

Module: Introduction

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0.1

Introduction

Please give a general description and introduction to your organization

Eaton Corporation is in the business of “power management” – helping customers manage power more efficiently, effectively, safely and sustainably. We believe power management will be one of the biggest trends shaping the future as the world’s energy demands grow along with the responsibility to protect our environment.

Eaton’s innovative technologies improve the energy efficiency of buildings, vehicles and machinery, help to conserve natural resources, shrink the carbon footprints of our customers, and reduce the environmental impact of everyday life. Examples of key technology applications are found across Eaton’s global businesses:

- Eaton hybrid power systems for commercial vehicles have accumulated more than 100 million miles of service and helped save more than four million gallons of fuel while reducing emissions by 40,000 tons.
- Eaton’s multi-faceted family of Electric Vehicle charging stations is helping to build the infrastructure vital to this new mode of transportation.
- Our advanced hydraulic and electrical technologies support wind, solar, and hydropower manufacturers around the world.
- Eaton helps reduce power consumption in energy-hungry buildings by providing efficient products and services such as lighting controls, electric drives and uninterruptible power system (UPS) solutions.
- We are working with the world’s leading aerospace manufacturers to develop solutions such as fluid conveyance and cockpit panel systems that make air transportation safer, more reliable and more energy-efficient.
- Eaton superchargers enable small, efficient automobile engines to deliver the power of much larger ones, while using less fuel and reducing emissions.

In addition to helping our customers be more sustainable, Eaton remains focused on improving the efficiency and sustainability of our own operations. We’ve reduced our greenhouse gas (GHG) emissions, indexed for sales, by 12.9 percent since 2006, keeping us on track to meet our goal of reducing GHG emissions by 18 percent by 2012. Our new global headquarters, being built in Cleveland, Ohio, will be a world-class model for sustainability, embracing the latest energy-efficient technologies. And new technologies and processes are making our manufacturing plants around the world more energy efficient.

Eaton’s longstanding commitment to sustainability has earned worldwide recognition:

- Ethisphere Institute named Eaton to its 2010 list of the World’s Most Ethical Companies.
- Eaton ranked 16th in *Newsweek* magazine’s Green Rankings of America’s 500 largest companies in 2010—compared to 43rd the year before. We also climbed

from third to first among general industrial companies, based on third-party evaluation of our company's environmental impact, green policies and reputation.

- We were named one of *Corporate Responsibility Officer* magazine's "100 Best Corporate Citizens" for the third straight year, and won "the Most Committed Multi-National Award" for demonstrating social responsibility in China from *Foreign Investment in China* magazine.
- We ranked 41st on *Bloomberg Maplecroft's 2010 Climate Innovation Index*, based on Eaton's performance across a range of factors, including our management policies, mitigation and reduction of carbon emissions and the development of new technologies addressing climate change.

This year marks Eaton's 100th anniversary of providing customers around the world with innovative and sustainable products, systems and solutions. As we celebrate our centennial, we look forward to building further momentum for our most impactful technologies that will help our customers everywhere address some of the world's toughest power management and sustainability challenges.

Alexander M. Cutler
Chairman and Chief Executive Officer
Eaton Corporation

0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Thu 01 Oct 2009 - Thu 30 Sep 2010

0.3

Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response

Select country
United States of America
Rest of world

0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

0.5

Please select if you wish to complete a shorter information request

0.6

Modules

As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.

If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will be marked as default options to your information request. If you want to query your classification, please email respond@cdproject.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdproject.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

1.1

Where is the highest level of direct responsibility for climate change within your company?

Senior Manager/Officer

1.1a

Please identify the position of the individual or name of the committee with this responsibility

Responsibility for all Environmental issue resides with Eaton's Environment, Health and Safety Council. Eaton has delegated overall management responsibility for climate change-related issues to a corporate officer, Uday Yadav, Executive Vice President -- Eaton Business System, who is a member of Eaton's Senior Leadership Committee and reports to the Chairman and CEO, Alexander Cutler.

1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

1.2a

Please complete the table

Who is entitled to benefit from these incentives?	The type of incentives	Incentivised performance indicator
All employees	Monetary reward	In 2010, achieve a 6 percent reduction in greenhouse gas emissions, indexed for sales; a 3 percent reduction in waste generation and water consumption, indexed for sales; and reduce Days Away Case Rate to .20 and Total Recordable Case Rate to 1.0.
All employees	Recognition (non-monetary)	In 2010, achieve a 6 percent reduction in greenhouse gas emissions, indexed for sales; a 3 percent reduction in waste generation and water consumption, indexed for sales; and reduce Days Away Case Rate to .20 and Total Recordable Case Rate to 1.0.
All employees	Other non-monetary reward	In 2010, achieve a 6 percent reduction in greenhouse gas emissions, indexed for sales; a 3 percent reduction in waste generation and water consumption, indexed for sales; and reduce Days Away Case Rate to .20 and Total Recordable Case Rate to 1.0.

2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

2.1a

Please provide further details (see guidance)

1. Eaton Business System (EBS)

EBS provides a disciplined set of processes and tools that ensure organization-wide alignment and compliance, rapid recognition and transfer of best practices. Our success can be directly attributed to EBS encompassing the core values, policies and processes used to conduct business and measure, assess and improve performance.

EBS links Eaton's worldwide businesses and employees by providing a common set of values, philosophies, management tools and measures. It enables us to systematically manage our businesses while capturing the benefits of diversity, scale and rapid transfer of best practices. EBS improves working capital and operating margins and reduces costs through these elements: Corporate Goals, Planning, Growth, Execution, Assessment and Tools.

Employees use these tools to achieve operational excellence:

- Eaton Lean Six Sigma – combining Lean System methodology and Six Sigma quantitative analysis to create a powerful methodology that unleashes the true potential of continuous improvement throughout Eaton. ELSS eliminates waste, simplifies processes, reduces cycle times and enables us to more effectively deploy resources within quality-intensive systems and achieve exceptional profits and performance.
- PROLaunch – a set of integrated processes designed to guide our program and project management processes, including product development from concept through production launch. Eaton’s “Design for the Environment” (DFE) program is part of this process. Using DFE, we are looking at our products to determine the environmental impact throughout the life of the product, and developing ways to minimize that impact.
- Supply Chain Management – a comprehensive set of tactics to strengthen and diversify supplier relationships worldwide while achieving maximum value in commodity management, global logistics and sourcing.

2. Facility level planning and evaluation:

Eaton conducts strategic planning at all of its facilities and associated businesses. One of the factors considered involves potential environmental impacts to the business. Physical risks such as changing weather patterns, rising temperatures and other natural disasters are reviewed. An outcome of these meetings is the development of local response plans designed to address catastrophic occurrences.

3. Management of Environment, Safety, Security, and Health (MESH) program:

For environmental and safety issues planning, Eaton has developed a program called MESH (Managing Environment, Safety and Health), a globally deployed, unified system designed to take Environment, Health and Safety (EHS) to world-class performance. MESH consolidates existing programs into one integrated management system. All Eaton facilities worldwide are now working toward consistent goals, applying the same metrics, setting targets for improvement and identifying and sharing best practices. Most importantly, MESH has elevated EHS from a series of isolated activities to a responsibility shared by all Eaton employees.

MESH consists of three components: Process & Compliance, Culture and Results. Process & Compliance establishes requirements in 10 distinct EHS categories and drives regulatory compliance at the facility level. Culture relates to how well each facility demonstrates EHS engagement at all levels. The Results component focuses on achieving established EHS performance metrics. Clear targets, objectives and performance goals are established for each component. Eaton facilities undergo a corporate MESH assessment every three years, but also conduct self-assessments each year to keep track of performance.

4. Enterprise Risk Management

Eaton has enhanced its worldwide emergency response capabilities through the company’s Enterprise Risk Management system to identify and deal with physical risks such as increased storm activity, hurricanes, floods, etc. This system includes a crisis communications and emergency response plan, which in turn includes an emergency response Hotline. A call to the Eaton Hotline immediately engages the Corporate Emergency Response Team which can provide resources to help a facility deal with emergencies and also assist in communications and decision-making. Other programs that support Eaton’s Enterprise Risk Management system include business continuity, travel and employee security, information technology, disaster recovery, intellectual property protection and pandemic preparedness.

Board of Directors

The Eaton Board of Directors Governance Committee has oversight regarding significant public policy with respect to our relationships with shareholders, employees, customers, competitors, suppliers and the communities in which we operate. These issues include EHS and sustainability risks and concerns as outlined in the Eaton EHS policy and the Eaton 2010 Proxy statement, 2010 annual report which can be found on the Eaton.com public web site.

2.2

Is climate change integrated into your business strategy?

Yes

2.2a

Please describe the process and outcomes (see guidance)

i. & ii: Eaton has undergone dramatic changes over the past 11 years. Today, Eaton is a power management company. Now, and in the foreseeable future, our strategy is to invest heavily in cutting-edge technologies that make a real difference in solving our customers' most challenging power management problems, including those influenced by the threat of climate change. Around the world, demand for our products that improve fuel economy, reduce emissions and improve safety is accelerating. Through innovation, acquisition, manufacturing, services, and a balanced business strategy, Eaton is growing to satisfy that demand. This strategy is based on our firm belief that power management will be one of the most powerful megatrends for decades to come.

Climate change aspects that have influenced this strategy include:

- The pressure on global energy costs and availability leading to ever-increasing costs of extraction, processing, distribution and utilization;
- An evolving regulatory climate focusing on carbon reduction, Renewable Energy Standards, mileage and bio-fuel requirements, and energy efficiency for buildings;
- Eaton customers are demanding new carbon reduction technologies to respond to the potential impact of climate change;
- The need for public transparency in our sustainability efforts allowing us to gauge our performance and identify areas for improvement.

In addition to helping our customers be more sustainable, our strategy keeps Eaton focused on improving the efficiency and sustainability of our own operations. In 2010, we reduced our greenhouse gas (GHG) emissions, indexed for sales, by 12.9 percent since 2006, keeping us on track to meet our goal of reducing GHG emissions by 18 percent by 2012. We also joined the Department of Energy's "Save Energy Now" LEADER program, pledging to reduce energy use by 25 percent, indexed for sales, between 2006 and 2016.

iii. & iv. In both our short- and long-term views, we see pressure on global energy costs and availability. As a result, the ever-increasing cost of extraction, processing, distribution and utilization powers our business. Our customers have and will continue to respond to the strong economic, sustainability and regulatory forces occasioned by this energy megatrend. They need new technologies to reduce their use of energy and improve their own carbon footprints. That's what Eaton does. Now, and in the foreseeable future, our strategy is to invest heavily in cutting-edge technologies that improve the energy efficiency of buildings, vehicles and machinery, help to conserve natural resources, shrink the carbon footprints of our customers, and reduce the environmental impact of everyday life. Through R&D, acquisition, manufacturing and services, along with our balanced business strategy, Eaton will continue its growth and positioning for a more carbon-constrained world influenced by the potential threat of climate change. This strategy is based on our firm belief that power management will be one of the most powerful megatrends for decades to come.

v. Eaton has historically been a company with very advanced technologies and a strong reputation for being able to apply that technology to commercial advantage for our customers. As the world becomes more focused on energy conservation and reducing GHG emissions, Eaton is extremely well-positioned.

Eaton is a diversified industrial company with energy solutions in a variety of fields. We're well balanced globally – with about 55% of our business outside of the U.S. and 45% in the U.S. We're also balanced through economic cycles. About one-third of our businesses hit the peak of their economic activity in the early portion of the cycle. About another third hits in the middle portion, and another third hit in the late portion. So Eaton is unusually well-positioned to compete right through the economic cycle in any region of the world.

Our largest business – Electrical – utilizes a broad array of applications that helps our customers conserve energy and reduce their carbon footprints. One of the major concerns today is energy efficiency in buildings, where Eaton can provide more than 20 of the different categories that contribute to Leadership in Energy and Environmental Design (LEED) points. Similarly, our Aerospace business has many of the technologies that allow planes to be significantly lighter, which then allows them to reduce fuel use.

Other examples of Eaton's strategic advantage include:

- Eaton is the world leader in hybrid power systems for commercial vehicles. Our hybrid systems have accumulated more than 100 million miles of service and helped save more than four million gallons of fuel while reducing emissions by 40,000 tons.
- Eaton's multi-faceted family of Electric Vehicle charging stations is helping to build the infrastructure vital to this new mode of transportation.
- Our advanced hydraulic and electrical technologies support wind, solar, and hydropower manufacturers around the world.
- Eaton superchargers enable small, efficient automobile engines to deliver the power of much larger ones, while using less fuel and reducing emissions.

(vi.)

- The American Recovery and Reinvestment Act (ARRA) contains significant funding for projects and programs to save energy and reduce GHG emissions. Our strategy to fully engage ARRA resulted in more than \$500 million of stimulus bill-related projects, and we expect \$500 million more in 2011.
- Eaton acquired power management businesses and entered into joint ventures in separate transactions for combined net cash prices of \$222 million in 2010, \$10 million in 2009, and \$2.87 billion in 2008.
- Our manufacturing plants in North America have been upgrading their facilities with energy-saving, better-quality lighting. In 2010, 14 plants completed re-lamping projects which reduced GHG emissions by about 10,189 metric tons.
- Eaton was certified by the U.S. Department of Energy as an Energy Services Company (ESCO). The certification is a key indicator that an organization meets the highest standards in helping customers achieve energy efficiency goals.
- Eaton increased R&D spending nearly 7 percent in 2010, from \$395 million to \$425 million, as the company continues developing the innovative that address the potential impacts of climate change.
- Eaton joined the World Business Council for Sustainable Development (WBCSD), an invitation-only coalition of 200 leading global companies working to advance sustainable development.
- China is now the world's leading auto market. In 2010, we broke ground on a new engine valve production facility in Jining City to support the fast-growing industry. We've also opened a new Innovation Center in Shanghai to accelerate the development of new technologies and attract local expertise.

Please explain why not

2.3

Do you engage with policy makers to encourage further action on mitigation and/or adaptation?

Yes

2.3a

Please explain (i) the engagement process and (ii) actions you are advocating

Eaton is focused on creating innovative and affordable technologies and services that promote energy efficiency and help customers reduce their impact on the environment. Eaton has had discussions with congressional staff members on climate change related issues. These discussions have focused on encouraging incentives for technology development that will reduce emissions and improve energy efficiency. Eaton also engages in relationships and partnerships with the EPA, Department of Energy (DOE) and Department of Defense (DOD), as well as non-governmental organizations (NGO's) to better leverage sustainability successes:

- Eaton supported the extension of tax credits and incentives for solar energy projects, installation of electric vehicle (EV) charging stations, Alternative Fueled Vehicles and High Performance Building and Industrial Efficiency programs. We believe that technology-based solutions are extremely effective ways to achieve energy independence and combat climate change.
- Eaton continues to support the Heavy Duty Hybrid Vehicle Research, Development, and Demonstration Act - which encourages the development of hybrid technologies that can reduce fuel consumption and emissions. Eaton estimates that the introduction of as few as 10,000 hybrid trucks could save 7.2 million gallons of diesel per year and reduce emissions by 83,000 tons.
- Eaton supported the American Recovery and Reinvestment Act (ARRA), also known as the economic stimulus package, approved by Congress in 2009 contains significant funding for projects and programs to save energy and reduce GHG emissions. Eaton expects \$1 billion of revenue capture in 2010 and 2011 from stimulus bill activities.
- India's U.S. Ambassador Shankar met with Eaton and other businesses in Minnesota to describe India's infrastructure requirements for roads, airports, and energy production, including wind turbines and other green projects that will provide electricity to over 600,000 rural villages. Shankar added that these projects could surpass \$1 trillion over the next decade. Eaton's Hydraulics Group is well positioned to support India's growth initiatives with high-technology solutions to each of India's areas of growth, along with a strong local presence in India with four manufacturing facilities and over 2,000 employees. The company plans to work with India's Bureau of Energy Efficiency and Industrial Training Institute and will support the country's vocational education needs which the ambassador had noted as necessary to support economic growth, particularly in rural areas.
- Eaton's vice chairman and chief operating officer for Eaton's Electrical Sector recently met in New York with a Chinese delegation of government and business leaders led by the governor of China's Liaoning Province to discuss future cooperation opportunities in the province's electrical power sectors. Governor Zheng

introduced the economic development of Liaoning province and suggested that Eaton consider more investment in northern China to take advantage of the region's large, heavy-industrial base, vast resources and skilled workers.

- Eaton Corporation showcased its green building technologies and other leading energy-efficient products and services at The White House Council on Environmental Quality's inaugural GreenGov Symposium, October 5 -7, 2010. The event was hosted by George Washington University in conjunction with the one-year anniversary of the signing of the Executive Order on Federal Leadership in Environmental, Energy, and Economic Performance (13514) by President Obama. The Executive Order commits the Federal Government to leading by example in its operations by requiring Federal agencies to set greenhouse gas reduction targets, increase energy efficiency, reduce fleet petroleum consumption, conserve water, reduce waste, support sustainable communities and leverage Federal purchasing power to promote environmentally responsible products and technologies. Eaton, exclusive industry sponsor of the Symposium, led an open forum on the government's role in sustainability in buildings and joined a panel discussion on electric vehicles and related infrastructure.
- Eaton convened federal, state and local leaders at the Austin Energy Symposium which highlighted ways to conserve and effectively manage energy resources. Former U.S. Secretary of Energy Spencer Abraham, was the keynote speaker. The symposium, the second in a series of nationwide events, was hosted by Eaton as part of its continuing effort to provide leaders from the public sector and industry with the tools they need to navigate rapidly evolving needs for improved energy management.

Page: 3. Targets and Initiatives

3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Intensity target

3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
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3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
2010	Scope 1+2	90%	7.1%	metric tonnes CO2e per unit revenue				
2012	Scope 1+2	90%	12.9%	metric tonnes CO2e per unit revenue				

3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comments
2010	Increase	7.7%	Increase	20%	Scope 3 is not included in Eaton's target.
2012	Decrease	23.5%	Decrease	10%	Scope 3 is not included in Eaton's target.

3.1d

Please provide details on your progress against this target made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
2010	100%	100%	2010 goal was reached.
2012	67%	72%	2012 goal is on track.

3.1e

Please explain (i) why not; and (ii) forecast how your emissions will change over the next five years

3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

3.2a

Please provide details (see guidance)

Eaton sustainable products and solutions include:

- Uninterruptible Power Systems (UPS) help reduce electricity consumption in data centers. Eaton's comprehensive UPS solutions also keep critical operations up and running in the face of growing power anomalies and outages. These award-winning systems also use less energy, require less cooling, and take up less space, significantly reducing our customers' energy use, carbon emissions and operating costs. Each 9395 UPS installed avoids about 4.8 million kg CO₂ equivalent compared to our legacy product over the product's 25 year useful life.
- Eaton's 5000 psi Hydraulic System is custom designed for the Airbus A380 – the largest commercial passenger aircraft in the world. This hydraulic system helped reduce the aircraft weight by 1 metric ton (or 0.36% of the typical 276.8 tons operating weight of an empty A380). This weight savings allows fuel and GHG savings for airlines, but we are unable to quantify these at this time. As of February, 2009, 13 aircraft were in service and Airbus had orders for 200 more.

- The new Boeing 787 Dreamliner contains many Eaton materials and technologies that offer reduced aircraft weight and improved fuel efficiency. Many products use advanced composite materials that are much lighter in weight, which contributes to reducing the aircraft's fuel consumption by as much as 20 percent.
- Eaton offers the world's most complete line-up of fuel-saving hybrid systems for commercial vehicle applications. Customers using the company's hybrid systems on delivery trucks, buses, refuse and utility vehicles and other commercial applications have collectively accumulated more than 30 million miles of clean, reliable service throughout the world. Eaton hybrid electric, plug-in hybrid electric and hybrid hydraulic power systems achieve up to a 37 percent improvement in average fuel economy, resulting in at least a 15 percent improvement in total cost per mile while maintaining similar reliability and operational performance as compared to conventional vehicles.
- Protection Station 650 and 800 are combined Uninterruptible Power System (UPS), surge suppressor, and multiple socket devices with improved energy efficiency provided by an EcoControl function that automatically disables peripherals when the master drive is turned off. Laboratory testing of a typical home computer system demonstrated annual power consumption of 165 kWh for the Protection Station compared to 231 kWh for similar products without the EcoControl function. This annual savings of 66 kWh is approximately 1.6% of an average European home's electricity use.
- Pow-R-Command™ Lighting Control Systems turn off the lights when a space is empty, and reduce artificial lighting when natural light is strong. These systems typically reduce lighting energy consumption from 10 to 30 percent.
- The Eaton FD83 Dual-Interlock Coupling is designed to withstand extreme heat and pressure generated by the latest IBM supercomputer. The coupling, used on the coolant pump's supply and return lines, helped IBM develop an energy efficient a cooling system that reduces data center energy consumption by 40%, requires 80% fewer air conditioning units, and reduces the system's carbon footprint.
- The new Eaton Twin Vortices Series® (TVS®) supercharger will help the automotive industry provide improved fuel economy while at the same time lowering emissions. The TVS® supercharger pumps air into an engine boosting its overall performance which allows vehicle manufacturers to replace larger engines with smaller, more fuel efficient engines. Overall, the new design is 20 percent more efficient than previous-generation superchargers.
- The Eaton UltraShift Highway Value (HV) Transmission for trucks is leading the way toward more fuel-efficient transmission automation. Known for its computer-controlled shifting capabilities, the Eaton UltraShift® transmission delivers up to 19% better fuel economy.
- The APR48-ES Energy Saver Rectifier helps communications network operators cut energy costs across the network through greater operating efficiency and to meet aggressive carbon footprint reduction targets. The Energy Saver rectifier operates with over 96% efficiency (4% waste), reducing waste energy by at least 50% compared to normal industry efficiencies of 89-92% (>= 8% waste). It offers potential global annual savings of 1 million tons of CO2 emissions for the telecom sector.

3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

3.3a

Please provide details in the table below

Activity type	Description of activity	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
Energy efficiency: building services	Many of our aerospace, hydraulics and vehicle plants in North America have been upgrading their facilities with energy-saving, better-quality lighting. In 2010, 14 plants completed re-lamping projects which reduced GHG emissions by about 10,189 metric tons. Other Eaton facilities will complete projects in 2011.	3609688	4370125	>3 years
Other	Our Asia Pacific headquarters in Shanghai earned LEED (Leadership in Energy and Environmental Design) Gold certification by the US Green Building Council in 2010, making it the largest LEED-certified commercial interior project in China at the time of the award. The building features a variety of energy efficiencies, including building fabric, HVAC, lighting, motors, controls, etc. The building is powered by Eaton's energy-efficient uninterruptible power system (UPS) equipment, breakers, switchgear and lighting control systems, which make significant contributions to environmental protection and emissions reduction. Sustainable features include: - 31 percent of furniture is reused - 34 percent reduction in water use - 70 percent of wood is FSC certified - 76 percent regional materials used - 88 percent demolition debris recycled - 90 percent of seats have daylight and views - 100 percent of carpet is recyclable			>3 years
Low carbon energy installation	Eaton received two grants totaling nearly \$1,7 million from the state of Pennsylvania for solar energy projects at its Moon headquarters and at its testing facility in Vanport, Beaver County. Eaton will use \$675,000 on a \$2.1 million solar project, at its headquarters. The 500-kilowatt system will generate enough electricity to save Eaton \$70,000 annually. A \$1 million grant will be used on a \$4.2 million solar system at Vanport. The one-megawatt system is projected to save \$138,000 annually..	208000	6300000	>3 years
Behavioral change	Employees are encouraged to help make Eaton a leader in working, living and thinking in more sustainable ways. Our employees around the world were encouraged to develop "green teams" for World Environment Weeks, April-June, 2010. A team in Haina, Dominican Republic, took steps to significantly reduce energy consumption, including the installation of automation systems that will save an estimated \$55,000 per year. In Burlington, Canada, employees went beyond the normal paper and plastic recycling programs to a program that sends all organic materials such as food waste and coffee grounds to a composting center, and also recycling batteries and electronics. More than 50 Eaton teams participated in similar programs worldwide.			1-3 years

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Partnering with governments on technology development	Eaton is participating with the South Coast Air Quality Management district in a \$45.4 million U.S. stimulus grant supporting technology development for plug-in hybrid electric power systems for the government. The funding is part of \$2.4 billion in grants by the U.S. Department of Energy under the American Recovery and Reinvestment Act. As a leader in electrical technology, Eaton will work on development of plug-in station technology for use by utilities and other customers across the country. The grant money is also being used to improve Eaton technology already in production. The company makes a hybrid technology system that allows the utility buckets -- or cherry pickers -- attached to the beds of commercial trucks to operate without the truck's engine running nonstop.
Dedicated budget for energy efficiency	Many of our aerospace, hydraulics and vehicle plants in North America have been upgrading their facilities with energy-saving, better-quality lighting. In 2010, 14 plants completed re-lamping projects which reduced GHG emissions by about 10,189 metric tons. Other Eaton facilities will complete projects in 2011. Estimated budget for these energy-saving projects was \$6,208,772.
Employee engagement	Eaton employees around the world were encouraged to develop "green teams" for World Environment Week. A team in Haina, Dominican Republic, took steps to significantly energy consumption, including the installation of automation systems that will save an estimated \$55,000 per year. In Burlington, Canada, employees went beyond the normal paper and plastic recycling programs to a program that sends all organic materials such as food waste and coffee grounds to a composting center, and also recycling batteries and electronics. More than 50 Eaton teams participated in similar programs worldwide.
Internal incentives/recognition programs,	Eaton uses APEX (Achieving Performance Excellence) for incentive/recognition programs. A PEX is a performance-tracking and goal-setting tool developed by our company. Eaton's CEO established the following 2010 goals: achieve a 6 percent reduction in GHG emissions, indexed for sales; a 3 percent reduction in waste generation and water consumption, indexed for sales; and reduction in Days Away Case Rate to .20 and Total Recordable Case Rate to 1.0. These goals were placed on the balanced scorecard which is used throughout the organization to measure performance and determine compensation.
Partnering with governments on technology development	Eaton is collaborating with HP on a federally funded project to improve energy efficiency in information technology (IT) systems. Among the 14 projects chosen by the U.S. Department of Energy, the joint proposal from Eaton and HP was selected as the third-largest grant recipient at \$7.4 million. The joint project will develop a fully enclosed IT rack system that provides its own internal power and cooling. High voltage and chilled water will act as the primary inputs to the system and it will also accept alternative energy power sources, such as wind and solar power. A major benefit of this system is a 38 percent reduction in energy use to support a 100 kilowatt (kW) IT load, which equals a reduction in carbon dioxide emissions by approximately 400 tons annually.
Partnering with governments on technology development	Eaton is collaborating with the Electric Power Research Institute and Tennessee Valley Authority to build a prototype solar-assisted SMART station that aims to charge electric vehicles more quickly, reliably and cost effectively, helping guide the development of future systems.

If you do not have any emissions reduction initiatives, please explain why not

Further Information

Target "2010" reflects a 6% indexed reduction goal when 2010 is compared to 2009. Target "2012" reflects an 18% indexed reduction goal when 2012 is compared to 2006.

Page: 4. Communication

4.1

Have you published information about your company's response to climate change and GHG emissions performance for this reporting year in other places than in your CDP response? If so, please attach the publication(s)

Publication	Page/Section Reference	Identify the attachment
In annual reports (complete)	pp. 17-22	Eaton 2010 Annual Report
In voluntary communications (underway) – previous year attached	See web page below	Eaton Sustainability web site
In voluntary communications (complete)	p. 34	Business Roundtable
In voluntary communications (underway) – previous year attached	See web page below	Global Reporting Initiative
In voluntary communications (complete)	See web page below	CRO
In voluntary communications (underway) – this is our first year	See web page below	Dow Jones Sustainability Index
In voluntary communications (complete)	Slides 27-34	External Eaton Sustainability presentation

Attachments

[https://www.cdproject.net/Sites/2011/94/5194/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/4.Communication/BRT 2010 report Sustainable_Future.pdf](https://www.cdproject.net/Sites/2011/94/5194/Investor%20CDP%202011/Shared%20Documents/Attachments/InvestorCDP2011/4.Communication/BRT%202010%20report%20Sustainable_Future.pdf)

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Air pollution limits	The current threat of pollution limits that would essentially prevent construction of new power plants using coal, and/or forcing current coal plants to install expensive new pollution controls, thus making the cost of electricity rise, and increasing the potential for blackouts and brownouts. The impact is most likely to be felt in the Midwest US because of the large number of power plants using coal and the high level of manufacturing.	Increased operational cost	1-5 years	Direct	Virtually certain	Low-medium
	Carbon taxes	Cap and Trade regulations or Carbon Taxes could affect energy consumption issues at Eaton facilities, as well as the current and future product needs of our customers. Within Eaton's manufacturing facilities, the majority of carbon emissions result from using electricity and natural gas to heat and cool our buildings. However, Eaton's total energy cost is not significant when compared to raw material costs, and our overall carbon emissions are not exceedingly high when compared to heavier types of manufacturing. And as tax policy shifts consumer demand toward more energy efficient and/or more carbon neutral products, Eaton can offer a wide range of environmentally friendly products and services, including electrical power control systems for the efficient use of power and lower carbon emissions. However, the impact on the economy could be more severe if carbon tax proceeds are not invested in developing sources of alternative energy, new products and processes to control emissions, improved infrastructure, and other investments that add jobs and help prepare our country for a carbon constrained future.	Increased operational cost	1-5 years	Indirect (Supply chain)	About as likely as not	Medium
	Cap and trade schemes	Cap and Trade regulations or Carbon Taxes could affect energy consumption issues at Eaton facilities, as well as the current and future product needs of our customers. Within Eaton's manufacturing facilities, the majority of carbon emissions result from using electricity and natural gas to heat and cool our buildings. However, Eaton's total energy cost is not significant when compared to raw material costs, and our overall carbon emissions are not exceedingly high when compared to heavier types of manufacturing. And as tax policy shifts consumer demand toward more energy efficient and/or more carbon neutral products, Eaton can offer a wide range of environmentally friendly products and services, including electrical power control systems for the efficient use of power and lower carbon emissions. However, the impact on	Increased operational cost	1-5 years	Direct	Very likely	Low-medium

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		the economy could be more severe if carbon tax proceeds are not invested in developing sources of alternative energy, new products and processes to control emissions, improved infrastructure, and other investments that add jobs and help prepare our country for a carbon constrained future.					
	Fuel/energy taxes and regulations	Fuel taxes would have a minimal impact on Eaton's relatively small motor pool of fleet vehicles, but could have a larger impact on our supply chain and automotive customers if consumers find it difficult to pay the added cost of more efficient vehicles. However, emissions limits would strengthen demand for Eaton fuel-saving products such as hybrid power systems for trucks and superchargers and other fuel-saving products for cars. These products help manufacturers build more efficient vehicles that reduce GHG emissions.	Increased operational cost	1-5 years	Indirect (Supply chain)	More likely than not	Low-medium
	Product efficiency regulations and standards	Process or product standards could pose a risk in terms of climate legislation/regulation. There has been an ongoing debate regarding methods of regulation including process and product standards. If regulations require carbon emission performance from certain products – this could help or hurt Eaton's business depending on the particular standard. Eaton believes that a performance based model should be compared to cap/trade system and also to a carbon tax.	Increased operational cost	1-5 years	Direct	About as likely as not	Low
	Uncertainty surrounding new regulation	Uncertainty would effect short -and long-term business planning, including major investments in retrofitting buildings for energy efficiency, and installing new manufacturing equipment that would improve process efficiency. Our customers would feel the same impact, which could lead to cutbacks in purchase of our energy efficient products and services.	Inability to do business	1-5 years	Direct	Very likely	Medium-high

5.1b

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

On balance, the potential financial implications of regulatory risks are minimal for Eaton. The effective combination of power management technologies that Eaton delivers today—and those that we are designing for tomorrow—provide a foundation to confront climate change and the inevitable regulatory structure, while minimizing the negative economic impact of higher energy costs in a carbon constrained world.

Regulation would initially affect energy consumption issues at Eaton facilities, as well as the current and future product needs of our customers. Within Eaton's manufacturing facilities, the majority of carbon emissions results from using electricity and natural gas to heat and cool our buildings. However, Eaton's total energy cost is not significant when compared to raw material costs, and our overall carbon emissions are not exceedingly high when compared to heavier types of manufacturing. And as tax policy shifts consumer demand toward more energy efficient and/or more carbon neutral products, Eaton can offer a wide range of environmentally friendly products and services.

The methods we are using to manage regulatory risks include investments in our facilities to make them more energy efficient and reduce our carbon footprint (Eaton invested in \$4.4 million of carbon-reducing capital equipment in 2010); participation in government policy discussions that determine the course of environmental regulations; forging partnerships with government, businesses and NGO's to develop clean, energy efficient products; continue to develop and strengthen the innovative technologies that our customers and consumers use to reduce their carbon footprints; and involve employees in promoting sustainability throughout our corporate culture, as well as at home and in the community.

To help guide us in our sustainability efforts, and prepare for a more carbon constrained world, we are participating in the Business Roundtable's Climate RESOLVE and SEE Change program, in which we have pledged to reduce our GHG emissions by 18 percent, indexed for sales, by 2012. Progress is audited by a third party and reported in our Annual Report and on Eaton.com on a quarterly basis. And in 2010, we joined the Dept. of Energy's "Save Energy Now" LEADER program, pledging to reduce our energy use by 25 percent, indexed for sales by 2016.

Listed below are examples of how Eaton is managing regulatory risk:

- Eaton's award-winning "Green IT" initiative is increasing the energy efficiency of our information technology infrastructure. Since 2009, this program has reduced our annual GHG emissions by 3.5 million pounds.
- We're using new technologies and processes to make our manufacturing plants around the world more energy efficient. Many of our aerospace, hydraulics and vehicle plants in North America have been upgrading their facilities with energy-saving, better-quality lighting. In 2010, 14 plants completed re-lamping projects which reduced GHG emissions by about 10,189 metric tons. Other Eaton facilities will complete projects in 2011.
- Eaton helps others improve energy efficiency with our innovative products and solutions, including hybrid powertrains that boost fuel economy and reduce emissions in commercial vehicles; electrical power control systems for the efficient use of power in buildings and homes; hydraulic aircraft systems that reduce weight and save fuel; automotive superchargers for enhanced fuel economy; electrical and hydraulic products for solar power and wind turbine systems; and many more.
- Our Asia Pacific headquarters in Shanghai earned LEED (Leadership in Energy and Environmental Design) Gold certification by the US Green Building Council in 2010, making it the largest LEED-certified commercial interior project in China at the time of the award. The building features a variety of energy efficiencies, including building fabric, HVAC, lighting, motors, controls, etc. The building is powered by Eaton's energy-efficient uninterruptible power system (UPS) equipment, breakers, switchgear and lighting control systems, which make significant contributions to environmental protection and emissions reduction.
- Employees are encouraged to help make Eaton a leader in working, living and thinking in more sustainable ways. Our employees around the world were encouraged to develop "green teams" for World Environment Weeks, April-June, 2010. A team in Haina, Dominican Republic, took steps to significantly energy consumption, including the installation of automation systems that will save an estimated \$55,000 per year. More than 50 Eaton teams participated in similar programs worldwide.
- Eaton is collaborating with HP Corp. on a federally funded project to improve energy efficiency in information technology (IT) systems. Among the 14 projects chosen by the U.S. Department of Energy, the joint proposal from Eaton and HP was selected as the third-largest grant recipient at \$7.4 million.
- Eaton actively supported passage of U.S. The House of Representatives bill H.R. 6323 - the Heavy Duty Hybrid Vehicle Research, Development, and Demonstration Act - which encourages the development of technologies that can reduce fuel consumption and emissions. The introduction of as few as 10,000

hybrid trucks could save 7.2 million gallons of diesel per year and reduce emissions by 83,000 tons.

- Eaton supported the extension of tax credits and incentives for solar energy projects and installation of electric vehicle (EV) charging stations, which are included in the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010.
- We developed a company-wide task force to identify opportunities presented by the American Recovery and Reinvestment Act (ARRA), or economic stimulus package, which contains significant funding for projects and programs to save energy and reduce GHG emissions. Eaton expects \$1 billion of revenue capture in 2010-11.

5.1c

Please describe your risks that are driven by change in physical climate parameters

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Other physical climate drivers	The physical risks of increased storm and hurricane activity, as well as flooding and droughts, may place a temporary financial burden on our facilities and supply chain to sustain operations and protect our employees and communities. The cost would likely have a minimal impact on our financial condition, since Eaton's power management solutions can offer customers more comprehensive solutions for combating their own physical risks, while also allowing us to move more quickly when urgent needs arise.	Inability to do business	6-10 years	Direct	About as likely as not	Low

5.1d

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

Eaton conducts strategic planning at all of its facilities and associated businesses. The factors considered include potential environmental impacts, physical risks such as changing weather patterns, rising temperatures and other natural disasters, new regulations, waste minimization and many other factors. An outcome of these meetings is the development of local response plans designed to address catastrophic occurrences.

Eaton has enhanced its worldwide emergency response capabilities through the company's Enterprise Risk Management system to deal with physical risks such as increased storm activity, hurricanes, floods, etc. This system includes an emergency response Hotline. A call to the Eaton Hotline immediately engages the

Corporate Emergency Response Team which can provide resources to help a facility deal with emergencies and also assist in communications and decision-making. Other programs that support Eaton's Enterprise Risk Management system include business continuity, travel and employee security, information technology disaster recover, intellectual property protection and pandemic preparedness.

Eaton is also in a position to offer customers more comprehensive solutions for combating their own physical risks, while also allowing us to move more quickly when urgent needs arise. Eaton people were among the first responders to the devastating earthquake that struck central China's Sichuan Province in May, 2008. Within hours of being called, our local Electrical team replaced a damaged UPS (Uninterruptible Power System) with Eaton electrical products at the Chengdu Shuangliu International Airport. With its power restored, the airport served as a crucial hub for rescue workers and relief supplies flown into the quake-torn region. In 2010, Eaton hydraulic equipment played a major role in the rescue of 33 trapped miners in Chile.

Our Electrical group is a leading provider of distribution and control solutions that increase energy efficiency and improve power quality, safety and reliability. Our PowerChain™ Management solutions offer a growing portfolio of "green" products and services, such as energy audits and real-time energy consumption monitoring. Eaton's Uninterruptible Power System (UPS) products, variable speed drives and lighting controls provide greater reliability, improved operational efficiencies and enhanced safety, making power outages from the physical risk of unstable weather patterns less of a threat.

And Eaton's new Blackout Tracker provides a snapshot of reported power outages across the country. The tracker serves as an interactive and educational resource showcasing the causes and impact of power outages. Blackout Tracker divides Canada into four regions, and categorizes blackouts by cause (i.e. animals, weather/falling trees, theft/vandalism, vehicle accidents, etc.). Visitors are invited to submit their own outage reports online and request an annual Blackout Tracker report that provides a statistical analysis of power outages reported across the nation and in their home state.

5.1e

Please describe your risks that are driven by changes in other climate-related developments

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Increasing humanitarian demands	In the event of changing climate conditions, e.g. droughts, or extreme weather, companies could be called upon -- and expected -- to do more to address the increasing humanitarian demands.	Increased operational cost	>10 years	Direct	About as likely as not	Low-medium

5.1f

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions

Eaton conducts strategic planning at all of its facilities and associated businesses. The factors considered include potential environmental impacts, physical risks such as changing weather patterns, rising temperatures and other natural disasters, new regulations, waste minimization and many other factors. An outcome of these meetings is the development of local response plans designed to address catastrophic occurrences.

Eaton has enhanced its worldwide emergency response capabilities through the company's Enterprise Risk Management system to deal with physical risks such as increased storm activity, hurricanes, floods, etc. This system includes an emergency response Hotline. A call to the Eaton Hotline immediately engages the Corporate Emergency Response Team which can provide resources to help a facility deal with emergencies and also assist in communications and decision-making. Other programs that support Eaton's Enterprise Risk Management system include business continuity, travel and employee security, information technology disaster recover, intellectual property protection and pandemic preparedness.

Eaton people were among the first responders to the devastating earthquake that struck central China's Sichuan Province in May, 2008. Within hours of being called, our local Electrical team replaced a damaged UPS (Uninterruptible Power System) with Eaton electrical products at the Chengdu Shuangliu International Airport. With its power restored, the airport served as a crucial hub for rescue workers and relief supplies flown into the quake-torn region. In 2010, Eaton hydraulic equipment played a major role in the rescue of 33 trapped miners in Chile.

In the event of changing climate conditions, e.g. droughts, or extreme weather, companies could be called upon -- and expected -- to do more to address the increasing humanitarian demands. Eaton has a long tradition of public service and commitment to those in need.

5.1g

Please explain why you do not consider your company to be exposed to risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

5.1h

Please explain why you do not consider your company to be exposed to risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

5.1i

Please explain why you do not consider your company to be exposed to risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Page: 6. Climate Change Opportunities

6.1

Have you identified any climate change opportunities (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Opportunities driven by changes in regulation
- Opportunities driven by changes in physical climate parameters
- Opportunities driven by changes in other climate-related developments

6.1a

Please describe your opportunities that are driven by changes in regulation

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
	Air pollution limits	Regulation of emissions, along with mandates requiring the use of alternative energy sources to generate power will enlarge the market for Eaton products. In the wind energy market, Eaton is combining our hydraulics and electrical expertise to develop smaller, more reliable components that improve the performance	Increased demand for existing products/services	1-5 years	Direct	Very likely	High

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
		<p>and uptime of giant turbines and reduce expensive operating costs. We're also able to provide integrated global support, helping us to win new contracts from turbine manufacturers of all sizes—from industry-leader Vestas, headquartered in the Denmark, to emerging companies such as Sunflower Wind in Kansas and Ningxia Yinxing Energy in China. Eaton is also helping to build efficient hydropower systems in developing countries such as Vietnam. Eaton also has an emerging presence in solar power, helping to create and deploy more efficient solar inverters and battery storage systems, making it possible to deliver affordable power to the most remote places on earth. For many years, Eaton's Electrical businesses have been helping the world design and build more energy-efficient workplaces and office buildings. Eaton is a leading provider of energy-efficient and environmentally friendly electrical solutions to help customers conserve energy, reduce operating costs, and achieve their sustainability goals. Our growing portfolio of "green" products and services is being used in eco-conscious projects across the globe. Our breakthrough PowerChain™ Management solutions allow customers to take a system-wide life-cycle approach to managing their electrical systems to increase reliability, improve capital efficiency, reduce operating costs, minimize carbon emissions and enhance safety.</p>					
	Carbon taxes	<p>Regulation of emissions, carbon taxes, and/or mandates requiring the use of alternative energy sources to generate power will enlarge the market for Eaton products. In the booming wind energy market, Eaton is combining our hydraulics and electrical expertise to develop smaller, more reliable components that improve the performance and uptime of giant turbines and reduce expensive operating costs. We're also able to provide integrated global support, helping us to win new contracts from turbine manufacturers of all sizes—from industry-leader Vestas, headquartered in the Denmark, to emerging companies such as Sunflower Wind in Kansas and Ningxia Yinxing Energy in China. Eaton is also helping to build efficient hydropower systems in developing countries such as Vietnam. Eaton also has an emerging presence in solar power, helping to create and deploy more efficient solar inverters and battery storage systems, making it possible to deliver affordable power to the most remote places on earth. For many years, Eaton's</p>	Increased demand for existing products/services	1-5 years	Direct	Very likely	High

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
		Electrical businesses have been helping the world design and build more energy-efficient workplaces and office buildings. Eaton is a leading provider of energy-efficient and environmentally friendly electrical solutions to help customers conserve energy, reduce operating costs, and achieve their sustainability goals. Our growing portfolio of “green” products and services is being used in eco-conscious projects across the globe. Our breakthrough PowerChain™ Management solutions allow customers to take a system-wide life-cycle approach to managing their electrical systems to increase reliability, improve capital efficiency, reduce operating costs, minimize carbon emissions and enhance safety.					
	Other regulatory drivers	The 2009 American Recovery and Reinvestment Act (ARRA), also known as the economic stimulus package, approved by Congress in 1Q 2009 contains significant funding for projects and programs to save energy and reduce GHG emissions. Eaton expects \$1 billion of revenue capture in 2010 and 2011 from stimulus bill activities. The company’s ARRA website at http://www.eaton.com/EatonCom/ProductsServices/Recovery/index.htm provides complete information about Eaton’s participation in the stimulus program. Many ARRA programs will use Eaton’s innovative products, services and technologies to conserve fuel, manage electric power, and reduce GHG emissions.	Increased demand for existing products/services	Current	Direct	Virtually certain	High
	Fuel/energy taxes and regulations	Emissions and fuel economy standards announced by the U.S. EPA and the National Highway Transportation Safety Administration will strengthen demand for Eaton fuel-saving products such as hybrid power systems for trucks, and superchargers and other fuel-saving products and services for cars. These products help auto and truck manufacturers increase fuel economy and build cleaner engine systems, thereby reducing emissions. In addition, incentives contained in the rule for plug-in electric and all electric vehicles will drive demand for Eaton’s electric charging infrastructure.	Increased demand for existing products/services	1-5 years	Direct	Virtually certain	High
	General environmental regulations, including planning	The Diesel Emissions Reduction Act (DERA) would provide an added boost to Eaton’s award-winning hybrid power systems for commercial vehicles. A U.S. EPA grant and loan programs will provide more than \$200 million for truck fleets that purchase Alternative Fuel Vehicles (AFV), including hybrids, thereby reducing diesel emissions. Another \$88 million will be distributed through the states. Eaton worked with various organizations, companies,	Increased demand for existing products/services	1-5 years	Direct	Very likely	Medium-high

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
		customers and other “clean transportation” stakeholders to coordinate proposals to the EPA for this program. Combining DERA funding with an IRS tax credit and the fuel and operating savings of a hybrid versus a conventional diesel truck brings the cost of a new diesel hybrid truck to the same level as a conventional truck over a five-year period.					
	Fuel/energy taxes and regulations	Regulation of emissions, carbon taxes, and/or mandates requiring the use of alternative energy sources to generate power will enlarge the market for Eaton products. In the booming wind energy market, Eaton is combining our hydraulics and electrical expertise to develop smaller, more reliable components that improve the performance and uptime of giant turbines and reduce expensive operating costs. We’re also able to provide integrated global support, helping us to win new contracts from turbine manufacturers of all sizes—from industry-leader Vestas, headquartered in the Denmark, to emerging companies such as Sunflower Wind in Kansas and Ningxia Yinxing Energy in China. Eaton is also helping to build efficient hydropower systems in developing countries such as Vietnam. Eaton also has an emerging presence in solar power, helping to create and deploy more efficient solar inverters and battery storage systems, making it possible to deliver affordable power to the most remote places on earth. For many years, Eaton’s Electrical businesses have been helping the world design and build more energy-efficient workplaces and office buildings. Eaton is a leading provider of energy-efficient and environmentally friendly electrical solutions to help customers conserve energy, reduce operating costs, and achieve their sustainability goals. Our growing portfolio of “green” products and services is being used in eco-conscious projects across the globe. Our breakthrough PowerChain™ Management solutions allow customers to take a system-wide life-cycle approach to managing their electrical systems to increase reliability, improve capital efficiency, reduce operating costs, minimize carbon emissions and enhance safety.	Increased demand for existing products/services	1-5 years	Direct	More likely than not	Medium-high
	Other regulatory drivers	Mandates to use alternative energy sources (wind, solar, etc.) for power generation will boost demand for Eaton products. Eaton is combining our hydraulics and electrical expertise to develop smaller, more reliable components that improve the performance and uptime of giant turbines and reduce expensive operating costs.	Increased demand for existing products/services	Current	Direct	Virtually certain	Medium-high

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
		<p>We're also able to provide integrated global support, helping us to win new contracts from turbine manufacturers of all sizes—from industry-leader Vestas, headquartered in the Denmark, to emerging companies such as Sunflower Wind in Kansas and Ningxia Yinxing Energy in China. Eaton is also helping to build efficient hydropower systems in developing countries such as Vietnam. Eaton also has an emerging presence in solar power, helping to create and deploy more efficient solar inverters and battery storage systems, making it possible to deliver affordable power to the most remote places on earth. For many years, Eaton's Electrical businesses have been helping the world design and build more energy-efficient workplaces and office buildings. Eaton is a leading provider of energy-efficient and environmentally friendly electrical solutions to help customers conserve energy, reduce operating costs, and achieve their sustainability goals. Our growing portfolio of "green" products and services is being used in eco-conscious projects across the globe. Our breakthrough PowerChain™ Management solutions allow customers to take a system-wide life-cycle approach to managing their electrical systems to increase reliability, improve capital efficiency, reduce operating costs, minimize carbon emissions and enhance safety.</p>					
	Air pollution limits	<p>EPA Tier 4 regulations mandate that manufacturers of off-highway equipment significantly reduce particulate matter and nitrogen oxide emissions. High-pressure Eaton electro-hydraulic systems are helping our customers meet the test.</p>	Increased demand for existing products/services	1-5 years	Direct	Virtually certain	Medium
	International agreements	<p>Eaton is designing a new generation of arc-fault protective devices to make civil and military aircraft safer, and contribute to the Clean Sky European joint technology initiative, which aims to reduce aircraft fuel consumption, emissions and noise, among other goals.</p>	Increased demand for existing products/services	1-5 years	Direct	Virtually certain	Medium
	General environmental regulations, including planning	<p>Eaton was certified by the U.S. Department of Energy as an Energy Services Company (ESCO). The certification is a key indicator that an organization meets the highest standards in helping customers achieve their energy efficiency objectives. ESCO projects meet the requirements of the DOE's Federal Energy Management Program and other federal laws and regulations. These initiatives are designed to better manage energy consumption, improve energy</p>	New products/business services	Current	Indirect (Client)	Virtually certain	High

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
		efficiency, and reduce maintenance costs for periods ranging from seven to 20 years. ESCO certification has become a critical testimonial around the world to customers seeking partners who can prove that their services are delivering the expected results over time.					

6.1b

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

(i) Potential financial implications for regulatory opportunities for Eaton are very positive.

Anticipated taxes/regulations that address emissions reductions, fuel economy, alternative energy sources, and green building techniques and materials provide important marketplace demand for Eaton's products.

The 2009 American Recovery and Reinvestment Act (ARRA) contains significant funding for projects and programs to save energy and reduce GHG emissions. Many ARRA programs will use Eaton's innovative products, services and technologies to conserve fuel, manage electric power, and reduce GHG emissions. Eaton expects \$1 billion of revenue capture in 2010 and 2011 from stimulus bill activities.

In 2010, Eaton's net income was \$929 million on revenue of \$13.7 billion, the majority of which is the result of sales of products and services that respond to customers' needs for power management to improve energy efficiency, reduce fuel use, lower GHG emissions and reduce carbon footprints.

"Our Electrical Americas, Hydraulics, and Truck markets grew more strongly than anticipated and we are increasing our expectations for the growth of these three markets in 2011," said Cutler. "As a result, we now anticipate our markets for all of 2011 will grow by 10 percent.

"We anticipate net income per share for the second quarter of 2011 to be between \$0.89 and \$0.95 and operating earnings per share, which exclude charges to integrate our recent acquisitions, to be between \$0.90 and \$0.96. As a result of our strong first quarter and our slightly stronger market outlook for the year, we are raising our full year guidance by \$0.15 for net income per share to between \$3.66 and \$3.96 and for operating earnings per share to between \$3.70 and \$4.00."

(ii) Methods used to manage opportunities:

Eaton formed a Task Force to ensure that all opportunities for ARRA are explored. Many ARRA programs will use Eaton's innovative products, services and technologies to conserve fuel, manage electric power, and reduce GHG emissions. Eaton expects \$1 billion of revenue capture in 2010 and 2011 from stimulus bill activities.

Air pollution limits: Regulation of emissions, along with mandates requiring the use of alternative energy sources to generate power will enlarge the market for Eaton's innovative, energy-efficient products. In the wind energy market. Eaton is combining our hydraulics and electrical expertise to develop smaller, more reliable

components that improve the performance and uptime of giant turbines and reduce expensive operating costs. We're also able to provide integrated global support, helping us to win new contracts from turbine manufacturers of all sizes—from industry-leader Vestas, headquartered in the Denmark, to emerging companies such as Sunflower Wind in Kansas and Ningxia Yinxing Energy in China. Eaton is also helping to build efficient hydropower systems in developing countries such as Vietnam. We also have an emerging presence in solar power, helping to create and deploy more efficient solar inverters and battery storage systems, making it possible to deliver affordable power to the most remote places on earth.

Eaton's Electrical businesses have been helping the world design and build more energy-efficient workplaces and office buildings. Eaton is a leading provider of energy-efficient and environmentally friendly electrical solutions that conserve energy, reduce operating costs, and achieve sustainability goals. Our growing portfolio of "green" products and services is being used in eco-conscious projects across the globe. Eaton Electrical business represents roughly 46 percent of company operating profits.

Eaton is also involved in a number of major projects and programs to improve the company's own energy and emissions profile, while providing the energy-saving products and process needed by others to reduce their carbon footprints. Our Asia Pacific headquarters in Shanghai earned LEED (Leadership in Energy and Environmental Design) Gold certification by the US Green Building Council in 2010, making it the largest LEED-certified commercial interior project in China at the time of the award. Eaton's Electrical Sector's Americas headquarters has also achieved LEED Gold Certification, and our new world headquarters building in Cleveland, Ohio is also targeting LEED Gold status.

Eaton has completed a strategic, companywide energy management plan for all facilities.

Many of our facilities have been upgrading with energy-saving, better-quality lighting. In 2010, 14 plants completed re-lamping projects which reduced GHG emissions by about 10,189 metric tons. Other Eaton facilities will complete projects in 2011.

Carbon Taxes

As tax policy shifts consumer demand toward more energy efficient and/or more carbon neutral products, Eaton can offer a wide range of environmentally friendly products and services, including electrical power control systems for the efficient use of power and lower carbon emissions.

Fuel/energy/ taxes and regulations strengthen demand for Eaton fuel-saving products such as hybrid power systems for trucks and superchargers and other fuel-saving products for cars. These products help manufacturers build more efficient vehicles that reduce fuel use and GHG emissions. More than 4,500 of our hybrid power systems are in use today on buses, delivery trucks, refuse and recycling trucks, utility vehicles and other commercial applications. Our hybrid systems have accumulated more than 100 million miles of service in countries all over the world, reducing energy consumption by an estimated 4 million gallons of fuel and harmful emissions by 40,000 metric tons.

Also, Eaton is an industry leader in electric vehicle (EV) and hybrid electric vehicle (HEV) components, including systems that provide fuel savings ranging from 30 to 60 percent.

(iii) Costs associated with actions

Acquisition of businesses is part of Eaton's strategy for growth in the midst of one of the global megatrends of our times – power management. Eaton has acquired businesses and entered into joint ventures in separate transactions for combined net cash prices of \$222 million in 2010, \$10 million in 2009, and \$2.87 billion in 2008.

Eaton increased R&D spending nearly 7 percent in 2010, from \$395 million to \$425 million, as the company continues developing the innovative products and processes the world needs to address the potential impacts of climate change.

Capital investment for energy-savings upgrades in 2010 was about \$4.37 million, which reduced annual carbon emissions by 27,534 metric tons. Other Eaton facilities will complete projects in 2011.

6.1c

Please describe the opportunities that are driven by changes in physical climate parameters

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Other physical climate drivers	Eaton can offer customers comprehensive solutions for combating their own physical risks. Our Electrical group is a leading provider of distribution and control solutions that increase energy efficiency and improve power quality, safety and reliability. Our PowerChain™ Management solutions offer a growing portfolio of “green” products and services, such as energy audits and real-time energy consumption monitoring. Eaton’s Uninterruptible Power System (UPS) products, variable speed drives and lighting controls provide greater reliability, improved operational efficiencies and enhanced safety, making power outages from the physical risk of unstable weather patterns less of a threat.	Increased demand for existing products/services	1-5 years	Direct	Virtually certain	Low-medium

6.1d

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

(i) Potential Financial implications of opportunities that are driven by changes in physical climate parameters are low to medium.

(ii) Methods to manage this opportunity: Eaton is in a position to offer customers more comprehensive solutions for combating their own physical risks, while also allowing us to move more quickly when urgent needs arise. Eaton hydraulic equipment played a major role in the rescue of 33 trapped miners in Chile. Rigs equipped with our products drilled the initial bore hole that allowed rescuers to locate the miners and widened the 2,300-foot-deep shaft that was used for their escape capsule.

Nashville's Gaylord Opryland Hotel and Conference Center—the world's largest non-casino hotel—was flooded with up to 12 feet of water in May 2010, cutting off its power supply. A team of 40 Eaton Electrical Services and Systems employees worked day and night to rebuild and restore the 600,000-square-foot complex's powerhouse, speeding the reopening of the landmark facility.

Eaton people were among the first responders to the devastating earthquake that struck central China's Sichuan Province in May, 2008. Within hours of being called, our local Electrical team replaced a damaged UPS (Uninterruptible Power System) with Eaton electrical products at the Chengdu Shuangliu International Airport. With its power restored, the airport served as a crucial hub for rescue workers and relief supplies flown into the quake-torn region.

Our Electrical group is a leading provider of distribution and control solutions that increase energy efficiency and improve power quality, safety and reliability. Our Powerchain Management solutions offer a growing portfolio of "green" products and services such as energy audits and real-time energy consumption monitoring. Eaton's Uninterruptible Power System (UPS) products, variable speed drives and lighting controls provide greater reliability, improved operational efficiencies and enhanced safety, making power outages from the physical risk of unstable weather patterns less of a threat.

(iii) Costs associated with these actions are minimal.

6.1e

Please describe the opportunities that are driven by changes in other climate-related developments

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Changing consumer behaviour	As regulation of emissions, energy efficiency, fuel standards, begin to take hold, consumer behavior will favor companies that offer "green" products. Eaton's provides innovative products, services and technologies to conserve fuel, manage electric power, and reduce GHG emissions.	Increased demand for existing products/services	1-5 years	Direct	About as likely as not	Low-medium
	Reputation	As regulation of emissions, energy efficiency, fuel standards, begin to take hold, reputations of companies offering "green" products will trend positive. Eaton's provides innovative products, services and technologies to conserve fuel, manage electric power, and reduce GHG emissions. Eaton is a world leader in ...	Wider social benefits	1-5 years	Direct	About as likely as not	Medium

6.1f

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

(i) Potential financial implications for other opportunities for Eaton are very positive.

We expect consumer behavior to evolve in response to demand for products and services need because of anticipated taxes/regulations that address emissions reductions, fuel economy, alternative energy sources and green building techniques, which will provide important marketplace demand for Eaton's products. The 2009 American Recovery and Reinvestment Act (ARRA) contains significant funding for projects and programs to save energy and reduce GHG emissions. Many ARRA programs will use Eaton's innovative products, services and technologies to conserve fuel, manage electric power, and reduce GHG emissions. Eaton expects \$1 billion of revenue capture in 2010 and 2011 from stimulus bill activities.

In 2010, Eaton's net income was \$929 million on revenue of \$13.7 billion, the majority of which is the result of sales of products and services that respond to customers' needs for power management to improve energy efficiency, reduce fuel use, lower GHG emissions and reduce carbon footprints.

"Our Electrical Americas, Hydraulics, and Truck markets grew more strongly than anticipated and we are increasing our expectations for the growth of these three markets in 2011," said Cutler. "As a result, we now anticipate our markets for all of 2011 will grow by 10 percent.

"We anticipate net income per share for the second quarter of 2011 to be between \$0.89 and \$0.95 and operating earnings per share, which exclude charges to integrate our recent acquisitions, to be between \$0.90 and \$0.96. As a result of our strong first quarter and our slightly stronger market outlook for the year, we are raising our full year guidance by \$0.15 for net income per share to between \$3.66 and \$3.96 and for operating earnings per share to between \$3.70 and \$4.00."

(ii) Methods used to manage opportunities:

Eaton formed a Task Force to ensure that all opportunities for ARRA are explored. Many ARRA programs will use Eaton's innovative products, services and technologies to conserve fuel, manage electric power, and reduce GHG emissions. Eaton expects \$1 billion of revenue capture in 2010 and 2011 from stimulus bill activities.

Air pollution limits: Regulation of emissions, along with mandates requiring the use of alternative energy sources to generate power will enlarge the market for Eaton's innovative, energy-efficient products. In the wind energy market. Eaton is combining our hydraulics and electrical expertise to develop smaller, more reliable components that improve the performance and uptime of giant turbines and reduce expensive operating costs. We're also able to provide integrated global support, helping us to win new contracts from turbine manufacturers of all sizes—from industry-leader Vestas, headquartered in the Denmark, to emerging companies such as Sunflower Wind in Kansas and Ningxia Yinxing Energy in China. Eaton is also helping to build efficient hydropower systems in developing countries such as Vietnam. We also have an emerging presence in solar power, helping to create and deploy more efficient solar inverters and battery storage systems, making it possible to deliver affordable power to the most remote places on earth.

Eaton's Electrical businesses have been helping the world design and build more energy-efficient workplaces and office buildings. Eaton is a leading provider of energy-efficient and environmentally friendly electrical solutions that conserve energy, reduce operating costs, and achieve sustainability goals. Our growing portfolio of "green" products and services is being used in eco-conscious projects across the globe. Eaton Electrical business represents roughly 46 percent of company operating profits.

Eaton is also involved in a number of major projects and programs to improve the company's own energy and emissions profile, while providing the energy-saving products and process needed by others to reduce their carbon footprints. Our Asia Pacific headquarters in Shanghai earned LEED (Leadership in Energy and Environmental Design) Gold certification by the US Green Building Council in 2010, making it the largest LEED-certified commercial interior project in China at the time of the award. Eaton's Electrical Sector's Americas headquarters has also achieved LEED Gold Certification, and our new world headquarters building in Cleveland, Ohio is also targeting LEED Gold status.

Eaton has completed a strategic, companywide energy management plan for all facilities.

Many of our facilities have been upgrading with energy-saving, better-quality lighting. In 2010, 14 plants completed re-lamping projects which reduced GHG

emissions by about 10,189 metric tons. Other Eaton facilities will complete projects in 2011.

Carbon Taxes

As tax policy shifts consumer demand toward more energy efficient and/or more carbon neutral products, Eaton can offer a wide range of environmentally friendly products and services, including electrical power control systems for the efficient use of power and lower carbon emissions.

Fuel/energy/ taxes and regulations strengthen demand for Eaton fuel-saving products such as hybrid power systems for trucks and superchargers and other fuel-saving products for cars. These products help manufacturers build more efficient vehicles that reduce fuel use and GHG emissions. More than 4,500 of our hybrid power systems are in use today on buses, delivery trucks, refuse and recycling trucks, utility vehicles and other commercial applications. Our hybrid systems have accumulated more than 100 million miles of service in countries all over the world, reducing energy consumption by an estimated 4 million gallons of fuel and harmful emissions by 40,000 metric tons.

Also, Eaton is an industry leader in electric vehicle (EV) and hybrid electric vehicle (HEV) components, including systems that provide fuel savings ranging from 30 to 60 percent.

(iii) Costs associated with actions

Acquisition of businesses is part of Eaton's strategy to for growth in the midst of one of the global megatrends of our times – power management. Eaton has acquired businesses and entered into joint ventures in separate transactions for combined net cash prices of \$222 million in 2010, \$10 million in 2009, and \$2.87 billion in 2008.

Eaton increased R&D spending nearly 7 percent in 2010, from \$395 million to \$425 million, as the company continues developing the innovative products and processes the world needs to address the potential impacts of climate change.

Capital investment for energy-savings upgrades in 2010 was about \$4.37 million, which reduced annual carbon emissions by 27,534 metric tons. Other Eaton facilities will complete projects in 2011.

6.1g

Please explain why you do not consider your company to be exposed to opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

6.1h

Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

6.1i

Please explain why you do not consider your company to be exposed to opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading [Investor]

Page: 7. Emissions Methodology

7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)
Sat 01 Oct 2005 - Sat 30 Sep 2006	124000	798000
Wed 01 Oct 2008 - Wed 30 Sep 2009	89000	566000

7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

7.2a

If you have selected "Other", please provide details below

7.3

Please give the source for the global warming potentials you have used

Gas	Reference
Other: Carbon dioxide	IPCC Second Assessment Report (SAR - 100 year)

7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data

Fuel/Material/Energy	Emission Factor	Unit	Reference
Other: See attached spreadsheet		lb CO2 per MWh	WRI/WBCSD GHG Reporting Protocol (October 2010); US EPA eGRID2007(year 2005) - January 2009 v1.1

Further Information

Please see the attached spreadsheet which shows emission factors.

Attachments

[https://www.cdproject.net/Sites/2011/94/5194/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/7.EmissionsMethodology/Emission Factors.xls](https://www.cdproject.net/Sites/2011/94/5194/Investor%20CDP%202011/Shared%20Documents/Attachments/InvestorCDP2011/7.EmissionsMethodology/Emission%20Factors.xls)

Page: 8. Emissions Data - (1 Oct 2009 - 30 Sep 2010)

8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Financial control

8.2a

Please provide your gross global Scope 1 emissions figure in metric tonnes CO₂e

95000

8.2b

Please provide your gross global Scope 1 emissions figures in metric tonnes CO₂e - Part 1 breakdown

Boundary	Gross global Scope 1 emissions (metric tonnes CO ₂ e)	Comment
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8.2c

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 1 Total

Gross global Scope 1 emissions (metric tonnes CO2e) - Total Part 1	Comment
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8.2d

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 2

Gross global Scope 1 emissions (metric tonnes CO2e) - Other operationally controlled entities, activities or facilities	Comment
---	---------

8.3a

Please provide your gross global Scope 2 emissions figure in metric tonnes CO2e

610000

8.3b

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 1 breakdown

Boundary	Gross global Scope 2 emissions (metric tonnes CO2e)	Comment
----------	---	---------

8.3c

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 1 Total

Gross global Scope 2 emissions (metric tonnes CO2e) - Total Part 1	Comment
--	---------

8.3d

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 2

Gross global Scope 2 emissions (metric tonnes CO2e) - Other operationally controlled entities, activities or facilities	Comment
---	---------

8.4

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

8.4a

Please complete the table

Reporting Entity	Source	Scope	Explain why the source is excluded
------------------	--------	-------	------------------------------------

8.4

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

Yes

8.4a

Please complete the table

Source	Scope	Explain why the source is excluded
Recent acquisitions	Scope 1 and 2	Eaton does not add emissions from acquisition until 3 years after the closing date.
Sales and administrative offices	Scope 1 and 2	Small offices/warehouses/satellites are not included in the roll up.

8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and Scope 2 figures that you have supplied and specify the sources of uncertainty in your data gathering, handling, and calculations

Scope	Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Data Gaps Metering/ Measurement Constraints	Data received from sources outside of the standard process, like natural gas bills from China.
Scope 2	More than 2% but less than or equal to 5%	Data Gaps Metering/ Measurement Constraints	Data received from sources outside of the standard process, like natural gas bills from China.

8.6

Please indicate the verification/assurance status that applies to your Scope 1 emissions

Verification or assurance underway but not yet complete - last year's certificate available

8.6a

Please indicate the proportion of your Scope 1 emissions that are verified/assured

8.6b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Relevant standard	Relevant statement attached
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8.7

Please indicate the verification/assurance status that applies to your Scope 2 emissions

Verification or assurance underway but not yet complete - last year's certificate available

8.7a

Please indicate the proportion of your Scope 2 emissions that are verified/assured

8.7b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Relevant standard	Relevant statement attached
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8.8

Are carbon dioxide emissions from the combustion of biologically sequestered carbon (i.e. carbon dioxide emissions from burning biomass/biofuels) relevant to your company?

No

8.8a

Please provide the emissions in metric tonnes CO₂e

Further Information

Please see attached verification statement.

Attachments

[https://www.cdproject.net/Sites/2011/94/5194/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/8.EmissionsData\(1Oct2009-30Sep2010\)/ERMCVS Data Verification Statement for 2010.doc](https://www.cdproject.net/Sites/2011/94/5194/Investor%20CDP%202011/Shared%20Documents/Attachments/InvestorCDP2011/8.EmissionsData(1Oct2009-30Sep2010)/ERMCVS%20Data%20Verification%20Statement%20for%202010.doc)

9.1

Do you have Scope 1 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

9.1a

Please complete the table below

Country	Scope 1 metric tonnes CO2e
United States of America	71000
Rest of world	24000

9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division
By facility
By GHG type
By activity

9.2a

Please break down your total gross global Scope 1 emissions by business division

Business Division	Scope 1 metric tonnes CO2e
-------------------	----------------------------

Business Division	Scope 1 metric tonnes CO2e
Electrical Americas	18652
Electrical Rest of World	3764
Hydraulics	23903
Aerospace	3807
Vehicle	45034

9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 metric tonnes CO2e
Please see the attachment	95000

9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 metric tonnes CO2e
CO2	95000

9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 metric tonnes CO2e
Heating	57000

Activity	Scope 1 metric tonnes CO2e
Process related (such as heat treating ovens)	38000

Further Information

Please see the attachment for a breakdown by facility

Attachments

[https://www.cdproject.net/Sites/2011/94/5194/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/9.Scope1EmissionsBreakdown\(1Oct2009-30Sep2010\)/Scope 1 Emissions.xls](https://www.cdproject.net/Sites/2011/94/5194/Investor%20CDP%202011/Shared%20Documents/Attachments/InvestorCDP2011/9.Scope1EmissionsBreakdown(1Oct2009-30Sep2010)/Scope%201%20Emissions.xls)

Page: 10. Scope 2 Emissions Breakdown - (1 Oct 2009 - 30 Sep 2010)

10.1

Do you have Scope 2 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

10.1a

Please complete the table below

Country	Scope 2 metric tonnes CO2e
United States of America	374000
	236000

10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division
By facility
By activity

10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 metric tonnes CO2e
Electrical Americas	94152
Electrical Rest of World	17736
Hydraulics	169000
Aerospace	43964
Vehicle	285105

10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 metric tonnes CO2e
Please see the attachment	610000

10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 metric tonnes CO2e
Heating and cooling	122000
Lighting	61000
Production Equipment	305000
Support Equipment (Compressors, pumps, etc.)	122000

Further Information

Please see the attachment for scope 2 facility breakdowns.

Attachments

[https://www.cdproject.net/Sites/2011/94/5194/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/10.Scope2EmissionsBreakdown\(1Oct2009-30Sep2010\)/Scope 2 Emissions.xls](https://www.cdproject.net/Sites/2011/94/5194/Investor%20CDP%202011/Shared%20Documents/Attachments/InvestorCDP2011/10.Scope2EmissionsBreakdown(1Oct2009-30Sep2010)/Scope%20Emissions.xls)

Page: 11. Emissions Scope 2 Contractual

11.1

Do you consider that the grid average factors used to report Scope 2 emissions in Question 8.3 reflect the contractual arrangements you have with electricity suppliers?

Yes

11.1a

You may report a total contractual Scope 2 figure in response to this question. Please provide your total global contractual Scope 2 GHG emissions figure in metric tonnes CO2e

11.1b

Explain the basis of the alternative figure (see guidance)

11.2

Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

No

11.2a

Please provide details including the number and type of certificates

Type of certificate	Number of certificates	Comments
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Page: 12. Energy

12.1

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

12.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has consumed during the reporting year

Energy type	MWh
Fuel	526000
Electricity	1134000
Heat	
Steam	
Cooling	

12.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	526000

Page: 13. Emissions Performance

13.1

How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Increased

13.1a

Please complete the table

Reason	Emissions value (percentage)	Direction of change	Comment
Change in output	7.7	Increase	

13.2

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
71	metric tonnes CO2e	unit total revenue	7.1	Decrease	metric tons of carbon per million dollars (USD) sales

13.3

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
10.1	metric tonnes CO2e	FTE Employee	7.7	Increase	metric tons per FTE

13.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
0.42	metric tonnes CO2e	megawatt hour (MWh)	0.8	Increase	

Page: 14. Emissions Trading

14.1

Do you participate in any emission trading schemes?

No, and we do not currently anticipate doing so in the next two years

14.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership
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14.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

14.2

Has your company originated any project-based carbon credits or purchased any within the reporting period?

No

14.2a

Please complete the following table

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits retired	Purpose e.g. compliance
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Page: 15. Scope 3 Emissions

15.1

Please provide data on sources of Scope 3 emissions that are relevant to your organization

Sources of Scope 3 emissions	metric tonnes CO2e	Methodology	If you cannot provide a figure for emissions, please describe them
Business travel	26200	Based on air miles traveled as rolled up by Eaton's travel agent and emission factors provided by USEPA.	
Other: Sales Car Fleet	28861	Based on gallons of fuel burned/miles driven as rolled up by Eaton's fleet administrator and conversion factors provided by the USEPA.	

15.2

Please indicate the verification/assurance status that applies to your Scope 3 emissions

Verification or assurance underway but not yet complete - first year it has taken place

15.2a

Please indicate the proportion of your Scope 3 emissions that are verified/assured

More than 0% but less than or equal to 20%

15.2b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Relevant standard	Relevant statement attached
Limited assurance (qualified)	ISO14064-3	First year - certifier has not issued a statement. Statement anticipated in January of 2012.

15.3

How do your absolute Scope 3 emissions for the reporting year compare to the previous year?

Increased

15.3a

Please complete the table

Reason	Emissions value (percentage)	Direction of Change	Comment
Change in output	20	Increase	

Please enter the name of the individual that has signed off (approved) the response and their job title