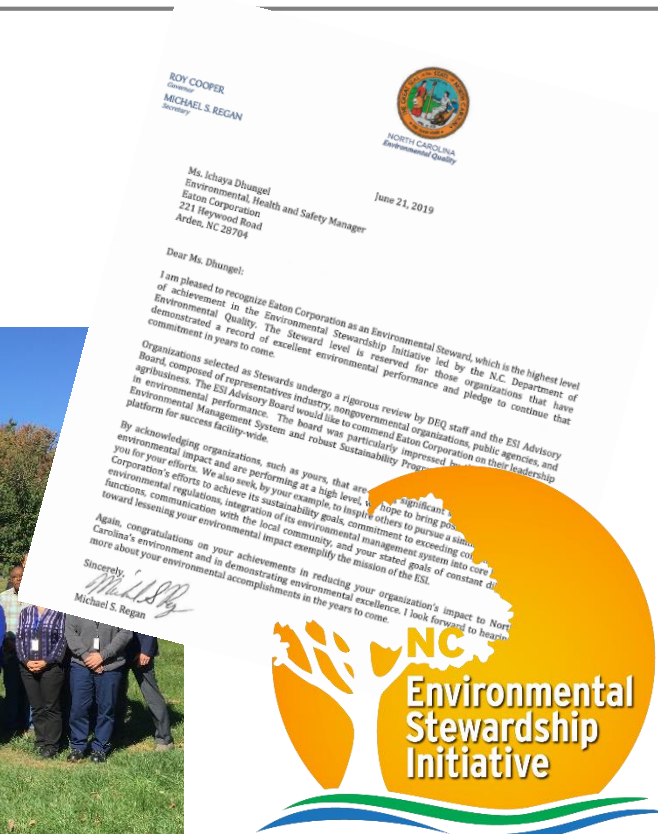
A woman with dark hair and blue eye makeup is looking upwards with a surprised expression. She is wearing a dark jacket. The background is a blurred industrial setting with yellow overhead cranes.

We make what matters work*

Ichaya Dhungel


Eaton, Asheville NC

Thank You ESI Team!




Agenda

- Eaton Asheville Overview
- Eaton's Vision and Strategy: Sustainability
- Asheville's ESI Journey
 - Operational Metrics Review
 - Employee's Engagement Activities
 - Communication Strategy
 - Community Involvement



Eaton is a leading power management company

We help the world use electrical, fluid and mechanical power more **reliably, efficiently, safely and sustainably...**



Our vision is to improve the quality of life and the environment through the use of power management technologies and services



Asheville Plant Overview

- 375,000 square feet, 1,000 + employees,
- 5 manufacturing product lines, 3 divisions
- Engineered to order products
- Marketing, R&D, customer service, manufacturing
- Products including Low Voltage Assembly Switchgear, Medium Voltage Control and Drives, Automatic Transfer Switch, Power Factor Correction
- Steel and copper fabrication department
- ISO 14001 Certified
- North Carolina Voluntary Protection Program- Carolina Star
- Zero Waste to Landfill Facility (since 2017)



Asheville Plant Products Overview



Medium Voltage Control



Adjustable Frequency Drives



Automatic Transfer Switches



Low Voltage Assemblies



Power Factor Correction



Sustainability at Eaton



Eaton Sustainability Approach

Our sustainability strategy delivers on our vision to improve the quality of life and the environment.



TRANSPARENCY: Disclose our performance in line with rigorous global standards.

Our vision is to improve the quality of life and the environment through the use of power management technologies and services.

Achieving our aspirational goals is as important as meeting our financial ones. We aspire to:

- Be the preferred supplier to our customers and channel partners
- Make work exciting, engaging and meaningful for our employees
- Make communities stronger
- Ensure health, wellness and safety for our employees
- Be a model for inclusion and diversity in our industry
- **Be active stewards of the environment**

Waste Generation Tracking

- Partnership with Heritage Interactive (Third Party Waste Vendor)
- Waste Reduction Strategy Since 2015
- Officially achieved Zero Waste To Landfill – 2017
- 2020 Focus- Waste To Energy Volume Reduction, Cardboard Packaging Reduction etc

Month	Waste	Data Check	YEAR	ENV MONTH
2020			2020	5
Total Waste 2020 YTD [t]		Landfill Waste 2020 YTD [t]		
1,606		0.2		
		ZWTL Site	YTD Landfill %	
		YES	0.0%	
2019 YTD vs 2020 YTD		2019 YTD vs 2020 YTD		
-9.5%		-79.5%		
2019 YE	4,251	2019 YE	1.48	
2019 YTD	1,774	2019 YTD	0.8	
2020 YTD	1,606	2020 YTD	0.2	
2019 YE Indexed to hrs	20.09	2019 YE Indexed to hrs	0.01	
2019 YTD indexed to hrs	20.09	2019 YTD indexed to hrs	0.01	
2020 YTD indexed to hrs	18.60	2020 YTD indexed to hrs	0.00	

Zero Waste to Landfill Achieved in 2017





Waste
55%
manufacturing sites zero waste-to-landfill

Green House Gas Emission Reduction



- Roof renovation project
- LED lighting for manufacturing
- Energy regeneration for medium voltage drives testing
- Energy Star HVAC replacements
- Investigating Solar (2020)


 Renewable electricity
12%
 of our electricity is renewable

ENV Index	YTD	YTD with Month	Monthly	Waste	Data Cl
Yes					
	GHG 2020 YTD [t]		Total Waste 2020 YTD [t]		
	2,551		1,606		
	2019 YTD vs 2020 YTD		2019 YTD vs 2020 YTD		
	- 4.4%		- 9.5%		
2019 YE	6,171.02	2019 YE	4,251		
2019 YTD	2,668	2019 YTD	1,774		
2020 YTD	2,551	2020 YTD	1,606		
2019 YE Indexed to hrs	29.16	2019 YE Indexed to hrs	20.09		
2019 YTD indexed to hrs	30.21	2019 YTD indexed to hrs	20.09		
		2020 YTD indexed to hrs	18.60		


>50%
 renewable electricity
 by **2030**



Water Consumption Reduction

- Annual reduction goal
- Partnership with Waste Reduction Partners (WRP)
- Closed-loop wash tank for paint line



10%
of manufacturing sites with zero water discharge by 2030

Calendar Year	2019			2020						Total	
Plant Name	MAY 2019	JUN 2019	Total	JAN 2020	FEB 2020	MAR 2020	APR 2020	MAY 2020	JUN 2020	Total	
ASHEVILLE NC	855	807	5,207	1,022	971	881	892	855	855	5,476	



We make a healthy planet work.*

Employee/Community Engagement Highlights

Reduce footprint AND increase handprint to achieve “net positive”



Reducing our footprint

We must make every effort we can to reduce our footprint; but, we can never reduce entirely to zero or neutral, because it requires resources to manufacture products.

Increasing our handprint

The key to achieving what’s called “net positive” is increasing the benefits of our products and power solutions to the point where the impact of our products outweighs the impact of our operational footprint.



Powering Business Worldwide

Earth Day Celebration! Sunflower Planting - April 22, 2019



**We owe it to future generations
to improve their quality of life**



Our actions improve the environment by:

- Putting fewer greenhouse gas emissions in the air
- Adding less waste to the ground
- Using less water
- Eliminating harmful chemicals



Dumpster Dive – June 2019

Asheville Recycling and Waste Streams



Plastic
Paper
Cardboard
Glass
Stretchable Plastics



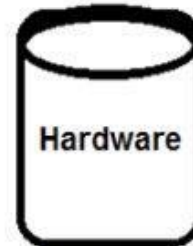
Wire Scrap



All Food Waste
Brown Napkins
Pizza Boxes
Doughnut Boxes



Spools
Pallets
Wood Scrap



Metal
Hardware



Used PPE
Styrofoam



Employee Communications



Issue Date: 03-11-2019
Exp. Date: 04-11-2019

Asheville EHS/ Hazard Recognition Alert

Recognize the Risk: Vehicle Safety – In and Out Of The Facility

In response to a significant number of recent safety observations regarding vehicle safety, the Asheville EHS Team would like to remind everyone of some simple guidelines to keep everyone safe in the presence of vehicles, whether on the floor or outside the building.

1: Respect all posted traffic control signs.

Asheville Plant Daily Bulletin Eaton Stock \$83.99 +0.22 83% 159 Party sunny, 40-60°F
 April 30, 2019

Happy Birthday!
Doug Gilliam
Nathan Guyton

Happy Retirement!
Rhonda Gray

Congratulations and "Thank you" to Rhonda Gray for her 33 years of dedicated service with Eaton!
Best wishes to Rhonda in her retirement...and Happy Trails to You....

Safety S

2019 Goal: Incident Free

Plant Wide: 18 Days (100%)
No Lost Time Recordable Incidents: 163 Days

Recordable TIR: 2

With Sympathy

Condolences to Clarence Wilkie, whose sister, Melissa Smith passed away last Saturday. Funeral arrangements are not known at this time.

4135 High 5 – Results

	Measure (4135 - LVA, MVC)	2015 Full Year	2016 Full Year	2017 Full Year	2018 Full Year	Model Plant	2019 Goal	Jan	Feb	Mar	2019 YTD
Safety	TRCR	1.25	1.11	0.89	0.81	0.50					
	Quality	CONC % of Sales	1.60%	1.80%	1.6%	1.6%	1.5%				
Delivery	On Time to Promise (Total)	93.3%	95.0%	84.0%	80.5%	95.0%	9				
	Inventory	DOH Cost	37.3	41.5	42.5	41.9	39.5				
Productivity	Productivity					3.0%					

Asheville Green Guardian Team

- Revamping the entire team
- 2019 Focus Area
 - Energy Management
 - Employee Engagement
 - Environmental Awareness
- Earth Day Celebration- April 22, 2019
- Earth Hour Celebration- March 30, 2019
- Highlight environmental action in April- June

Sustainability at Eaton: Reducing our Environmental Footprint Communication

Sustainability at Eaton: Reducing Our Environmental Footprint

Eaton is focused on sustainability, because how we get results and doing business right are part of our company's values and philosophy.

Like our customers, we value safety, reliability, efficiency and sustainability. We have a collective responsibility to be good stewards of all the resources we use. Since 2010 we've reduced our greenhouse gas emissions (indexed to sales) by 12.5%, energy consumption by 13.5%, water consumption by 19% and waste to landfill by 34%.

We've already made a big impact and we're focused on doing much more. We are committed to decreasing the environmental impact of our global operations by reducing our environmental footprint in these areas:

- Reduce greenhouse gas emissions by 2% year-over-year
- Reduce waste to landfill by 2% year-over-year
- Reduce water consumption by 5% year-over-year



Sub



Reliable



Efficient



Sustainable

WASTE: Cause Less

Eaton generated **181,000** metric tons of total waste in 2013, 12% of which went to landfill.

That's enough to fill **2,531** standard railroad boxcars making a 22-mile long train.



generated



50% of total waste to landfill

11% of Eaton manufacturing sites



Focusing on these sites offers a big opportunity to reduce waste, however, all Eaton sites must reduce waste to landfill.



LEARN MORE

Eaton is actively engaged in sustainable processes and practices as part of doing business right.

Discover how **YOU CAN HELP** by visiting www.eaton.com/sustainability.



Between 10% and 15% of our waste to landfill is swarf

- Small metal particles suspended in oil and other fluids
 - Produced by grinding and other machining processes
- Swarf is difficult to recycle efficiently because it requires separating the metal from oil and other fluids.

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Powering Business Worldwide

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Sub



Reliable

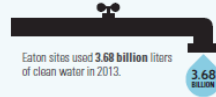


Efficient



Sustainable

WATER: Consume Less



The average adult needs about **8 glasses** (3 liters) of drinking water daily.



Eaton's annual water consumption is comparable to the amount of drinking water consumed in a year by **3.4 million adults** or the population of Berlin, Germany.



Eaton discharges an estimated 80% of its water consumed as wastewater, which amounts to **2.94 million cubic meters of wastewater** annually. This amount is comparable to the volume of water flowing over Niagara Falls at daytime peak for 17 minutes.

17 minutes of water flow

Eaton uses large quantities of water to cool heat-intensive manufacturing processes such as heat treating and injection molding.

Approximately 25% of Eaton manufacturing sites are located in regions projected to suffer from extreme water scarcity by 2025.



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- Reduce water consumption by 5% year-over-year



Sub



Reliable



Efficient



Sustainable

ELECTRICITY: Use Less



The average annual consumption of electricity by a single Eaton manufacturing site in 2013.

1,240,000,000 kWh of electricity was consumed by Eaton in 2013.



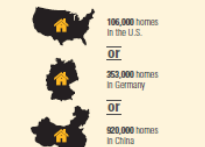
How Eaton uses electricity ...

Our two highly efficient datacenters in Kentucky each use about: **4.9 MILLION kWh (annually)**

A single CNC machine, operating 24 hours daily, 5 days weekly: **350,000 kWh (annually)**

Eaton - issued laptop, used 40 hours weekly: **126 kWh (annually)**

Eaton's annual electricity usage is comparable to the amount of electricity it takes to annually power either ...



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Community Involvement Partnership with A.C Reynolds Middle School



- Donated safety glasses and old totes
- Totes were used as flowerpots

Exploring more opportunities around sustainability

Community Involvement Continues....

March of Dimes



Raised \$664

Thank you to team members!

Richard Phelan, Family Assoc
Phillip
Debbi
McInt
Gavin
Keend



Inclusion & Diversity

Educational Awareness Day



Never Stop Learning!

Inclusion & Diversity Summit July, 2018

At Eaton we need inclusion and diversity to achieve our targeted business results and fulfill our vision of being the most admired company in our markets. **Openness to diversity widens our access to the best talent. Inclusion allows us to engage that talent fully.**

The Asheville and Avery Creek facilities hosted an I&D Summit in July. The purpose of the summit was to enhance and strength our partnerships with local community diversity organizations.

Attending the I&D Summit were Mission Health – WNC Diversity Engagement Coalition, Asheville Chamber of Commerce, United Way, NC Division of Vocational Services, Community Foundation of WNC, NC Employment Security Commission – Asheville, The ARC of North Carolina, NC

Community Involvement

Asheville Plant Community Involvement Committee Goals:

- To encourage and facilitate employee involvement in community activities and affairs and to recognize their contributions.
- To evaluate and recommend opportunities to support area educational systems, activities and programs that contribute to improving the quality of life in our community.
- To establish the Asheville Plant as exemplary employer, neighbor, and supporter within the local community.

Over \$311K in Charitable giving to the community:

- United Way --\$192K
- Eaton Foundation Contributions--\$110K:

Other:			
Total \$	\$9,014	Habitat for Humanity (Asheville Area)	\$20,000
March of Dimes	\$664	UNC-Asheville	\$16,000
MANNA Food Bank Food Drive	\$2,000	Asheville Buncombe Technical College	\$10,000
School Back Pack Program (United Way)	\$2,750	JDRF	\$10,000
Eisen Charities Coat Drive	\$1,500	American Cancer Society	\$10,000
Hearts with Hands (Hurricane Disaster Relief)	\$1,500	Brother Wolf	\$10,000
Veteran Care Packages	\$600	Diana Wortham Theatre	\$10,000
		Vagabond School of Drama (Flat Rock Playhouse)	\$5,000
		Henderson Symphony Orchestra	\$5,000
		Mountain Housing Opportunities	\$5,000
		Green Side Up	\$5,000
		Boys and Girls Club	\$5,000
		Big Brothers Big Sisters	\$5,000

Community Involvement Committee



MHO Ramp Festival

Thank you!



MHO Ramp Festival Volunteers: Mike Frazier, Team Leader, Joe Comper, Wendy Comper, Jennifer Haynes, Marcus Wilkes, Sean Kay, Chris Jones, Christopher Hill, Ron Guzzo, David Whitaker, Trent Roush, Stacy McMichael



Committing to what matters... Sustainability 2030

<h3>2030 Goals</h3> <p>Doing business right and transparency</p> <ul style="list-style-type: none"> Disclose our performance using rigorous and credible global standards Address key societal issues Operate with integrity 	<h3>To get there, we aim to...</h3>	
	<p>Doing business right and transparency</p>	
		<p>Achieve class-leading safety performance: 0.25 Total Recordable Case Rate and 0.15 Days Away Case Rate</p>
		<p>Report our ESG material issues in alignment with Sustainability Accounting Standards Board (SASB) and Taskforce on Climate Related Financial Disclosures (TCFD) requirements</p>
		<p>Share our minority and gender pay equity assurance results and ensure no human rights violations from our key suppliers</p>

<p>Customer solutions</p> <ul style="list-style-type: none"> Help our customers achieve their sustainability goals Accelerate the development of solutions for near- and long-term impact <p>Employee development and engagement</p> <ul style="list-style-type: none"> Utilize the ingenuity of our employees in solving sustainability challenges Improve the communities in which we live and work 	<p>Customer solutions</p>	
		<p>Provide world-leading intelligent power management solutions and reduce Scope 3 emissions from our solutions and throughout our value chain 15%</p>
	<p>Employee development and engagement</p>	
		<p>Achieve and maintain employee engagement scores of 80% or higher</p>
		<p>Commit to 12 hours of training and development per employee per year</p>
		<p>Clock 250,000 hours of employee volunteer time annually</p>

<p>Operational footprint</p> <ul style="list-style-type: none"> Focus on mitigating climate change and optimizing use of resources 	<p>Operational footprint</p>	
		<p>Reduce carbon emissions from our operations 50%</p>
		<p>Achieve carbon neutral operations</p>
		<p>Certify 100% of our manufacturing sites as zero waste-to-landfill</p>
		<p>Certify 10% of our manufacturing sites as zero water discharge</p>

- Research and development over the next 10 years to create sustainable and energy efficient solution for our customer
- Aim to achieve a science based target and carbon neutral operation
- Continue to reduce our operational footprint



Thank You!

Contact Information

Ichaya Dhungel, EHS Manager

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Eaton, Arden North Carolina

Learn more at eaton.com/sustainability

Much appreciate your participation!