



Barclays Industrial Select Conference

February 21, 2024

SAFE HARBOR STATEMENT

This presentation includes statements related to the expected future results of the company and are therefore forward-looking statements. Actual results may differ materially from those projections due to a wide range of risks and uncertainties, including those that are listed in our SEC filings.

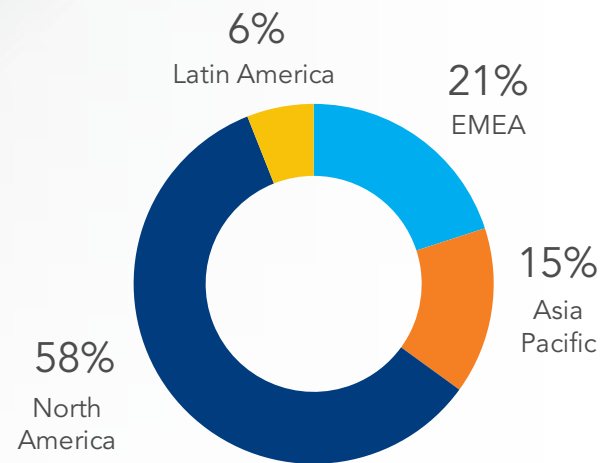
This presentation also contains non-GAAP financial information and reconciliations to GAAP are included in the appendix. All information should be read in conjunction with our historical financial statements.

As the world's largest pure-play industrial automation and digital transformation company, **we are creating the future of industrial operations.**

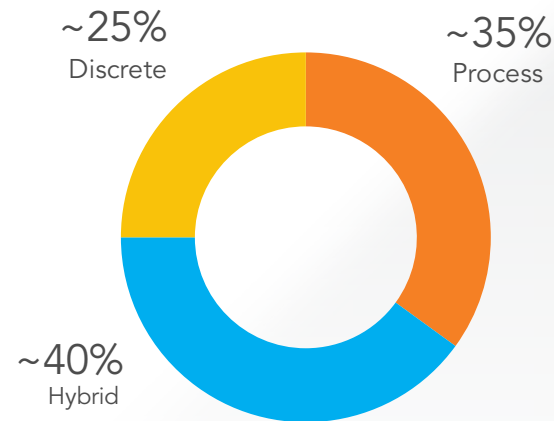
SERVING CUSTOMERS
FOR 121 YEARS

AT A GLANCE

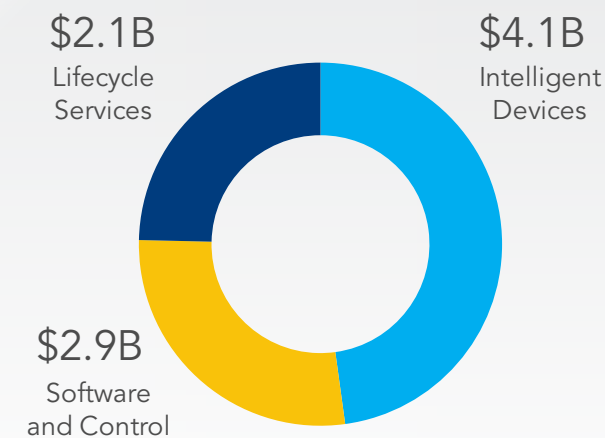
\$9.1B 2023 sales



BY REGION



BY INDUSTRY



BY SEGMENT

GLOBAL

 **100+** Number of countries

 **29k** Employees: more than half outside the U.S.

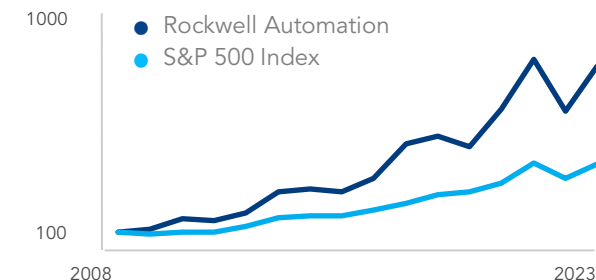


World's Most Ethical Companies

FAST COMPANY

The 50 best places to work for innovators

Total shareowner return



Building on a strong foundation



Next Horizon: New Strategic Growth Framework

Accelerating profitable growth with new ways to win

CUSTOMER NEEDS		EXAMPLE OF ROK DIFFERENTIATION		LONG-TERM FINANCIAL FRAMEWORK
Faster secular growth	Resiliency Agility Sustainability	Cybersecurity, Augmented Workforce Multi-discipline Logix Energy Transition Capabilities	3-5%	
Share growth and expanded market	Shoring / Stimulus / Mega Projects Software-defined Automation Autonomous Operations Capacity Build-out in Focus Industries Manufacturing Lifecycle Mgmt	ROK Ecosystem Evolution Scalable Solutions & Business Models AI-enabled Design, Control & Logistics Industry-specific Solutions Simplified Digital Threads	1-2%	
ARR Recurring Software & Services	Flexible & Scalable Data Mgmt	Edge & Cloud Portfolio	1%	
Acquisitions	Key Priorities: <ul style="list-style-type: none">• Annual Recurring Revenue• Market expansion in Europe and Asia• Application-specific technology in focus industries		1%	
TOTAL ANNUAL GROWTH THROUGH THE CYCLE			6-9%	

- 35% core earnings conversion
- EPS growth > sales growth
- FCF conversion ~100%
- FCF yield for acquisitions > (WACC + risk premium) by years 3-5
- ROIC > 20%
- Target 2x leverage



Margin Expansion

	Margin Growth Drivers		Long-term Range*
Intelligent Devices	<ul style="list-style-type: none"> • Share gain from next gen product launches across core platforms • Further synergies from recent acquisitions • Product cost optimization 		22% - 24%
Software & Control	<ul style="list-style-type: none"> • Continued share gains in Control • Further synergies from recent acquisitions • Higher software mix accelerated by key product launches 		31% - 34%
Lifecycle Services	<ul style="list-style-type: none"> • Focus on high-growth recurring services • Streamlined organization for faster growth • Improved growth and profitability of Sensia 		13% - 15%
Total ROK	Productivity	Supply chain improvement	Accelerated top line growth

*Excludes impact of future acquisitions



Fiscal Year 2024

	Q1 FY24	Q2 FY24	2H FY24	FY24	FY24 Performance Drivers
Orders	Double-digit sequential growth	Double-digit sequential growth	Continued sequential growth	Low-single-digit growth YOY	<ul style="list-style-type: none"> Distributor inventory normalization in FQ2 Continued positive end-market trends Share gains with expanded portfolio Acquisitions growth above expectations
Organic Sales	Up ~1% YOY	Down ~12% YOY	Up ~7% YOY	Up ~1% YOY	<ul style="list-style-type: none"> Remaining operational headwinds addressed in FQ2 Building safety stock across entire portfolio Organizational and internal process improvements Dependent on continued sequential growth in orders
Segment Margin	~17%	~17%	~25%	~21.5%	<ul style="list-style-type: none"> 2H volume ramp with improving orders Strong spend controls with flat spend through FY24 Lower incentive comp & restructuring savings Better factory utilization
ROK Focus	Manufacturing execution		Productivity & cost discipline		Accelerated top line growth in 2H

Note: Guidance as of January 31, 2024



FY24 Margins

	Q1 FY24	Q2 FY24	FY24	Comments
Intelligent Devices	16%	~16%	~21%	<ul style="list-style-type: none"> Q2 margin similar to Q1 on flat sequential sales Improving operational execution in Q2, but with higher portion of sales dependent on new orders 2H margin ramp on higher volume, flat spend, and better supply chain utilization FY24 margin flat to slightly up vs. FY23
Software & Control	25%	~22%	~28%	<ul style="list-style-type: none"> Q2 margin down sequentially and YOY due to mix and difficult comps 2H ramp on higher volume and flat spend FY24 margin down YOY on lower full-year sales
Lifecycle Services	10%	~15%	~14%	<ul style="list-style-type: none"> Q2 margin up sequentially on higher sales Continued savings from prior structural actions Improved growth and profitability of Sensia FY24 margin up ~700 bps from prior year
ROK Focus	Manufacturing execution		Productivity & cost discipline	Accelerated top line growth in 2H

Note: Guidance as of January 31, 2024

Full Year Outlook

- ▶ Orders still expected to increase low single digits year over year
- ▶ Total sales growth range of 0.5% - 6.5%; organic growth range of (2.0)% - 4.0%
 - ▶ Currency to increase sales ~1.0 pt
 - ▶ Acquisitions to contribute ~1.5 pts of growth
- ▶ Total ARR still expected to grow ~15% YOY
- ▶ Continue to expect segment margin of ~21.5%
- ▶ Adjusted EPS range of \$12.00 - \$13.50, up ~5% YOY at the midpoint
- ▶ Expect Free Cash Flow conversion of ~100%

Note: Guidance as of January 31, 2024

Focus on driving operational execution and winning share






Barclays Industrial Select Conference

February 21, 2024

Appendix



FY24 Organic Industry Segment Outlook

	% of FY24 Sales	FY24 vs. FY23	Assumptions at Guidance Midpoint	B/(W) vs. Prior Guidance
	~25%	Down low single digits	<ul style="list-style-type: none"> Automotive up low single digits Semiconductor down low single digits e-Commerce & Warehouse Automation up low single digits 	=
	~40%	Up low single digits	<ul style="list-style-type: none"> Food & Beverage up low single digits Life Sciences up low single digits Tire down low single digits 	=
	~35%	Up low single digits	<ul style="list-style-type: none"> Oil & Gas up high single digits Mining up low single digits Chemicals up low single digits 	=

Note: Organic sales growth rates depicted above exclude the impact of acquisitions and currency. Arrows reflect positive/negative directional growth vs prior year.

Note: Guidance as of January 31, 2024; Prior Guidance as of November 2, 2023

Industry Segmentation

% of FY23 Sales



DISCRETE

~25%
of sales

- ~10% Automotive
- ~5% Semiconductor
- ~5% e-Commerce & Warehouse Automation
- ~5% General Industries
 - ▶ Printing & Publishing
 - ▶ Marine
 - ▶ Glass
 - ▶ Fiber & Textiles
 - ▶ Airports
 - ▶ Aerospace
 - ▶ Other Discrete



HYBRID

~40%
of sales

- ~20% Food & Beverage
- ~5% Life Sciences
- ~5% Household & Personal Care
- ~5% Tire
- ~5% Eco Industrial
 - ▶ Water / Wastewater
 - ▶ Waste Management
 - ▶ Mass Transit
 - ▶ Renewable Energy



PROCESS

~35%
of sales

- ~10% Oil & Gas
- ~5% Mining
- ~5% Metals
- ~5% Chemicals
- ~5% Pulp & Paper
- ~5% Other Process

Q1 FY24 Results: Summary

(\$ in millions, except per share amounts)

Total Sales

Total segment operating earnings

Purchase accounting depreciation and amortization

Corporate and other

Non-operating pension and postretirement credit

Change in fair value of investments ⁽¹⁾

Interest expense, net

Income tax provision

Net income

Net loss attributable to noncontrolling interests

Net income attributable to Rockwell Automation

Adjustments

Non-operating pension and postretirement benefit credit, net of tax

Purchase accounting depreciation and amortization attributable to Rockwell Automation, net of tax

Change in fair value of investments, net of tax ⁽¹⁾

Adjusted income

Adjusted EPS

Average Diluted Shares

Three Months Ended	
Q1 2024	Q1 2023
\$ 2,052.1	\$ 1,981.0
\$ 355.5	\$ 401.0
(35.6)	(26.0)
(40.0)	(27.3)
4.9	12.4
3.1	140.6
(28.3)	(32.8)
(46.9)	(89.2)
\$ 212.7	\$ 378.7
(2.5)	(5.3)
\$ 215.2	\$ 384.0
\$ (3.9)	\$ (9.6)
27.2	17.4
(2.5)	(106.5)
\$ 236.0	\$ 285.3
\$ 2.04	\$ 2.46
115.2	115.5

⁽¹⁾ Amount in the three months ended December 31, 2022, primarily relates to the change in fair value of our previous investment in PTC.

Reconciliation to Non-GAAP Measures

Free Cash Flow

(\$ in millions)

Net Income

Depreciation/Amortization

Change in Fair Value of Investments ⁽¹⁾

Retirement Benefits Expense (Income)

Receivables/Inventory/Payables

Compensation and Benefits

Pension Contributions

Income Taxes

Other

Cash Flow From Operations

Capital Expenditures

Free Cash Flow

Adjusted Income

Free Cash Flow Conversion

Three Months Ended		
Q1 2024	Q1 2023	
\$ 212.7	\$ 378.7	
76.9	57.8	
(3.1)	(140.6)	
4.5	(1.7)	
52.4	(237.7)	
(243.4)	(40.2)	
(5.9)	(7.0)	
1.6	73.1	
(63.1)	(16.1)	
32.6	66.3	
(67.9)	(24.2)	
\$ (35.3)	\$ 42.1	
\$ 236.0	\$ 285.3	
(15)%	15 %	

⁽¹⁾ Amount in the three months ended December 31, 2022, primarily relates to the change in fair value of our previous investment in PTC.

Reconciliation to Non-GAAP Measures

Organic Sales

(\$ in millions)

Three Months Ended December 31,									
2023					2022				
	Reported Sales(a)	Less: Effect of Acquisitions(e)	Effect of Changes in Currency(d)	Organic Sales(b)	Reported Sales(c)	Reported Sales Growth (a)/(c)	Less: Effect of Acquisitions (e)/(c)	Effect of Changes in Currency (d)/(c)	Organic Sales Growth (b)/(c)
North America	\$ 1,247.1	\$ 18.8	\$ (0.2)	\$ 1,228.5	\$ 1,178.9	5.8%	1.6%	—%	4.2%
EMEA	388.3	6.3	17.4	364.6	372.8	4.2%	1.7%	4.7%	(2.2)%
Asia Pacific	275.6	2.7	(1.7)	274.6	296.5	(7.0)%	0.9%	(0.5)%	(7.4)%
Latin America	141.1	—	8.9	132.2	132.8	6.2%	—%	6.7%	(0.5)%
Total	\$ 2,052.1	\$ 27.8	\$ 24.4	\$ 1,999.9	\$ 1,981.0	3.6%	1.4%	1.2%	1.0%

Three Months Ended December 31,									
2023					2022				
	Reported Sales(a)	Less: Effect of Acquisitions(e)	Effect of Changes in Currency(d)	Organic Sales(b)	Reported Sales(c)	Reported Sales Growth (a)/(c)	Less: Effect of Acquisitions (e)/(c)	Effect of Changes in Currency (d)/(c)	Organic Sales Growth (b)/(c)
Intelligent Devices	\$ 927.3	\$ 21.1	\$ 11.9	\$ 894.3	\$ 936.2	(1.0)%	2.3%	1.2%	(4.5)%
Software & Control	603.6	—	7.5	596.1	573.3	5.3%	—%	1.3%	4.0%
Lifecycle Services	521.2	6.7	5.0	509.5	471.5	10.5%	1.4%	1.0%	8.1%
Total	\$ 2,052.1	\$ 27.8	\$ 24.4	\$ 1,999.9	\$ 1,981.0	3.6%	1.4%	1.2%	1.0%

Reconciliation to Non-GAAP Measures

Segment Operating Margin

(\$ in millions)

	Three Months Ended	
	December 31, 2023	December 31, 2022
Sales		
Intelligent Devices (a)	\$ 927.3	\$ 936.2
Software & Control (b)	603.6	573.3
Lifecycle Services (c)	521.2	471.5
Total sales (d)	<u>\$ 2,052.1</u>	<u>\$ 1,981.0</u>
Segment operating earnings		
Intelligent Devices (e)	\$ 150.2	\$ 209.4
Software & Control (f)	151.0	167.3
Lifecycle Services (g)	54.3	24.3
Total segment operating earnings ⁽¹⁾ (h)	<u>355.5</u>	<u>401.0</u>
Purchase accounting depreciation and amortization	(35.6)	(26.0)
Corporate and other	(40.0)	(27.3)
Non-operating pension and postretirement benefit credit	4.9	12.4
Change in fair value of investments	3.1	140.6
Interest expense, net	<u>(28.3)</u>	<u>(32.8)</u>
Income before income taxes (i)	<u>\$ 259.6</u>	<u>\$ 467.9</u>
Pretax margin (i/d)	12.7 %	23.6 %
Segment operating margin:		
Intelligent Devices (e/a)	16.2 %	22.4 %
Software & Control (f/b)	25.0 %	29.2 %
Lifecycle Services (g/c)	10.4 %	5.2 %
Total segment operating margin ⁽¹⁾ (h/d)	17.3 %	20.2 %

⁽¹⁾Total segment operating earnings and total segment operating margin are non-GAAP financial measures. We exclude purchase accounting depreciation and amortization, corporate and other, non-operating pension and postretirement credit, change in fair value of investments, interest expense, net, and income tax provision because we do not consider these items to be directly related to the operating performance of our segments. We believe total segment operating earnings and total segment operating margin are useful to investors as measures of operating performance. We use these measures to monitor and evaluate the profitability of our operating segments. Our measures of total segment operating earnings and total segment operating margin may be different from measures used by other companies.

Reconciliation to Non-GAAP Measures

Adjusted Income, Adjusted EPS, and Adjusted Effective Tax Rate

(\$ in millions, except per share amounts)

Net income attributable to Rockwell Automation
Non-operating pension and postretirement benefit credit
Tax effect of non-operating pension and postretirement benefit credit
Purchase accounting depreciation and amortization attributable to Rockwell Automation
Tax effect of purchase accounting depreciation and amortization attributable to Rockwell Automation
Change in fair value of investments ⁽¹⁾
Tax effect of change in fair value of investments ⁽¹⁾

Adjusted income

Diluted EPS

Non-operating pension and postretirement benefit credit
Tax effect of non-operating pension and postretirement benefit credit
Purchase accounting depreciation and amortization attributable to Rockwell Automation
Tax effect of purchase accounting depreciation and amortization attributable to Rockwell Automation
Change in fair value of investments ⁽¹⁾
Tax effect of change in fair value of investments ⁽¹⁾

Adjusted EPS

Effective tax rate

Tax effect of non-operating pension and postretirement benefit credit
Tax effect of purchase accounting depreciation and amortization attributable to Rockwell Automation
Tax effect of change in fair value of investments ⁽¹⁾

Adjusted effective tax rate

Non-operating pension and postretirement benefit credit

(in millions)

Interest cost
Expected return on plan assets
Amortization of net actuarial loss (gain)
Non-operating pension and postretirement benefit credit

Three Months Ended			
December 31, 2023		December 31, 2022	
\$	215.2	\$	384.0
	(4.9)		(12.4)
	1.0		2.8
	32.7		23.0
	(5.5)		(5.6)
	(3.1)		(140.6)
	0.6		34.1
\$	236.0	\$	285.3
\$	1.86	\$	3.31
	(0.04)		(0.10)
	0.01		0.02
	0.28		0.20
	(0.05)		(0.05)
	(0.03)		(1.22)
	0.01		0.30
\$	2.04	\$	2.46
	18.1 %		19.1 %
	(0.1)%		(0.1)%
	(0.1)%		0.5 %
	— %		(2.4)%
	17.9 %		17.1 %

Three Months Ended			
December 31, 2023		December 31, 2022	
\$	37.2	\$	39.8
	(42.2)		(51.3)
	0.1		(0.9)
\$	(4.9)	\$	(12.4)

⁽¹⁾ Amount in the three months ended December 31, 2022, primarily relates to the change in fair value of our previous investment in PTC.

Reconciliation to Non-GAAP Measures

Fiscal 2024 Guidance

(\$ in billions, except per share amounts)

Organic Sales

Organic sales growth
Inorganic sales growth
Foreign currency impact
Reported sales growth

Segment Operating Margin

Total sales (a)
Total segment operating earnings (b)
Costs not allocated to segments
Income before income taxes (c)
Total segment operating margin (b/a)
Pretax margin (c/a)

Adjusted Effective Tax Rate

Effective tax rate
Tax effect of non-operating pension and postretirement benefit cost
Tax effect of purchase accounting depreciation and amortization attributable to Rockwell Automation
Tax effect of change in fair value of investments ⁽²⁾
Adjusted effective tax rate

Adjusted EPS

Diluted EPS ⁽¹⁾
Non-operating pension and postretirement benefit credit
Tax effect of non-operating pension and postretirement benefit credit
Purchase accounting depreciation and amortization attributable to Rockwell Automation
Tax effect of purchase accounting depreciation and amortization attributable to Rockwell Automation
Change in fair value of investments ⁽²⁾
Tax effect of change in fair value of investments ⁽²⁾
Adjusted EPS

Fiscal 2024 Guidance

		(2.0)% - 4.0%
		~ 1.5%
		~ 1.0%
		0.5% - 6.5%
	\$	~ 9.4
		~ 2.0
		~ (0.3)
	\$	~ 1.7
		~ 1.5%
		~ 18.1%
		~ 16.8%
		~ —%
		~ 0.2%
		~ —%
		~ 17.0%
		\$11.24 - \$12.74
		(0.17)
		0.04
		1.15
		(0.24)
		(0.03)
		0.01
		\$12.00 - \$13.50

(1) Fiscal 2024 guidance based on adjusted income attributable to Rockwell, which includes an adjustment for SLB's non-controlling interest in Sensia.

(2) The actual year-to-date adjustments are used for guidance, as estimates of these adjustments on a forward-looking basis are not available due to variability, complexity, and limited visibility of these items.

Note: Guidance as of January 31, 2024

Reconciliation to Non-GAAP Measures

Free Cash Flow Conversion

(\$ in billions)

Net income attributable to Rockwell Automation at the mid-point
Non-operating pension and postretirement benefit cost, net of tax
Purchase accounting depreciation and amortization attributable to Rockwell Automation, net of tax
Change in fair value of investments, net of tax ⁽¹⁾
Adjusted income at the mid-point (a)
Cash provided by operating activities
Capital expenditures
Free cash flow (b)
Free cash flow conversion (b/a)

Fiscal 2024 Guidance		
\$	~	1.4
	~	—
	~	0.1
	~	—
\$	~	1.5
	~	1.7
	~	(0.2)
\$	~	1.5
	~	100%

⁽¹⁾The actual year-to-date adjustments are used for guidance, as estimates of these adjustments on a forward-looking basis are not available due to variability, complexity, and limited visibility of these items.

Note: Guidance as of January 31, 2024



Performance Metric Definition

Organic ARR

Annual recurring revenue (ARR) is a key metric that enables measurement of progress in growing our recurring revenue business. It represents the annual contract value of all active recurring revenue contracts at any point in time. Recurring revenue is defined as a revenue stream that is contractual, typically for a period of 12 months or more, and has a high probability of renewal. The probability of renewal is based on historical renewal experience of the individual revenue streams, or management's best estimates if historical renewal experience is not available. Organic ARR growth is calculated as the dollar change in ARR, adjusted to exclude the effects of currency translation and acquisitions, divided by ARR as of the prior period. The effects of currency translation are excluded by calculating Organic ARR on a constant currency basis. When we acquire businesses, we exclude the effect of ARR in the current period for which there was no comparable ARR in the prior period. We believe that Organic ARR provides useful information to investors because it reflects our recurring revenue performance period over period without the effect of acquisitions and changes in currency exchange rates. Organic ARR growth is also used as a financial measure of performance for our annual incentive compensation. Our measure of ARR may be different from measures used by other companies. Because ARR is based on annual contract value, it does not represent revenue recognized during a particular reporting period or revenue to be recognized in future reporting periods and is not intended to be a substitute for revenue, contract liabilities, or backlog.

Total ARR

Total ARR growth is calculated as the dollar change in ARR, adjusted to exclude the effects of currency. The effects of currency translation are excluded by calculating Total ARR on a constant currency basis. Total ARR includes acquisitions even if there was no comparable ARR in the prior period. We believe that Total ARR provides useful information to investors because it reflects our recurring revenue performance period over period including the effect of acquisitions.

Book to bill

Book to bill is a key metric that provides an indication on the level of demand. Book to bill represents the growth or decline in backlog in the Lifecycle Services segment. A book to bill greater than one indicates a growing backlog while a book to bill less than one indicates a declining backlog. Book to bill is calculated as net orders divided by sales for a specified period. We believe that book to bill provides useful information to investors about the strength of our Lifecycle Services segment backlog. Our measure of book to bill may be different from measures used by other companies.



Thank you



www.rockwellautomation.com



**Rockwell
Automation**

expanding human possibility®