

**EATON CORPORATION plc**  
**Board of Directors Governance Guidelines**  
*Last Reviewed: April 23, 2025*

These Board of Directors Governance Guidelines (the “Guidelines”) have been adopted by the Board of Directors of Eaton Corporation plc (the “Board”) to assist the Board in the exercise of its responsibilities. These Guidelines, the Company’s Memorandum and Articles of Association and the Charters of each of the Board Committees provide the overall framework for governance of the Company. These Guidelines are not intended to limit, increase or change the responsibilities and duties of the Directors as determined by applicable laws and the Memorandum and Articles of Association and the Charters of each of the Board Committees.

**1. BOARD ORGANIZATION AND COMPOSITION**

A. *Size of Board.* The size of the Board is fixed by the Board and shall be within the range of 9-18. The Board, with advice from the Governance Committee, periodically evaluates the appropriate size of the Board.

B. *Director Independence.* A substantial majority of the Directors should be independent. A Director will be considered independent if the Director meets the criteria set forth in the independence standards of the New York Stock Exchange and the independence criteria adopted by the Board.

C. *Director Tenure.* All Directors are elected annually by the Company’s shareholders. Annually, the Board, with the advice of the Governance Committee, reviews each Director’s candidacy for re-election and recommends a slate of directors to be nominated at each annual general meeting of shareholders. In advising the Board, the Governance Committee considers, among other things, (i) individual Director evaluation, (ii) input by the Chairman, the Lead Director (if the Chairman is not independent) and Chief Executive Officer relating to the Director’s performance, (iii) if requested, input by the Chair of each Board Committee on which the Director serves, and (iv) the Governance Committee’s assessment of the composition of the Board as a whole, as well as each Director’s qualifications, skills and experience, in comparison with the Company’s strategy and the anticipated needs of the Board.

Each independent Director shall retire on the date of the annual general meeting of shareholders following the Director’s 75th birthday. Each Director who is an employee of the Company shall retire from the Board when he or she retires as an employee, no later than the end of the month in which he or she reaches age 65. Directors who retire from their employment, change their employment or occupation, or otherwise make a material change in their non-Eaton responsibilities should tender their resignation from the Board in writing. The Board, with the advice of the Governance Committee, will then decide whether to accept the resignation.

D. *Membership on Other Boards.* Each Director is responsible to notify the Chair of the Governance Committee before accepting invitations to join other company boards. Directors who are chief executive officers of publicly-held companies may serve on a maximum of two public company boards, including the Company's Board. Other Directors may serve on a maximum of four public company boards, including the Company's Board, with consideration given to public company board leadership roles and outside commitments. The Governance Committee will conduct an annual review of director commitment levels to confirm compliance with these Guidelines. In line with the New York Stock Exchange requirements, Directors who are members of the Company's Audit Committee shall not serve on audit committees of more than two other public companies, unless the Board (i) determines that such simultaneous service would not impair the Director's ability to effectively serve on the Audit Committee and (ii) discloses such determination in the Company's proxy statement.

E. *Board Composition and Director Nominations.* Director candidates will be selected on the basis of their ability to make contributions to the Board, recognizing the value of nominating Director candidates who bring diverse opinions, perspectives, skills, experiences, and backgrounds to Board deliberations. Among the criteria to be considered are personal ability, integrity, intelligence, relevant business background, independence, experience and expertise in areas of importance to the Company's objectives, and sensitivity to the Company's corporate responsibilities. In addition, Director candidates are selected with specific qualifications and characteristics so that the Board as a whole has diversity in experience, international perspective, background, expertise, skills, age, gender and ethnicity.

The Governance Committee has the primary responsibility for reviewing and advising the Board on the composition of the Board in the context of the needs of the Board and the Company and for identifying and evaluating Director candidates for recommendation to the Board. In deciding upon Director candidates to recommend to the Board, the Governance Committee compares each candidate's qualifications, skills and experience to the Company's strategy and the anticipated needs of the Board. The Governance Committee takes into account input from all Directors in the review of Director candidates and recommends candidates for possible approval by the Board.

F. *Leadership Structure.* The Board will annually elect one Director to serve as Chairman of the Board. The Board does not have a fixed policy on whether the positions of Chairman of the Board and Chief Executive Officer should be held by the same person. The Board will evaluate its leadership structure continuously and may consider different leadership structures that is in the best interest of the Company and the Board's assessment of the Company's leadership from time to time.

In the event the Chairman is not an independent Director, the independent Directors of the Board will annually elect an independent Lead Director based upon the recommendation of the Governance Committee. The Lead Director will have specific responsibilities, including

- chairing meetings of the Board at which the Chairman is not present, including Executive Sessions of the Board,
- approving the agenda and schedule for Board meetings on behalf of the independent directors,
- approving certain information sent to the Board,
- serving as liaison between the Chairman and independent Directors, and
- being available for consultation and direct communications with shareholders and other Company stakeholders.

The Lead Director has the authority to call meetings of the independent Directors, and to retain outside advisors who report directly to the Board. The Lead Director's performance is assessed annually by the Board in a process led by the Chair of the Governance Committee.

## **2. COMMITTEE COMPOSITION AND LEADERSHIP**

A. *Membership of Committees.* All Board Committees are comprised entirely of independent Directors, except for the Executive Committee which is comprised of the Chief Executive Officer as Committee Chair, Chairman of the Board, the Lead Director (if the Chairman is not an independent Director), and the Chairs of the Audit, Compensation and Organization, Finance, Governance, and Innovation and Technology Committees. Committee members are appointed annually by the Board upon the recommendation of the Governance Committee.

B. *Rotation of Committee Memberships and Chairs.* In order to provide the Directors with broad exposure to the work of the various Board Committees, and at the same time to provide for continuity in the membership of each Committee, the Board has adopted the practice of periodically rotating each independent Director's Committee assignments and the Committee Chairs, as appropriate.

C. *Committees.* The current Committees of the Board include: the Audit Committee, Compensation and Organization Committee, Finance Committee, Governance Committee, and Innovation and Technology Committee. The responsibilities of these Committees are described in their charters, which, along with the memberships of each of the Committees, are posted on the Company's website. In addition, the Board has an Executive Committee that may act upon matters requiring Board action during the intervals between Board meetings.

## **3. PERFORMANCE ASSESSMENT**

A. *Board and Committee Assessments.* Performance self-assessments are conducted annually by the Board and the Audit, Compensation and Organization, Finance, Governance, and Innovation and Technology Committees.

B. *Independent Director Performance Assessment.* A thorough performance assessment of each independent Director is conducted when the Director is considered for re-election as described in Section 1(C) of these Guidelines.

C. *Chief Executive Officer Performance Assessment.* The performance assessment of the Chief Executive Officer is conducted annually and led by the Compensation and Organization Committee, taking into account input from all independent Directors. Key performance and leadership categories are established. As to each category, each independent Director provides input, suggests opportunities for improvement, and comments on individual strengths. An external third party consolidates the feedback and provides a summary report to the Chair of the Compensation and Organization Committee who, in turn, reviews it with the independent Directors. The Chair of the Compensation and Organization Committee and the Lead Director (or the Chairman, if the Chairman is an independent Director) then reviews the report with the Chief Executive Officer.

D. *Senior Management Performance Assessment.* The Board also conducts an assessment of the Company's senior management. The Board's process begins with an assessment by the Chief Executive Officer of all officers on the senior management team. The Chief Executive Officer reports annually to the Board, giving his or her assessment of each officer's performance.

#### **4. SUCCESSION PLANNING AND MANAGEMENT DEVELOPMENT**

It is the policy of the Board to be prepared to deal with Chief Executive Officer succession, should the need arise, whether via emergency, resignation, retirement or termination. The Chief Executive Officer annually leads a formal discussion with the Board to review all key executives, including each executive's performance, leadership attributes and readiness to assume additional responsibility. The Board also discusses short- and long-term succession planning and emergency succession issues in connection with the annual review of all key executives. By focusing on both the short and the long term, the Board identifies specific individual development needs, that are then communicated to each executive by the Chief Executive Officer in annual performance reviews and ongoing coaching sessions. In addition to the annual review, the Directors meet periodically with key executives so that the Directors are able to evaluate first-hand the executives' readiness and potential to assume greater responsibility within the Company or to step into the Chief Executive Officer role, if needed.

#### **5. OPERATION OF THE BOARD AND COMMITTEES**

A. *Director Responsibilities.* The Board expects all Directors to fulfill the following basic responsibilities: (1) absent exigent circumstances, attend all meetings of the Board, relevant Board Committees and Annual General Meeting of Shareholders, (2) participate actively in meetings of the Board and relevant Board Committees after review of written materials that are provided to the Directors in advance of meetings, (3) act in a manner consistent with the best interests of the Company and its shareholders (avoiding conflicts

of interest that would interfere with their doing so) and (4) exercise proper diligence and business judgment in performing their duties as members of the Board and its Committees.

B. *Agendas and Background Information.* A proposed Agenda for each meeting of a Board Committee is approved by the relevant Committee Chair and sent to the Committee members in advance of the meeting, along with background information on important subjects, advance copies of presentation materials, and proposed resolutions. Similarly, a proposed Agenda for each meeting of the Board is reviewed and approved by the Chairman or the Lead Director, if the Chairman is not independent, and Chief Executive Officer, and sent to all Directors in advance of the meeting, along with background information on important subjects, proposed resolutions, and advance copies of presentation materials. Any Board or Committee member may ask for additions or changes in the relevant Agendas.

C. *Access to Management and Independent Advisors.* Directors may request from management, or any other sources they may desire, information that they consider helpful in the performance of their duties. The Board and each Board Committee may retain independent legal counsel, consultants or other advisors as the Board or such Committee deems necessary and appropriate, the cost of which is borne by the Company.

D. *Executive Sessions.* When necessary or appropriate, the Board holds an executive session, in which only the Directors are present. The Directors who meet the independence criteria of the Board and of the New York Stock Exchange also meet in executive session at each Board meeting, to discuss whatever topics they may deem appropriate. These Executive Sessions of the independent directors are chaired by the Lead Director. In addition, at each meeting of the Audit, Compensation and Organization, Finance, Governance, and Innovation and Technology Committees, an executive session is held, which is attended only by the Committee members, who are independent Directors, without any members of the Company's management present, to discuss whatever topics they may deem appropriate with such other parties as they deem appropriate.

E. *Board Meetings on Strategic Planning.* The Board devotes one extended meeting per year to strategic planning, along with portions of additional meetings throughout the year. Company performance is to be measured in terms of the Company's strategic objectives and its relative performance among its peers.

F. *Minutes.* Minutes of all Committee meetings are sent to all Directors for their information in advance of the following Board meeting, together with the minutes of the prior Board meeting.

G. *Orientation for New Directors.* An orientation process has been developed for new Directors, including background briefings by the Chief Executive Officer, other senior management and the Secretary, and information relating to the Board Committees that the Director will join.

H. *Continuing Education for Directors.* The Governance Committee reviews the continuing education needs of the Directors relating to their roles and responsibilities as members of the Board and its Committees and encourages all Directors to participate in education programs to assist them in performing their responsibilities as Directors.

## **6. DIRECTOR COMPENSATION**

A. *Director Compensation.* The Board with the advice of its Governance Committee determines the compensation of the independent Directors. The form and amount of Director compensation are intended to be competitive with Director compensation at peer companies, appropriate to the time and energy required of the Directors (as members of the Board and as members or Chairs of Board Committees) and consistent with the Directors' independence from the Company and its management. Compensation for the independent Directors consists of a combination of cash and equity. Each independent Director annually receives a number of restricted share units of the Company representing a significant portion of the total value of the Director's annual retainer. Restricted share units received by each independent Director prior to April 1, 2023 vest upon retirement of the Director and restricted share units received by each independent Director after April 1, 2023 vest annually. The Chairman and Chief Executive Officer, if held by the same person, receives cash compensation for his role as Chairman, allocated from his base salary, in an amount equal to the annual cash retainer paid to the Lead Director.

B. *Regular Reviews of Compensation.* Regularly scheduled reviews of independent Director compensation are conducted by the Governance Committee to assure that the compensation remains competitive and appropriate.

C. *Share Ownership Guidelines.* A non-employee director is expected to own Eaton shares with a value of at least five times the annual Board cash retainer. Until the share ownership guidelines are met, a director cannot sell Eaton shares, except to meet tax liabilities arising in respect of vested shares. Any sale after the guidelines are met cannot reduce the value below the minimum ownership level. A director is required to retain this minimum ownership level until his or her resignation or retirement from the Board.

## **7. GENERAL**

These Guidelines will be reviewed by the Governance Committee annually and may be amended by the Board from time to time.