


ROCKWELL AUTOMATION INC.

MEETING DATE	Tue, 06 Feb 2018 17:30 pm	TYPE	AGM	ISSUE DATE	Fri, 26 Jan 2018
MEETING LOCATION	Global Headquarters, 1201 South Second Street, Milwaukee, Wisconsin, USA				
CURRENT INDICES	S&P500				
SECTOR	Measuring and controlling devices, not elsewhere classified				

PROPOSALS		ADVICE
A1 Elect Betty C. Alewine	Non-Executive Director. Not considered independent owing to a tenure of over nine years. However, there is sufficient independent representation on the Board.	For
A2 Elect J. Phillip Holloman	Independent Non-Executive Director.	For
A3 Elect Lawrence D. Kingsley	Independent Non-Executive Director.	For
A4 Elect Lisa A. Payne	Independent Non-Executive Director.	For
B Appoint the Auditors	Deloitte proposed. Non-audit fees represented 0.19% of audit fees during the year under review and 0.18% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than seven years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.	Oppose
C Advisory Vote on Executive Compensation	The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. Stock option grants vest in 1/3 increments at one, two and three years from the grant date, which is not considered to be sufficiently long-term. Restricted shares do not vest until three years after the grant date. Executive compensation is in-line with peer group averages. Executive compensation is aligned with companies of a similar market capitalisation, which is welcomed. There is no disclosure of a definition for 'good reason'. Potential severance payments are considered to be excessive. The compensation rating is: BCD. Based on this rating, Triodos opposes this resolution.	Oppose

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal C - Advisory Vote on Executive Compensation

Disclosure: B- For fiscal 2017, the Compensation Committee determined that no payments were to be made under the bonus plan if Adjusted Earnings Per Share (EPS) was less than the previous year's results. The Company and Segment financial metrics used to determine awards under the plan for fiscal 2017 were Sales, Adjusted EPS, Return on Invested Capital, Segment Operating Earnings and Free Cash Flow. Free cash flow, Adjusted EPS and Sales for the Company as used for ICP purposes are non-GAAP financial measures, which is a concern as it does not permit the assessment of the challenging nature of performance targets. There is otherwise good disclosure of performance targets.

The Company granted stock options, performance shares and restricted stock at approximately 45%, 40% and 15% of the total long-term incentive value, respectively. The payouts of performance shares granted were made in shares of common stock or cash, and ranged from zero to 200% of the target number of shares awarded based on relative total shareholder return. There is good disclosure of performance targets related to the long-term incentive plan.

Balance: C- Stock option grants vest in 1/3 increments at one, two and three years from the grant date, which is not considered to be sufficiently long-term. Restricted shares do not vest until three years after the grant date. Executive compensation is in-line with peer group averages. Executive compensation is aligned with companies of a similar market capitalisation, which is welcomed.

Contract: D- There is no disclosure of a definition for 'good reason'. Potential severance payments are considered to be excessive.

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