



# GMI EXECUTIVE PAY SCORECARD<sup>SM</sup>

Data & analysis provided by GMI-The Independent Leader in Corporate Governance and ESG&A

20 Jan 2012

## Emerson Electric Co.



EMR NYSE

Electrical Components / Equipment

Market Capitalization USD:

**\$30,763.75 mm**

**CONCERN LEVEL: LOW**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket. 

**CEO: David N. Farr**

**Age: 57**

**CEO Since: 2000**

	2009	2010	2011
<b>Base Salary</b>	\$1,168,750	\$1,187,500	\$1,225,000
<b>Discretionary Bonus</b>	\$1,500,000	\$2,200,000	\$2,400,000
<b>Annual Cash Incentive</b>	\$0	\$0	\$0
<b>Benefits and Perquisites</b>	\$496,237	\$474,865	\$469,300
<b>TOTAL ANNUAL COMPENSATION</b>	<b>\$3,164,987</b>	<b>\$3,862,365</b>	<b>\$4,094,300</b>
<b>Increase in Post-Retirement Benefits</b>	\$3,598,000	\$1,862,000	\$1,730,000
<b>Stock Option Awards</b>	\$0	\$0	\$2,697,500
<b>Stock Awards</b>	\$3,735,000	\$19,081,600	\$4,264,800
<b>TOTAL COMPENSATION</b>	<b>\$12,050,745</b>	<b>\$24,805,965</b>	<b>\$12,786,600</b>
<b>Median of Other Named Executive Officers Total Compensation</b>	\$3,778,536	\$7,433,035	\$3,833,477
<b>Value Realized on Exercise of Stock Option</b>	\$160,948	\$6,497,110	\$2,033,708
<b>Value Realized on Vesting of Stock</b>	\$0	\$18,568,554	\$13,866,422
<b>TOTAL REALIZED EQUITY COMPENSATION</b>	<b>\$160,948</b>	<b>\$25,065,664</b>	<b>\$15,900,130</b>

Proxy Date: 9 Dec 2011

Annual Meeting Date: 7 Feb 2012

Equity Reserves: 7.48%

Stock Option Run Rate: 0.64%

This report is for informational purposes only, and should not be considered a solicitation to buy or sell any security.

COPYRIGHT 2012| GMI | ALL RIGHTS RESERVED

# Emerson Electric Co.

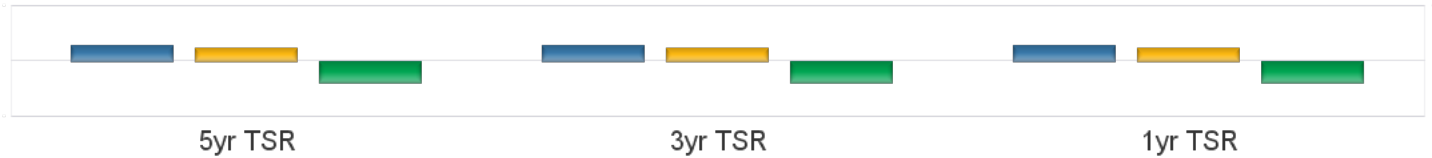
EMR NYSE

Electrical Components / Equipment

Market Capitalization USD: \$30,763.75 mm

## Performance Comparison

■ vs S&P500 ■ vs Industry ■ EMR



## Peer Comparisons (TRBC) = Industrials

### Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
EMR	Emerson Electric Co.	\$12,050,745	\$24,805,965	\$12,786,600	\$30,763,754,172
NSC	Norfolk Southern Corporation	\$12,756,176	\$10,962,546		\$22,864,226,340
NOC	Northrop Grumman Corporation	\$17,937,340	\$22,849,412		\$14,506,217,204
PCAR	PACCAR Inc.	\$4,198,201	\$7,732,673		\$12,361,758,289
PSA	Public Storage	\$2,205,800	\$2,009,800		\$19,003,387,962
RTN	Raytheon Company	\$18,636,872	\$18,787,343		\$14,452,163,309
FDX	FedEx Corporation	\$8,479,584	\$7,419,362		\$21,469,295,695

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

### Pay Peer Group

Alcoa, Caterpillar, Cisco Systems, Danaher, Deere, DuPont, Eaton, Fluor, Freeport McMoRan Copper, General Dynamics, General Electric, Goodyear Tire, Honeywell, Illinois Tool Works, International Paper, Johnson Controls, Lockheed Martin, Northrop Grumman, Raytheon, Schlumberger, Tyco, Union Pacific, US Steel, United Technologies, 3M

### Performance Peer Group

NA

## COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Randall L. Stephenson	Chairman	51	Male	6	Outside
Clemens Boersia	Member	63	Male	3	Outside
Joseph W. Prueher	Member	69	Male	11	Outside
William R. Johnson	Member	62	Male	4	Outside

This report is for informational purposes only, and should not be considered a solicitation to buy or sell any security. Thomson Reuters Business Classification (TRBC) is a global industry classification system that is owned and operated by Thomson Reuters and has been licensed for use by GMI.

COPYRIGHT 2012 | GMI | ALL RIGHTS RESERVED