Business Enterprise National Council, and the National Gay and Lesbian Chamber of Commerce, we identify diverse partners throughout the U.S. Our membership in the Technology Industry Group, a forum focused on diversity in the high-tech supply chain, allows us to share best practices and benchmark ourselves against tech industry leaders.

In 2018, we spent more than \$272 million with approximately 600 U.S. businesses owned by women, ethnic and racial minorities, LGBTQ, veterans or service disabled veterans, and designated Small Business Administration enterprises. This was an increase over our 2017 spend of \$250 million. Compared to last year, we also saw quarterly growth in spend with Minority-Owned and Women-owned Business Enterprises (MBE, WBE).

We increased our spend with diverse suppliers providing direct commodities, a strategic priority for us. We saw increases with diverse-owned circuit board, metal fabrication, and stamping businesses. In 2019, we will significantly increase our diverse indirect spend through a new partnership with the Allegis Group and Populus Group to help us source contract employees. Populus is a Hispanic and veteran-owned business. With this relationship, we expect to nearly double the amount we spend with MBEs and WBEs.

Our suppliers are critical to who we are and what we do. We value the collaborative relationships we create, standing by them as they build their businesses, and work with us toward a thriving future for industrial automation.

Supply chain to admire

Supply Chain Insight, a global research firm, named us a "2018 Supply Chain to Admire" as part of its study of supply chain excellence. The study analyzed the supply chain performance of 655 publicly held companies from 2010 to 2017. We were one of 31 winners.

"This award recognizes the creativity and innovation of our supply chain teams around the world," said Ernest Nicolas, vice president, Global Supply Chain, when he accepted our award and spoke at the annual Supply Chain Insights Global Summit. "They are the essential piece in bringing value to our customers and to our company, through their decision-making, proactive approach to supply chain, and dedication to continuous improvement."

Populus, the Latin word for people, is a certified Minority Business Enterprise and Veteran-Owned Business that will assist us in sourcing contract talent. Pictured: Christopher Boles (Rockwell Automation), Nicole Brown (Populus Group), Christine DiPiazza, (Rockwell Automation) Edward Herrera (Populus Group), and Emily Baker (Rockwell Automation).



Global honors

Several organizations and publications recognized our company, regions, and colleagues this past year.

Corporate

- *The Wall Street Journal's* 2018 Top Management 250 list
- *Forbes* inaugural ranking of America's Best Employers for Women
- *Universum* China's Top 100 Most Attractive Employers
- Human Rights Campaign Corporate Equality Index perfect score of 100 for the sixth time
- *DiversityInc* Noteworthy Company as part of the publication's Top Companies for Diversity list
- Hispanic Professionals of Greater Milwaukee 2018 Corporation of the Year award
- *Milwaukee Business Journal* 2018 HR Award in the Publicly Held Companies Category



Patricia Contreras

Employee

- Erid Valdez, plant manager, Dominican Republic: The Manufacturing Institute Women in Manufacturing STEP Ahead Award
- Linda Freeman, business development manager: Putman Media inaugural class of Influential Women in Manufacturing
- Patricia Contreras, director, Community Relations: inaugural The Business Journals' Influencers: Rising Stars list of 100 national influential young executives
- Lucia Galezewski, finance manager: Hispanic Association on Corporate Responsibility 2018 Young Hispanic Corporate Achievers™
- Rebecca House, svp and general counsel: Milwaukee Business Journal C-Suite Star, Best Corporate Counsel/ Public Company category



Erid Valdez

ENVIRONMENTAL PERFORMANCE

From green roofs to solar energy fields to geothermal heating and cooling, we pursue best practices in environmental stewardship. We focus our conservation efforts on reducing energy, waste, and water usage through efficient resource use.

In 2018, we reached our goal of certifying 100 percent of our largest manufacturing facilities to the ISO 14001:2015 family of environmental management standards. This certification means we not only meet the regulatory requirements for our activities, products, and services, but also have assurance that we operate to the highest level of environmental standards. With the recent certification of our Jundiá, Brazil location, we have 24 sites certified.

We achieved another significant milestone in 2018, by meeting our goal to reduce greenhouse gas emissions normalized to sales by 30 percent compared to our 2008 baseline. By holding emissions steady, despite significant increases in production and revenue, we met our goal, which we originally planned to achieve by 2022, four years early. Year over year, we reduced CO₂ emissions.

We use most of our energy for electricity to light, heat, and cool buildings. As a result, the majority of our CO₂ emissions are indirect and generated at electrical utilities, not our locations (see charts on page 19). We measure and report energy use and carbon emissions at more than 300 locations, of which 20 are core manufacturing and warehouse facilities. Energy is a minor percentage of the total operational costs at these sites.

For more than a decade, we have reclaimed or recycled at least 80 percent of the solid waste we generate each year. Many years we have exceeded the goal. In 2018, we set the bar even higher by increasing our deferral rate goal to 85 percent, and came close to that goal by deferring 82 percent of our waste.

Our Ladysmith, Wisconsin plant became our first facility with a 100 percent deferral rate after it started to send its waste to the Barron County Waste-to-Energy Facility. The facility burns raw garbage in 450-degree Fahrenheit cauldrons and turns the resulting steam into enough energy to power itself, a nearby cheese plant, and the community. Ladysmith also operates a full recycling program.

For water, our consumption increased slightly compared to 2017. We use water mostly to drink, for sanitary purposes, and for cooling and cleaning during manufacturing.

All of our global locations must meet local environmental and safety regulations and our own strict policies and procedures. To foster continuous improvement that goes beyond compliance, we conduct comprehensive assessments each year at a number of locations. In 2018, we conducted 43 internal audits.

5x

WISCONSIN GREEN MASTERS

Wisconsin Sustainable Business Council

Earth Day

Earth Day is a popular celebration for our employees and their communities. We planted trees in Singapore, India, and Brazil. We planted fruits and vegetables in mini greenhouses in Katowice, Poland. We hand-painted eco t-shirts and provided flower seedlings and supplies to school children in Gdansk. We cleaned neighborhoods and road sides in Harbin, China and Ladysmith, Wisconsin.

Ladysmith employees also hosted a silent auction of hand-crafted items from recycled materials including quilts made from denim, plant hangers made from grocery bags, and various art pieces made from wire.

We held electronics recycling drives in Milwaukee and Richland Center, Wisconsin while employees and their families in Shanghai, China collected trash recyclables from neighbors and provided guidance on how to sort, pack, and send recyclables for further processing.

We gave Milwaukee employees tree saplings and LED lightbulbs. In East Setauket, New York, we also gave employees tree saplings, as well as flower seeds and reusable shopping bags. We held raffles in Mayfield Heights, Ohio and Mequon, Wisconsin where lucky winners received home composters and an Ecobee Thermostat.

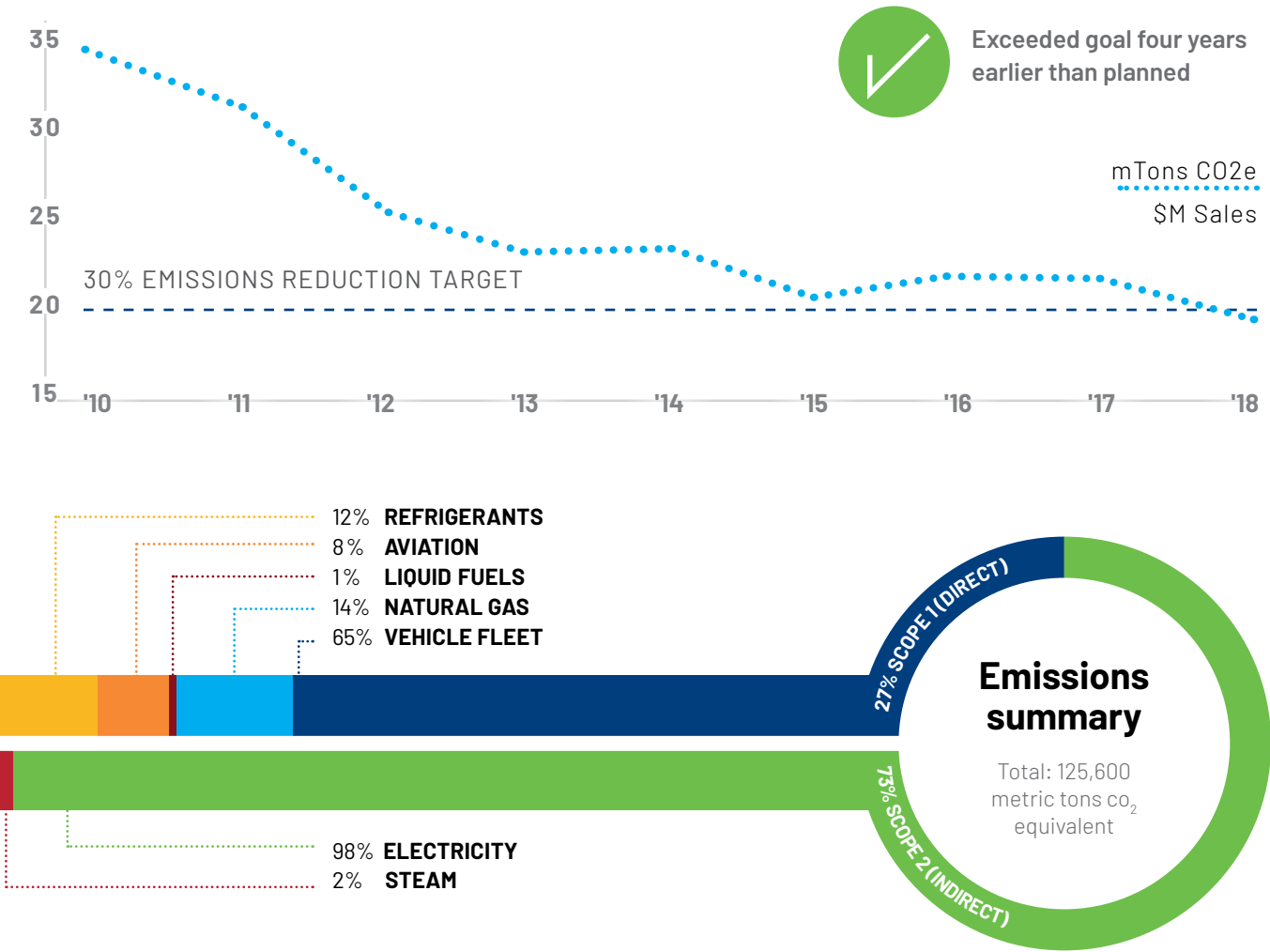


SUSTAINABLE COMPANY PERFORMANCE

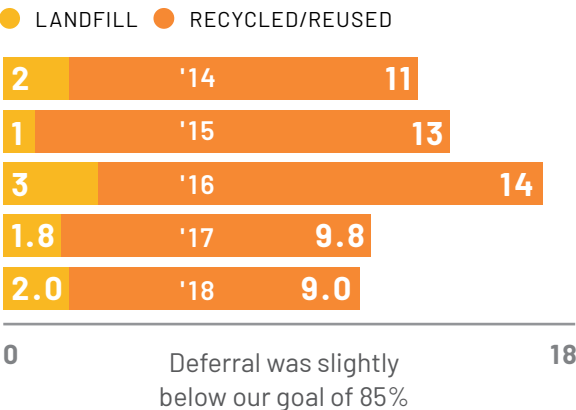
Environmental

Normalized emissions trend

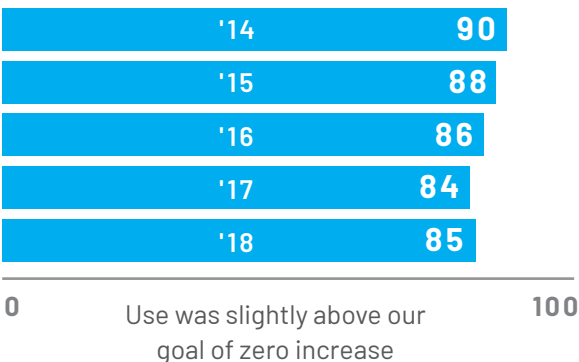
GOAL: 30% emissions reduction by 2022 (Scopes 1 and 2)



Waste generation (1,000 tons)



Water use (1M gallons)



SAFETY PERFORMANCE

Our global safety performance, as measured by our Recordable Case Rate (RCR), remained best-in-class compared to our industry peers in 2018. We've sustained this trend for more than 10 years. While our 2018 RCR remained in the top quartile for safety performance, we had an increase over the prior year due to a rise in the number of hand and ergonomic injuries.

Noting this trend early in the year, we implemented a peer-to-peer driven, Behavioral Based Safety process specific to these types of injuries. We conducted a number of in-depth analyses to identify targeted locations. Multi-disciplinary teams visited these sites. They studied incident reviews, interviewed employees, and developed corrective plans specific to those locations as well as for our other facilities. Plans included engineering changes, new processes, and improved protective equipment.

For example, instead of employees manually lifting and plugging product units in upper cabinet locations, we started using Econo Lifts, which do all the lifting and positioning and can be operated from the ground level.

We also replaced manual equipment used to crimp and cut larger gauge wire with an automated solution.

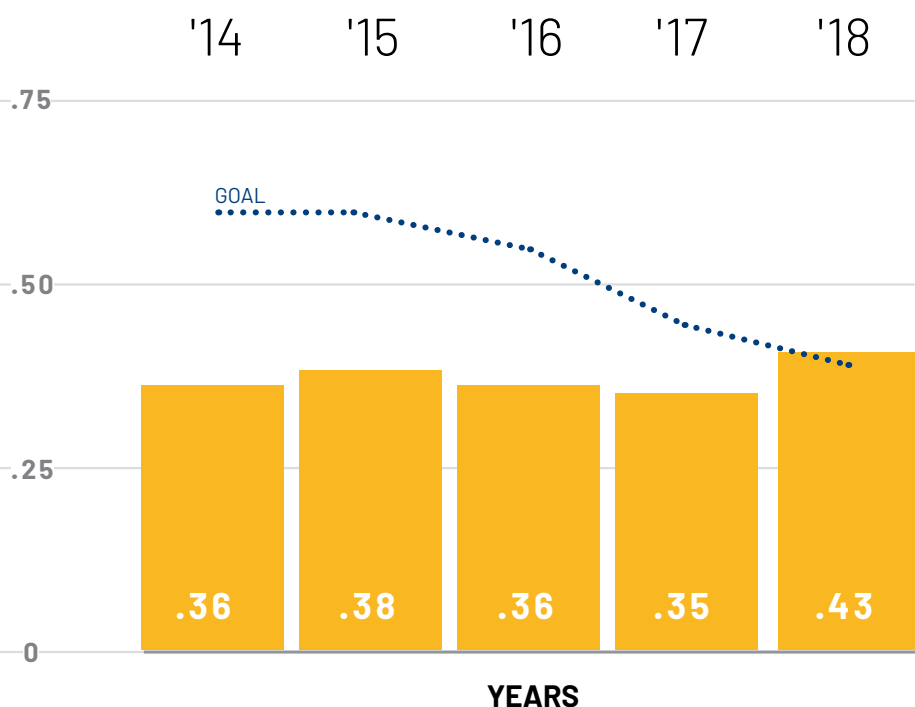
We expanded our Gemba walks, which allow managers and employees to observe and discuss activities as they're happening, to include management at all levels of a location instead of just EHS (environmental, health, safety) professionals. We increased communications and training, publishing more than 100 Safety Moments used as conversation starters during employee meetings. We also continued our Sustaining Safety campaigns at operations locations, prioritizing hand safety and ergonomics as topics.

Our locations developed a number of engaging educational activities. As part of their Hand Safety Month campaign, our Monterrey, Mexico colleagues played several games designed to emphasize the importance of fully functional hands. Employees changed diapers, prepared coffee, tied shoes, buttoned shirts, and inflated balloons, all either one-handed or with just a few fingers.

We'll continue our aggressive focus on hand safety and ergonomics in 2019.


Safety

Recordable case rate per 100 employees



15

Locations certified
OHSAS 18001
occupational health
and safety standard



Protecting our community

Our Jundiaí, Brazil Emergency Response Team helped extinguish fires in the industrial park where the plant is located. The fire was controlled and extinguished without major damage to nearby buildings or vegetation.

Global Safety Honors

The Ministry of Manpower and Workplace Safety and Health Council of Singapore honored our Asia Pacific Business Center (APBC) with an Excellence Award for Health and Safety for the eighth time. The APBC also won an Excellence Award from the ASEAN Occupational Safety and Health Network.

In Brazil, DuPont recognized our Jundiaí plant with a first place award in the Protection against Cuts and Abrasion category as part of its National Safety and Health Awards. Other finalists in this category included Toyota and Prometeon Tyre Group – Pirelli. The DuPont awards honor companies and professionals that create safe workplaces.

Additionally, Team Prevent Poland honored our locations in that country as the Golden Leader of Healthy Business in its annual awards competition.



Safe manufacturing tours for employees' children

Children of employees at our Poland and Monterrey, Mexico facilities toured where mom and dad worked and saw how they keep themselves safe. They learned about safety requirements, safety signs, personal protection equipment, and how light barriers prevent access to unauthorized areas.

SUSTAINABLE community

Advances in automation and technology are useless without advances in talent. In an Accenture study of CEOs, more than 75 percent said it's important to harness new data for innovations or they'll lose market share. But more than half noted they don't have the right talent to do it.

Without skills and talent, the promise of The Connected Enterprise goes unfulfilled. We must invest in people, education, and training as much as we invest in technology. From school children to college students and new hires to experienced professionals, we focus most of our philanthropic support on workforce development. We inspire innovative thinkers and problem solvers, seeding the next generation of STEM (science, technology, engineering, and math) leaders and fostering a passion for lifelong learning.

STEM EDUCATION

We start with programs that spark interest in STEM education and careers with a strategic emphasis on underrepresented students, especially young women. We partner with leading nonprofits *FIRST*® (For Inspiration and Recognition of Science and Technology), Project Lead the Way, and MIND Research Institute (ST Math), to make STEM exciting, fun, and yes, cool.

Since 2006, we've committed more than \$25 million to *FIRST*, which provides after-school STEM programming. In 2018, we continued to expand our global involvement. We sponsored a team for Singapore's *FIRST* LEGO League (FLL) from TOUCH Community Services, a nonprofit we've supported for years. We also sponsored the Singapore National FLL Championship. About two dozen of our Singapore employees volunteered as mentors, coaches, judges, and referees.

In Australia, we sponsored three *FIRST* Robotics Competition teams and one FLL team. Kerryn Sakko, senior application engineer and our Australian STEM lead,



● 64% Education ● 18% Health and human services
● 10% Civic ● 8% Arts and culture

is one of several employee volunteers. "I get to help kids grow and gain social and technical skills through STEM," she said. "What they manage to build is incredible. Their troubleshooting skills and ability to think outside of the box is true innovation."

For the first time, we sponsored the FLL India program. Our Global STEM Ambassador Jay Flores attended India's FLL National Championship and our colleague Mukta Misra was a keynote speaker. India employees also served as event judges. Jay's India stop was part of an Asia Pacific tour that included several visits with colleagues across the region who are active in STEM activities.

"By supporting our efforts with *FIRST* locally, our employees grow personally and professionally while also making a significant contribution to developing the future talent of our industry," Jay noted. "What we're doing through our STEM work is making sure we're getting into our communities and reaching kids at younger ages when we can encourage their curiosity so that it may lead to a lifelong passion."

Rockwell Automation *FIRST* season highlights

215 SPONSORED TEAMS
Including at least 1 mentor per team

65
FIRST
Robotics
Competition

24
FIRST
Tech
Challenge

108
FIRST
LEGO
League

18
Junior
FIRST LEGO
League

300+ VOLUNTEERS

Supporting teams and competition events



***FIRST* LEGO League India Team**

Supporting education and inspiring STEM in China

Area school students joined the children of our Greater China office employees at our Shanghai Research Center labs for a day of experiments and other activities designed to arouse their interest in STEM. More than 50 of our Shanghai colleagues also serve as volunteer tutors assisting children with homework. In 2018, these employees provided more than 140 hours of tutoring.

Rockwell Automation helps launch MathMINDS Games

Students from our K-8 Milwaukee partner schools, Escuela Vieau and Rogers Street Academy, were the first to experience the MIND Research Institute's newest product, MathMINDs Games. The storybook board games combine math, history, and literacy in a highly connected experience for educators, students, and families. We funded "South of the Sahara," the first suite featuring games based on events from Ghana, Mozambique, and Madagascar.

"With MathMINDs Games, students will be able to see how math has a presence everywhere and in everything," said Brett Woudenberg, MIND's Chief Executive Officer. "The games will allow students to access math beyond the classroom and build a positive relationship with math that will later equip them for the challenges they'll face in higher education and the STEM workforce."

The game earned a 2018 Academics' Choice Award™, the leading international educational award honoring excellence in mind-building media and toys.



Girl CODE: Adventures in Programming

Middle school girls built their own websites at the first-time Adventures in Programming summer camp developed by Maydm, a nonprofit providing girls and youth of color with skill-based training for the technology sector. The camp was hosted at Milwaukee School of Engineering, providing the girls with the opportunity to be on a college campus.

Campers also visited our company and met with some of our female colleagues to learn about career opportunities and gain insights about women in the workplace. We hosted the camp's final day celebration. The girls demonstrated their websites to a large audience of family members and community and business leaders, including our Chief Technology Officer, Sujeet Chand.



FIRST student and mentor returns from international internship

From Riverside RoboTiger to international intern, Javion Mosley's STEM experience has taken him from Milwaukee, Wisconsin to Shanghai, China. A graduate of Riverside High School and *FIRST* member, Javion now mentors his former team. He's also a junior at University of Wisconsin-Milwaukee (UWM) and an application engineering intern at Rockwell Automation. This past summer Javion spent three months at our Shanghai Jiao Tong University (SJTU) automation lab and our Shanghai plant as part of an international student exchange internship program we started with UWM and SJTU in 2016.

"I have a perspective from a different culture that will influence what I do for the rest of my life," Javion said. "Our company invests in its people. This was an opportunity for me to learn and bring that learning back to my job."

Javion also interned with us as part of our high school internship program, an opportunity suggested by his Rockwell Automation *FIRST* mentor Emily Ralph.



HIGHER EDUCATION

The skills industry needs today are different from what we learned, and what's needed tomorrow will be different from what's taught today. To help develop a global talent pipeline with students prepared for careers changing as fast as technology itself, we have more than 150 automation learning labs worldwide.

Together with industry leaders, including Microsoft Corp., PTC, Ansys, FANUC, Cisco, Endress+Hauser (E+H), Amatrol, and FESTO Didactic, we partner with universities and colleges to introduce students to real-world challenges and solve actual customer problems. Students use the same advanced industrial automation technologies found in today's modern, connected manufacturing operations.

"I'm gathering data from real factories right now to use in a course," said Sangkee Min, an assistant professor of mechanical engineering at the University of Wisconsin-Madison, home of recently opened Rockwell Automation Industrial Connected Enterprise Laboratory. "The students will be able to use the lab to model what happens on real factory floors."

Located within the College of Engineering, "The lab is and will be a space that connects people with ideas and technology, serves as a springboard for innovative research and solutions, and adds an additional level of knowledge and preparation for our students," noted Dean Ian Robertson.

At University of Wisconsin-Milwaukee (UWM), construction continued on The Connected Systems Institute, the state's first comprehensive academic industry consortium involving IIoT (Industrial Internet of Things) technologies. Scholars and industry will collaborate on developing new technology applications. Companies will be able to test concepts, train employees, and share cutting-edge ideas. Students will get hands-on learning.

The institute is a multidisciplinary collaboration between UWM's College of Engineering & Applied Science, Lubar School of Business and Lubar Entrepreneurship Center, as well as Rockwell Automation and Microsoft, along with others. The institute opens spring 2019.

In China, the Ministry of Education and Association of Automation named us Automation Company of the Year and Automation Person of the Year for our work to develop a Smart Manufacturing certification program. FANUC, E+H, and Cisco partnered with us to introduce the certification, which will be available at Ministry of Education-designated universities. The program is in addition to the more than 70 automation labs we have in that country.

Global network of automation learning labs

30,000
students annually

150+ Labs

90+ Asia

50+ Americas

5+ EMEA



ACADEMY OF ADVANCED MANUFACTURING

By 2027 the U.S. manufacturing sector is expected to create up to 3.5 million new jobs. Most of those could go unfilled due to an aging workforce and lack of contemporary technical skills. Military veterans are one untapped segment that could help fill the gap. About 200,000 veterans leave the service each year, nearly 30 percent of them with the technical background ideal for advanced manufacturing careers.

Recognizing this opportunity, we developed the Academy of Advanced Manufacturing (AAM), a technical training program, in partnership with the ManpowerGroup. AAM provides comprehensive education on the technology and skills veterans need to translate military experience into in-demand, high-paying industry jobs.

Since we launched the program in 2017, we've held five 12-week training sessions with a total of 97 participants. We recruited from all over the U.S., from all branches of the military, and trained the veterans on the same modern automation and control technology that's in most U.S. plants. Majority of AAM graduates secured positions in manufacturing and production environments.

"I'm a fan of lifelong learning, and that brought me here," said Navy veteran Kevin Williams, one of our most recent participants who now works at Darigold in Portland, Oregon. We're a "workforce that's definitely ready to be not only a mechanic or automation specialist, but we can also come in and lead."

Added Jeremy Pellot, a former member of the United States Air Force who was hired by Owens Corning in Savannah, Georgia, "Coming out of the military without a degree was kind of hard, because I had the skills to do the job, I just didn't have the education. This gave me that foot in the door to do what I've been trying to do for the past few years."

AAM graduates leave ready to work in today's digital manufacturing operations. Their new employers, our customers, are impressed.

"We had initially only committed to bringing two students on staff, but we have been so pleased with both the program and caliber of students that we have met that we have decided to pursue three students," noted one of our hiring customers. "I could also see us utilizing the program going forward as we continue to grow."

In 2019, we'll expand the number of AAM training sessions to six. The groundbreaking program not only helps to fill the talent and skills void critical to the future of manufacturing, but also helps return the debt owed to the service people who've sacrificed for our country.



As many as

2.4 MILLION

manufacturing jobs
may go unfilled by 2028¹

¹ Deloitte and The Manufacturing Institute

Employee volunteer awards

Each year we honor colleagues who selflessly donate their time to needs important to them in their communities or in other parts of the world. To recognize their service, we donate to their charities of choice.

Engineering our Future™ awards

Awards celebrate dedication and commitment to STEM education and building a pipeline of talented and skilled employees.

Global: Jason Smith, SANDBACH, ENGLAND

Volunteer Organization: STEM Learning, a partnership of Government, charitable trusts, and employers across the UK. Jason is a registered STEM Ambassador.



U.S.: Emily Ralph, MEQUON, WISCONSIN

Volunteer Organization: *FIRST* Emily is a *FIRST* Robotics Competition and *FIRST* LEGO League team mentor.



Hometown Hero award

Award recognizes volunteer efforts in employees' immediate community.

Mehrdad Erfani, RICHMOND, VIRGINIA

Volunteer Organization: Dast2Dast is dedicated to helping the needs of the homeless individuals. Mehrdad co-founded the nonprofit organization, as well as the "Miles for Cause" charity bike ride campaign in which he's pedaled 7,000 miles to raise \$35,000 for a variety of charities.

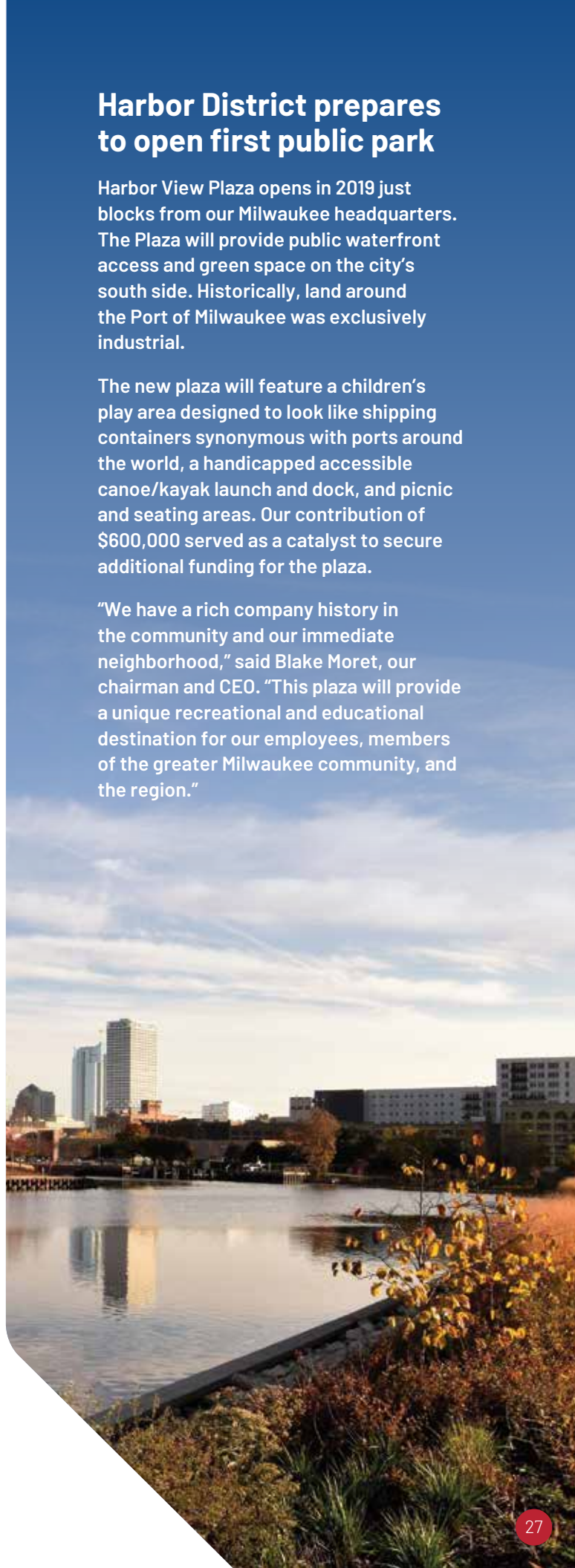


Harbor District prepares to open first public park

Harbor View Plaza opens in 2019 just blocks from our Milwaukee headquarters. The Plaza will provide public waterfront access and green space on the city's south side. Historically, land around the Port of Milwaukee was exclusively industrial.

The new plaza will feature a children's play area designed to look like shipping containers synonymous with ports around the world, a handicapped accessible canoe/kayak launch and dock, and picnic and seating areas. Our contribution of \$600,000 served as a catalyst to secure additional funding for the plaza.

"We have a rich company history in the community and our immediate neighborhood," said Blake Moret, our chairman and CEO. "This plaza will provide a unique recreational and educational destination for our employees, members of the greater Milwaukee community, and the region."





Printed in USA on recycled content paper made using renewable energy sources.

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