

**Rockwell Automation, Inc.**  
**Board of Directors**  
**Guidelines on Corporate Governance**

**As amended December 30, 2005**

## TABLE OF CONTENTS

	<u>PAGE</u>
1. Director Responsibilities	2
2. Selection of Chairman and CEO	2
3. Lead Director Concept	2
4. Number of Committees	3
5. Assignment and Rotation of Committee Members	3
6. Frequency and Length of Committee Meetings	4
7. Committee Agenda and Reports	4
8. Selection of Agenda Items for Board Meetings	4
9. Distribution of Board Materials	5
10. Presentations	5
11. Regular Attendance of Non-Directors at Board Meetings	5
12. Executive Sessions of the Non-Management Directors	5
13. Board Access to Senior Management	6
14. Board Compensation	6
15. Size of the Board	7
16. Director Qualifications	7
17. Former Chief Executive Officer's Board Membership	8
18. Selection of New Director Candidates	8
19. Extending the Invitation to a New Potential Director to Join the Board	9
20. Assessing the Board and Committees	9
21. Directors who Change their Present Job Responsibility	9
22. Term Limits	10
23. Retirement Age	10
24. Formal Evaluation of the Chief Executive Officer	10
25. Succession Planning	11
26. Management Development	11
27. Board Interaction with Institutional Investors, the Press, Customers, Etc.	11
28. Board Compliance with Corporate Policies	11
29. Director Orientation and Continuing Education	12
30. Board Attendance at Annual Meetings	12
31. Shareowner Communications to the Board and Ombudsman	12
32. Director Stock Ownership Guideline	13

## **1. Director Responsibilities**

**The property, affairs and business of the Corporation shall be managed by or under the direction of the Board. The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Corporation and its shareowners. In discharging that obligation, directors should be entitled to rely on the honesty and integrity of the Corporation's senior executives and its outside advisors and auditors. The directors shall also be entitled to have the Corporation purchase reasonable directors' and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and the Corporation's charter, by-laws and any indemnification agreements, and to exculpation as provided by state law and the Corporation's charter.**

**Directors are generally expected to attend all regularly scheduled Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities.**

## **2. Selection of Chairman and CEO**

**The Corporation's By-Laws, which the Board can amend as particular circumstances warrant, provide that the President is the chief executive officer of the Corporation and that the Board selects the Chairman from amongst its members. The Board has no policy with respect to separation of the positions of Chairman and chief executive officer or with respect to whether the Chairman should be a member of management or a non-management director, and believes that these are matters that should be discussed and determined by the Board from time to time.**

## **3. Lead Director Concept**

**The Board believes designating a lead director is not necessary for serving the Corporation's and shareowners' best interests. In circumstances in which the non-management directors meet in executive session, a director designated by the non-management directors will chair the meeting.**

#### **4. Number of Committees**

**The Board will have at all times the following standing committees: Audit Committee, Compensation & Management Development Committee, Board Composition and Governance Committee, and Technology, Environmental & Social Responsibility Committee. The Board has the flexibility to form a new committee or disband any such committee. It is the policy of the Board that all of the members of the Audit, Compensation & Management Development, and Board Composition and Governance Committees will be independent directors under criteria established from time to time by applicable laws, the New York Stock Exchange and the Board.**

**Each committee will have a charter that sets forth the purposes, goals and responsibilities of the committee as well as qualifications for committee membership, committee structure and operations and committee reporting to the Board. The charters will also provide that each committee will annually evaluate its performance.**

#### **5. Assignment and Rotation of Committee Members**

**The Board Composition and Governance Committee after consultation with the Chairman shall recommend to the Board the members of the committees taking into account their particular experience and knowledge of the Corporation and the preferences of individual Board members. The Board shall designate the Chair and the members of the committees.**

**While rotating committee members should be considered periodically, the Board does not believe rotation should be mandated as a policy since there are significant benefits attributable to continuity, experience gained in service on particular committees, and utilizing most effectively the individual talents of Board members.**

#### **6. Frequency and Length of Committee Meetings**

**The Chair of each committee, in consultation with its members and the appropriate officers, determines the frequency and length of the meetings of the committee. The schedule for meetings of each committee will be distributed to the directors by September for the ensuing calendar year.**

**7. Committee Agenda and Reports**

**The Chair of each committee, taking into account recommendations of committee members and in consultation with the appropriate officers, will establish the agenda for each committee meeting.**

**Minutes of each committee meeting will be provided to each Board member to assure that the Board remains fully apprised of topics discussed and actions taken. The Chair of each committee will also regularly report at Board meetings on committee matters.**

**8. Selection of Agenda Items for Board Meetings**

**The Chairman will establish the agenda for each Board meeting; and the Secretary will distribute a preliminary agenda sufficiently in advance of each meeting to assure Board members are apprised of the principal matters to be considered.**

**By September there will be distributed to the directors the schedule of meetings for the ensuing calendar year.**

**Each Board member may recommend agenda items and is encouraged to raise at any Board meeting subjects that are not on the agenda for that meeting.**

**At least one Board meeting each year will be an extended Board meeting during which the Board will review long-term strategic plans and discuss principal issues that are expected to affect the Corporation in the future.**

**9. Distribution of Board Materials**

**It is the sense of the Board that information and data important to the Board's understanding of the Corporation's business be distributed regularly to the Board. Directors should review all meeting material sent to them in advance of the Board meetings.**

**10. Presentations**

**For particular matters that are likely to benefit from advance consideration by Board members, and to conserve meeting time and focus deliberations, presentations should be sent to Board members in advance unless the subject matter is too sensitive.**

**When there is no prior distribution of a presentation on a sensitive subject, it is the sense of the Board that (a) each member be advised in advance of the meeting of the subject and the principal issues to be considered and (b) the Board be provided ample time to deliberate on any action to be taken.**

**11. Regular Attendance of Non-Directors at Board Meetings**

**The Board believes that the senior officers of the Corporation should regularly attend Board meetings. In addition, the Chairman may, as particular circumstances warrant, invite other executives or advisors to attend Board meetings or appropriate portions thereof.**

**12. Executive Sessions of the Non-Management Directors**

**The non-management directors will meet privately in executive sessions in conjunction with regular meetings of the Board without the presence of any corporate officer or member of management. The non-management directors will designate the Chairman of one of the Board Committees to preside over each executive session, in part depending upon whether the principal items to be considered at the session are within the scope of the applicable Committee. Following each executive session, the designated director will discuss with the Chairman and/or the chief executive officer, to the extent appropriate, matters emanating from the executive sessions. The independent directors will meet in executive session at least once a year.**

**13. Board Access to Senior Management**

**Board members have complete access to the management and the Corporation's outside counsel and auditors.**

**It is assumed that Board members will use judgment to be sure that such contact is not distracting to the business operation of the Corporation and that the chief executive officer is appropriately advised of any such contact.**

**Furthermore, the Board encourages the continuation of the long-standing practice of management to bring managers into Board meetings from time to time who: (a) can provide additional insight into the items being discussed or (b) senior management believe have future potential as leaders.**

**The Board and each committee may retain and have access to independent legal, financial or other advisors of their choice with respect to any issue relating to their activities.**

#### **14. Board Compensation**

**The form and amount of director compensation will be determined by the Compensation & Management Development Committee, in accordance with the policies and principles set forth in its charter, but with full discussion and approval by the Board.**

**The Compensation & Management Development Committee will conduct an annual review of director compensation.**

**Changes in Board compensation, if any, should come at the suggestion of the Compensation & Management Development Committee, but with full discussion and concurrence by the Board.**

**The Board believes that a meaningful portion of director compensation should be in common stock of the Corporation to further the direct correlation of directors' and shareowners' economic interests.**

**The only form of compensation for service on the Audit Committee shall be directors' fees, as well as all of the regular benefits that other directors receive. Receipt of pension or other forms of deferred compensation from the Corporation for prior service will not violate**

**this requirement. Members of the Audit Committee may receive their directors' fees in cash and/or stock of the Corporation or options or other in-kind consideration ordinarily available to directors. Further, in view of their significant added responsibilities, members of the Audit Committee may receive reasonable compensation greater than that paid to non-Audit Committee directors.**

**15. Size of the Board**

**It is the sense of the Board that a size of 7 to 11 is about right although the Board would consider a somewhat larger size in order to accommodate the availability of an outstanding candidate(s).**

**16. Director Qualifications**

**The Board believes that as a matter of policy most Board members should be independent directors but a substantial majority shall be independent directors who meet the criteria for independence required by the New York Stock Exchange. For a director to be deemed "independent," the Board must affirmatively determine that the director has no material relationship with the Corporation (either directly or as a partner, shareowner or officer of an organization that has a relationship with the Corporation). The Board believes the chief executive officer should serve on the Corporation's board. In addition, if there is a chief operating officer, the Board will consider whether it is appropriate for such person to be a member of the Board. The Board believes that other members of management should not be on the Board.**

**On matters of corporate governance, decisions will be made by the independent directors in consultation with the Chairman and the Board Composition and Governance Committee.**

**Directors are encouraged to limit the number of other public company boards on which they serve. If a director simultaneously serves on the boards of more than six public companies, including the Corporation, or a member of the Audit Committee simultaneously serves on the audit committee of more than three public companies, including the Corporation, then the Board must determine that such simultaneous service would not impair the ability of such member to effectively serve**

on the Corporation's Board or Audit Committee, as the case may be, and this determination will be disclosed in the annual proxy statement.

**17. Former Chief Executive Officer's Board Membership**

The Board believes this is a matter to be decided in each individual instance. It is assumed that when the chief executive officer no longer holds that position, resignation from the Board should be offered at the same time. Whether the individual continues to serve on the Board is a matter for discussion at that time with the new chief executive officer and the Board.

**18. Selection of New Director Candidates**

The Board Composition and Governance Committee is responsible for identifying individuals who meet the Rockwell Automation Board Membership Criteria, and to recommend to the Board the election of such individuals. The Committee from time to time reviews with the Board the Corporation's Board Membership Criteria in the context of current Board composition and the Corporation's circumstances.

The Committee, the Chairman, the chief executive officer or other Board members may identify a need to add new members to the Board or fill a vacancy on the Board. In such case, the Committee will initiate a search for qualified director candidates, seeking input from senior management and Board members, and, as appropriate, outside search firms. The Committee will evaluate qualified candidates and then make its recommendation to the Board for its consideration and approval. In making its recommendation, the Committee will evaluate properly submitted shareowner recommendations under substantially the same criteria and in substantially the same manner as potential candidates submitted by other sources.

Shareowners wishing to recommend director candidates for consideration by the Committee can do so by writing to the Secretary of the Corporation, giving the candidate's name, biographical data and qualifications and such other information that is required by the SEC to be included in a proxy statement with respect to a director nominee. Any such recommendation must be accompanied by a written statement indicating the candidate's willingness to serve if nominated and elected.

**The recommending shareowner must provide evidence of being a shareowner of record of the Corporation's stock at that time.**

**19. Extending the Invitation to a New Potential Director to Join the Board**

**The invitation to join the Board should be extended by one or more directors designated by the Board.**

**20. Assessing the Board and Committees**

**The Board will conduct an annual self-evaluation to determine whether the Board and its committees are functioning effectively. The Board Composition and Governance Committee, using such resources or methods as it determines, is responsible to report annually to the Board an assessment of the Board's performance. Its report will be discussed with the full Board at the same time as it makes recommendations of nominees for inclusion in the proxy statement for the next annual meeting. This assessment should be of the Board's contribution as a whole as well as the contributions of each director.**

**In addition, the Board Composition and Governance Committee shall be responsible, on an annual basis, to review the Board Membership Criteria and these Guidelines and make recommendations to the Board regarding any changes to them.**

**21. Directors who Change their Present Job Responsibility**

**Directors whose job responsibilities change meaningfully from those they held when they were elected to the Board should offer to resign as a director.**

**It is not the sense of the Board that such directors should necessarily leave the Board. There should, however, be an opportunity for the Board via the Board Composition and Governance Committee to review the continued appropriateness of Board membership under these circumstances.**

**22. Term Limits**

**The Board does not believe it should establish term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Corporation and its operations and, therefore, provide an increasing contribution to the Board as a whole.**

**The Board believes the annual assessment of the Board's performance provides each director a convenient opportunity to confirm his/her desire to continue as a member of the Board.**

**23. Retirement Age**

**Directors are not to stand for re-election after they attain age 72, but directors elected before age 72 may complete their terms.**

**24. Formal Evaluation of the Chief Executive Officer**

**The Compensation & Management Development Committee will annually evaluate the performance of the chief executive officer, review its performance assessment with the entire Board (except any management directors) and obtain the Board's assessment of the chief executive officer's performance. The final performance assessment should be communicated to the chief executive officer by the Chair of the Compensation & Management Development Committee.**

**The evaluation should be based on objective criteria including performance of the business, accomplishment of long-term strategic objectives, development of management, etc.**

**The Compensation & Management Development Committee will use the evaluation in its deliberations when considering the compensation of the chief executive officer. The Board in executive session (without the chief executive officer present) will receive and discuss a report of the compensation of the chief executive officer, as determined by the Compensation & Management Development Committee.**

**25. Succession Planning**

**There should be an annual report by the chief executive officer to the Board on succession planning.**

**There should also be available, on a continuing basis, the chief executive officer's recommendation as to a successor in the event of unexpected disability.**

**26. Management Development**

**There should be an annual report to the Board on the Corporation's program for management development.**

**This report should be given to the Board at the same time as the succession planning report.**

**27. Board Interaction with Institutional Investors, the Press, Customers, Etc.**

**The Board believes that the management speaks for the Corporation. While individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Corporation, it is expected that Board members would do this with the knowledge of the management and, absent unusual circumstances, only at the request of management.**

**28. Board Compliance with Corporate Policies**

**The Board shall comply with Corporate Policies A-03 (Conflicts of Interest) and A-08 (Standards of Business Conduct) to the same extent as if they were employees of the Corporation. Any waiver of the Conflicts of Interest policy for Directors or executive officers may be made only by the Board of Directors and shall be promptly disclosed to shareowners.**

**29. Director Orientation and Continuing Education**

**All new directors are required to participate in the Corporation's Orientation Program, which should be conducted within three months**

**after election to the Board. This orientation will include presentations by senior management to familiarize new directors with the strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Ethics Program, its principal officers, and its internal and independent auditors.**

**The Corporation will provide directors with presentations from time to time on topics designed by the Corporation and/or third party experts to assist directors in carrying out their responsibilities. Directors are encouraged to engage in continuing education regarding the duties and responsibilities of Board and Committee members and the Corporation will pay the reasonable expenses for directors attending accredited third party training for these continuing education purposes.**

**30. Board Attendance at Annual Meetings**

**Directors are expected to attend the Corporation's Annual Meeting of Shareowners unless they have a valid reason such as a schedule conflict.**

**31. Shareowner Communications to the Board and Ombudsman**

**Shareowners may send communications to the Board, an individual director, the non-management directors as a group, or a specified Board Committee at the following address:**

**Rockwell Automation, Inc.  
c/o Corporate Secretary  
777 East Wisconsin Avenue, Suite 1400  
Milwaukee, WI 53202  
Attn: Board of Directors**

**The Secretary will receive and process all communications before forwarding them to the addressee. The Secretary will forward all communications unless it determines that a communication is a business solicitation or advertisement, or requests general information about the Corporation.**

**Concerns about accounting, internal controls of auditing matters should be reported to the Ombudsman of the Corporation as outlined in the**

**Corporation's Standards of Business Conduct, which are available on the Corporation's website.**

**32. Director Stock Ownership Guideline**

**To further the direct correlation of directors' and shareowners' economic interests, non-management directors will be required to own shares of common stock of the Corporation equal in value to three times the amount of the annual retainer that is paid in cash for Board service (as determined annually by the Board) within five years after the later of joining the Board or the adoption of this guideline. Shares of common stock owned of record or beneficially by the directors and shares of restricted stock shall be counted toward satisfaction of this guideline; vested and unvested stock options shall not be counted toward satisfaction of this guideline.**

**Last amended: December 30, 2005**