

Eaton Corp plc
Form DEF 14A
March 13, 2015
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SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

(Amendment No.)

Filed by the Registrant x

Check the appropriate box

Filed by a Party other than the Registrant ..

- .. Preliminary Proxy Statement
- .. Confidential, for Use of the Commission Only
(as permitted by Rule 14a-6(e)(2))
- x Definitive Proxy Statement
- .. Definitive Additional Materials
- .. Soliciting Material Pursuant to §240.14a-12

Eaton Corporation plc

(Name of Registrant as Specified in its Charter)

XXXXXXXXXXXXXXXXXXXX

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- x No fee required.
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(1) Amount Previously Paid: _____

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(4) Date Filed: _____

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**ONE
VISION**

To be the most admired company in our markets.

**ONE
MISSION**

To provide safe, reliable, efficient and sustainable power management solutions for our global customers.

**CORE
VALUES**

We drive high performance through the Eaton Philosophy, which connects our core values with our responsibilities to one another, to the enterprise, to our customers and to other stakeholders.

- ⁿ **Customer Orientation:** We make our customers the focus of everything we do.

- ⁿ **People:** We recognize our people as our most valued resource.

- ⁿ **Trust:** We have confidence in the reliability of others to do the right thing.

- ⁿ **Respect:** We treat each other with respect and consideration.

- ⁿ **Dignity:** We honor the pride and self-esteem of others.

- ⁿ **Integrity:** We are honest and ethical.

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Notice of Annual General Meeting

MEETING AGENDA:

1. Electing the 12 director nominees named in the proxy statement;
2. Approving a proposal to adopt the 2015 Stock Plan;
3. Approving the appointment of Ernst & Young LLP as independent auditor for 2015 and authorizing the Audit Committee of the Board of Directors to set its remuneration;
4. Advisory approval of the Company's executive compensation;
5. Authorizing the Company and any subsidiary of the Company to make overseas market purchases of Company shares; and
6. Transacting any other business that may properly come before the meeting.

These proposals are ordinary resolutions requiring a simple majority of the votes cast at the meeting. All proposals are more fully described in this proxy statement.

Also during the meeting, management will present Eaton's Irish Statutory Accounts for the fiscal year ended December 31, 2014 along with the related directors' and auditor's reports.

By order of the Board of Directors,

Thomas E. Moran

Senior Vice President and Secretary

March 13, 2015

YOUR VOTE IS IMPORTANT. WE ENCOURAGE YOU TO VOTE.

If possible, please vote your shares using the toll-free telephone number or Internet instructions found in the Notice. Alternatively, you may request a printed copy of the proxy materials and mark, sign, date and mail your proxy form in the postage-paid envelope that will be provided. Voting by any of these methods will not limit your right to vote in person at the annual general meeting. **Under New York Stock Exchange rules, if you hold your shares in street name through a brokerage account, your broker will NOT be able to vote your shares on non-routine matters being considered at the annual general meeting unless you have given instructions to your broker prior to the meeting on how to vote your shares. Proposals 1, 2, 4 and 5 are not considered routine matters under New York Stock Exchange rules. This means that you must give specific voting instructions to your broker on how to vote your shares so that your vote can be counted.**

Date: Wednesday, April 22, 2015

Time: 8:00 a.m. local time

Location: Eaton House

30 Pembroke Road

Dublin 4, Ireland

Record date: Shareholders of record at the close of business on February 23, 2015 are entitled to vote at the meeting.

Online proxy delivery and voting: As permitted by the Securities and Exchange Commission, we are making this proxy statement, the Company's annual report to shareholders and our Irish statutory accounts available to our shareholders electronically via the Internet. We believe electronic delivery expedites your receipt of materials, reduces the environmental impact of our annual general meeting and reduces costs significantly. The Notice Regarding Internet Availability of Proxy Materials (the Notice) contains instructions on how you can access the proxy materials and how to vote online. If you received the Notice by mail, you will not receive a printed copy of the proxy materials unless you request one in accordance with the instructions provided in the Notice. The Notice has been mailed to shareholders on or about March 13, 2015 and provides instructions on how you may access and review the proxy materials on the Internet and how to vote.

Admission to the Annual General Meeting: Shareholders who plan to attend the 2015 annual general meeting may obtain admission tickets at the Registration Desk immediately prior to the meeting. Shareholders whose shares are registered in the name of a broker or bank should obtain certification of ownership to bring to the meeting. If you hold your shares in your broker's name and wish to vote in person at the annual general meeting, you must contact your broker and request a legal proxy. You must bring this legal proxy to the annual general meeting in order to vote in person.

Important Notice Regarding the Availability of Proxy Materials for the Annual General Meeting of Shareholders to be held on April 22, 2015: This proxy statement, the Company's 2014 Annual Report to Shareholders and our Irish Statutory Accounts for the year ended December 31, 2014 are available at www.proxyvote.com

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This summary is intended to provide an overview of the items that you will find elsewhere in this proxy statement. As this is only a summary, we encourage you to read the entire proxy statement for more information about these topics before voting.

ANNUAL GENERAL MEETING OF SHAREHOLDERS

DATE AND TIME:	LOCATION:	RECORD DATE:
April 22, 2015 8:00 a.m. local time	Eaton House 30 Pembroke Road Dublin 4, Ireland	February 23, 2015

MEETING AGENDA VOTING MATTERS

This year there are five proposals on the agenda. Adoption of these proposals requires the affirmative vote of a majority of ordinary shares represented at the meeting by person or by proxy.

Proposals	Board Voting Recommendations	Page
Proposal 1 To elect the 12 director nominees named in this Proxy Statement	ü FOR each nominee	8
Proposal 2 To approve a proposed 2015 Stock Plan	ü FOR	21
Proposal 3 To appoint Ernst & Young LLP as independent auditor for the 2015 fiscal year and to authorize the Audit Committee to set the auditor fees	ü FOR	28
Proposal 4 To approve, on an advisory (non-binding) basis, our named executive officers' compensation as described in this Proxy Statement	ü FOR	30
Proposal 5 To authorize the Company and any subsidiaries of the Company to make overseas market purchases of Company shares	ü FOR	68

BOARD AND GOVERNANCE FACTS

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In addition to executive compensation practices that strongly link pay and performance, Eaton's Code of Ethics and Board of Directors Governance policies help to ensure that we do business right. For more information about our Governance programs and Board of Directors, see Proposal 1 beginning on page 8.

Board and Governance Information	2014	Board and Governance Information	2014
Size of Board	13	Independent Directors Meet without Management Present	Yes
Average Age of Directors	62.5	Director Stock Ownership Guidelines (Readopted in 2015)	Yes
Number of Independent Directors	12	Mandatory Retirement Age	Yes
Board Meetings Held in 2014 (average director attendance 97%)	4	Board Orientation and Continuing Education Program	Yes
Annual Election of Directors	Yes	Code of Ethics for Directors, Officers and Employees	Yes
Majority Voting For Directors	Yes	Succession Planning and Implementation Process	Yes
Lead Independent Director	Yes	Comprehensive Sustainability Program	Yes

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Table of Contents**Proxy Summary** Director Nominees**DIRECTOR NOMINEES**

Each director nominee is elected annually by a majority of votes cast. For more information about our nominees, see page 8 of this proxy statement.

Board Committee Memberships

Name	Age	Director Since	Independent	Compensation			
				Audit	& Organization	Executive*	Finance Governance
Todd M. Bluedorn	51	2010					
Chairman and CEO, Lennox International Inc.			ü	n		n	n
Christopher M. Connor	58	2006					
Chairman and CEO, The Sherwin-Williams Company			ü		l	n	n
Michael J. Critelli	66	1998					
CEO and President, Dossia Services Corporation			ü	n		n	n
Alexander M. Cutler	63	1993					
Chairman, Eaton Corporation plc and						l	
CEO and President, Eaton Corporation							
Charles E. Golden	68	2007					
Retired Executive Vice President and CFO, Eli Lilly and Company			ü		n	n	l
Linda A. Hill	58	2012					
Wallace Brett Donham Professor of Business Administration, Harvard Business School,			ü		n	n	n

and former director of Cooper Industries plc

Arthur E. Johnson	68	2009					
Retired Senior Vice President, Corporate Strategic Development, Lockheed Martin Corporation			ü		n	n	l
Ned C. Lautenbach	71	1997					
Lead Director			ü		n	n	n
Retired Partner, Clayton, Dubilier & Rice, Inc.							
Deborah L. McCoy	60	2000	ü	n		n	n
Independent aviation safety consultant							
Gregory R. Page	63	2003	ü	l		n	n
Executive Chairman, Cargill, Incorporated							
Sandra Pianalto	60	2014	ü		n	n	n
Retired President and CEO of the Federal Reserve Bank of Cleveland							
Gerald B. Smith	64	2012	ü	n		n	n
Chairman and CEO, Smith Graham & Co., and former lead independent director of Cooper Industries plc							

n Member ¹Chair

* Mr. Cutler is a member of the Executive Committee for the full 12-month term and serves as Committee Chair. Each of the non-employee directors serves a four-month term.

Table of Contents[Proxy Summary](#) [Director Nominees](#)**[LINKING PAY WITH PERFORMANCE](#)****CEO Compensation and Cumulative Shareholder Returns**

The following chart illustrates Mr. Cutler's compensation and cumulative return to shareholders over his tenure as the Company's Chairman and Chief Executive Officer of Eaton Corporation. The table clearly illustrates the correlation between pay and the performance we are delivering to our shareholders.

CUMULATIVE SHAREHOLDER RETURNS vs. TOTAL DIRECT COMPENSATION**Cumulative Shareholder Returns****2000 - 2014****Compound Annual Growth Rate****Total Direct Compensation****n **Eaton: 13.6%**n **Peer Group*: 11.3%**n **S&P 500: 5.3%**

* Peer Group represents an equal weighted index of ABB, Ltd., Danaher Corporation, Dover Corporation, Emerson Electric Co., Honeywell International, Inc., Illinois Tool Works, Inc., Ingersoll-Rand plc, Legrand S.A., Parker Hannifin Corporation, Rockwell Automation, Schneider Electric SE, Siemens AG, and United Technologies Corporation.

** Total direct compensation is the sum of the annual base salary, short-term incentive award earned in each respective year, long-term cash incentive award earned for the award period ending in each respective year, and grant date value of stock and option awards granted in each respective year. There was no payment under the long-term ESIP plan in 2012. 2013 total compensation includes a \$15.6M payout from the 2010-2013 ESIP. This resulted from exceeding the maximum EPS growth and CFR goals of 30% 15.1%, respectively, and from increasing our stock price by 123% over the four year period.

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Proxy Summary Executive Compensation

EXECUTIVE COMPENSATION

We design our executive compensation plans and programs to help us attract, motivate, reward, and retain highly qualified executives who are capable of creating and sustaining value for our shareholders over the long term. We endorse compensation actions that fairly reflect company performance as well as the responsibilities and personal performance of individual executives.

Executive Compensation Program Highlights

Our executive compensation programs are intended to align the interests of our executives with those of our stakeholders and are structured to reflect best practices. Some features are included in the following chart.

2014 EXECUTIVE COMPENSATION PRACTICES

What We Do:

ü Focus on long-term compensation using a balanced portfolio of compensation elements such as cash and equity, and deliver rewards based on sustained performance over time

ü Stock ownership requirements for executives (6X base salary for CEO)

ü Shareholder-approved short-term and long-term incentive plans

ü Incentive plan payout caps in our short- and long-term incentive plans; this prevents unintended windfalls

ü Compensation recovery policy (clawbacks)

What We Don't Do:

× No employment contracts with any salaried U.S. employees, including NEOs

× No hedging or pledging of our shares

× No dividend or dividend equivalent payments on unearned performance-based grants

× No use of the same metrics in short- and long-term incentive plans

× No repricing of stock options and no discounted stock options

- ü Use targeted performance metrics to align pay with performance

SAY ON PAY 2014 ADVISORY VOTE AND SHAREHOLDER ENGAGEMENT

The Board of Directors is committed to understanding the views of our shareholders by providing an opportunity to endorse our executive compensation through an advisory, non-binding vote. In 2014, our shareholders approved our executives' compensation by a vote of 94%.

After carefully considering these voting results and a comprehensive assessment of Eaton's executive compensation programs, the Committee decided to make certain adjustments to our executive compensation programs beginning in 2015. These changes are summarized on page 51. The Committee will continue to review our compensation programs each year in light of the annual say-on-pay voting results.

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Proxy Statement

Eaton Corporation plc

Registered Address -

Eaton House

30 Pembroke Road

Dublin 4, Ireland

This proxy statement, the accompanying proxy form, Eaton's annual report for the year ended December 31, 2014, and our Irish Statutory Accounts for the year ended December 31, 2014 will be made available or sent to shareholders commencing on or about March 13, 2015.

Throughout this proxy statement, all references to our Board of Directors (or its committees) or officers for periods prior to November 30, 2012, are references to the Board of Directors (or its committees) or officers, respectively, of Eaton Corporation, our predecessor. Similarly, all references to the Company for such periods refer to Eaton Corporation.

PROXY SOLICITATION

Eaton's Board of Directors solicits your proxy for use at the 2015 annual general meeting of shareholders and any adjournments or postponements of the meeting.

In addition to soliciting proxies over the Internet and through the mail, certain persons may solicit proxies in person or by telephone or fax. Eaton has retained The Proxy Advisory Group, LLC, 18 East 41st Street, Suite 2000, New York, New York 10017, to assist in the solicitation of proxies, primarily from brokers, banks and other nominees, for a fee of \$15,000, plus reasonable out-of-pocket expenses. Brokerage firms, nominees, custodians and fiduciaries may be asked to forward proxy soliciting material to the beneficial shareholders. All reasonable soliciting costs will be borne by Eaton.

HOW PROXIES WILL BE VOTED

The individuals named in the enclosed form of proxy have advised the Board of their intention to vote at the meeting in accordance with instructions on all proxy forms submitted by shareholders and, where no contrary instruction is indicated on the proxy form, as follows: *for* the election of the individuals nominated to serve as directors, *for* approval of the 2015 Stock Plan, *for* the appointment of Ernst & Young LLP as independent auditor for 2015 and authorizing the Audit Committee of the Board of Directors to set its remuneration, *for* advisory approval of the Company's executive compensation, and *for* the authorization of overseas market purchases of Company shares.

You may revoke a proxy by submitting a later-dated proxy, by notifying Eaton by fax, email or other verifiable communication before the meeting, or by revoking it at the meeting. All properly executed or transmitted proxies not revoked will be voted at the meeting.

VOTING AT THE MEETING

Each Eaton shareholder of record at the close of business on February 23, 2015 is entitled to one vote for each share then held. On that date, 467,515,594 Eaton ordinary shares (par value US \$0.01 each) were outstanding and entitled to vote.

At the 2015 annual general meeting, the inspector of election appointed by the Board of Directors for the meeting will determine the presence of a quorum and tabulate the results of shareholder voting. As provided by the Company's Articles of Association, three shareholders present in person or by proxy at the meeting will constitute a quorum. The inspector of election intends to treat as present for these purposes shareholders who have submitted properly executed and transmitted proxies even if marked abstain as to some matters. The inspector will also treat as present shares held in street name by brokers that are voted on at least one proposal to come before the meeting.

Adoption of all proposals to come before the meeting will require the affirmative vote of a majority of the votes cast by the holders of ordinary shares represented at the annual general meeting in person or by proxy.

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Proxy Statement [Voting at the Meeting](#)

Abstentions and broker non-votes will not be considered votes cast at the annual general meeting. The practical effect of this is that abstentions and shares held in street name by brokers that are not voted in respect of these proposals will not have any effect on the outcome of voting on the proposals.

There is no requirement under Irish law that Eaton's Irish Statutory Accounts for the fiscal year ended December 31, 2014 or the related directors' and auditor's reports thereon be approved by the shareholders, and no such approval will be sought at the annual general meeting.

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Proposal 1: Election of Directors

Our Board of Directors is currently comprised of 13 members, all of whom serve for a term of one year or until a respective successor is elected and has qualified. Effective at the annual general meeting, our board size will be reduced to 12 members as George S. Barrett has determined not to stand for re-election. Mr. Barrett had informed the Chair of the Governance Committee of this determination because the location, dates and timing of our meetings often directly conflict with certain of his on-going duties as Chairman and CEO of Cardinal Health. All nominees are currently Eaton directors who were elected by shareholders at the 2014 annual general meeting, except Sandra Pianalto, who was elected by the Board of Directors on July 22, 2014.

If any of the nominees become unable or decline to serve, the individuals named as proxies in the enclosed proxy form will have the authority to vote for any substitutes who may be nominated in accordance with Eaton's Articles of Association. However, we have no reason to believe that this will occur.

OUR NOMINEES

Todd M. Bluedorn

Chairman and Chief Executive Officer, Lennox International Inc.

Director Since 2010

Age 51

Todd M. Bluedorn is Chairman and Chief Executive Officer of Lennox International Inc., a global provider of climate control solutions for heating, air conditioning and refrigeration markets. Prior to joining Lennox International, Mr. Bluedorn served in numerous senior management positions for United Technologies since 1995, including President, Americas Otis Elevator Company; President, North America Commercial Heating, Ventilation and Air Conditioning for Carrier Corporation; and President, Hamilton Sundstrand Industrial. He is also a trustee at Washington University in St. Louis.

Director Qualifications: Mr. Bluedorn has executive leadership experience in original equipment and aftermarket business and distributor/dealer-based commercial channels. He also has senior leadership experience with two major industrial corporations. His experience with industrial companies in responding to dynamic market conditions benefits Eaton as a global manufacturing company with product distribution through numerous commercial channels.

Christopher M. Connor

Chairman and Chief Executive Officer, The Sherwin-Williams Company

Director since 2006

Age 58

Christopher M. Connor is Chairman and Chief Executive Officer of The Sherwin-Williams Company, a global manufacturer of paint, architectural coatings, industrial finishes and associated supplies. Mr. Connor has held a number of executive positions at Sherwin-Williams since 1983. He became Chief Executive Officer in 1999 and Chairman and Chief Executive Officer in 2000. He currently serves on the boards of the Federal Reserve Bank of Cleveland, United Way of Greater Cleveland, University Hospitals Health System, Playhouse Square Foundation and The Rock and Roll Hall of Fame.

Director Qualifications: As CEO of a Fortune 500 company, Mr. Connor has leadership experience and is thoroughly knowledgeable in marketing, talent development, planning, operational and financial processes. In particular, Mr. Connor has had extensive sales and marketing experience in both direct and distribution channels, and brings broad knowledge of construction, automotive and industrial markets, all areas of strategic importance to Eaton. His background and experience with human resources, talent development, compensation and management are of particular benefit to Eaton in his role as Chair of the Compensation and Organization Committee.

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Proposal 1: Election of Directors Our Nominees

Michael J. Critelli

Chief Executive Officer and President, Dossia Services Corporation

Director since 1998

Age 66

Michael J. Critelli is Chief Executive Officer and President and a director of Dossia Services Corporation, a personal and population health management systems company. He has held those positions since January 2011. Mr. Critelli is the retired Executive Chairman of Pitney Bowes Inc., a provider of global mailstream solutions. Mr. Critelli served as Pitney Bowes Chairman and Chief Executive Officer from 1997 to 2007 and as Executive Chairman from 2007 to 2008. Mr. Critelli was a director of Wyeth from April 2008 until its acquisition by Pfizer Inc. in late 2009. He currently serves as a director of ProHealth Physicians, Inc.

Director Qualifications: Mr. Critelli has extensive experience in risk management, cybersecurity, industry-wide leadership in transportation, logistics, online and social media marketing and communications issues. In addition to broad business experience gained while leading a global Fortune 500 company, he is a thought leader on transportation strategy and regulatory reform, as well as innovative approaches to health care. His background and experience are valuable to our Board as it oversees management's efforts to develop and maintain talent, assess and evaluate enterprise risk management and cybersecurity issues, and navigate the regulatory environment.

Alexander M. Cutler

Chairman, Eaton Corporation plc and Chief Executive Officer and President,

Director since 1993

Age 63

Eaton Corporation

Alexander M. Cutler is Chairman of the Company and Chief Executive Officer and President of Eaton Corporation. Mr. Cutler joined Cutler-Hammer, Inc. in 1975, which was subsequently acquired by Eaton, and became President of Eaton's Industrial Group in 1986 and President of the Controls Group in 1989. He advanced to Executive Vice President

Operations in 1991, was elected Executive Vice President and Chief Operating Officer Controls in 1993, President and Chief Operating Officer in 1995, and assumed his present position in 2000. Mr. Cutler is a director of E. I. du Pont de Nemours and Company and KeyCorp. He is also a member of The Business Council and a member of the Executive Committee of the Business Roundtable.

Director Qualifications: Mr. Cutler's long tenure with Eaton and his experience in a wide range of management roles provides him important perspective on the Company to the benefit of the Board of Directors. Mr. Cutler has a detailed knowledge of Eaton's businesses, customers, end markets, sales and marketing, technology innovation and new product development, supply chains, manufacturing operations, talent development, policies and internal functions. He possesses significant corporate governance knowledge developed by current and past service on the boards of other publicly-traded companies, as well as having served as Chair of the Business Roundtable's Corporate Governance Committee.

Table of Contents**Proposal 1: Election of Directors** Our Nominees**Charles E. Golden****Retired Executive Vice President and Chief Financial Officer,****Eli Lilly and Company****Director since 2007**

Age 68

Charles E. Golden served as Executive Vice President and Chief Financial Officer and a director of Eli Lilly and Company, an international developer, manufacturer and seller of pharmaceutical products, from 1996 until his retirement in 2006. Prior to joining Eli Lilly, he had been associated with General Motors Corporation since 1970, where he held a number of positions, including Corporate Vice President, Chairman and Managing Director of the Vauxhall Motors subsidiary and Corporate Treasurer. He is currently on the board of Hill-Rom Holdings. He also serves as a director of the Lilly Endowment.

Director Qualifications: Mr. Golden has a comprehensive knowledge of both U.S. and international financial accounting standards. He has extensive experience in financial statement preparation, accounting, corporate finance, risk management and investor relations both in the U.S. and internationally. His broad financial expertise enables him to provide expert guidance and oversight in his role as Chair of the Finance Committee. Mr. Golden also has significant experience in global vehicle markets.

Linda A. Hill**Wallace Brett Donham Professor of Business Administration, Harvard Business School, and former director of Cooper Industries plc****Director since 2012**

Age 58

Linda A. Hill served as a director of Cooper Industries plc from 1994 until 2012. Ms. Hill joined the Board effective upon the close of the Cooper acquisition. She is the Wallace Brett Donham Professor of Business Administration at the Harvard Business School, faculty chair of the Leadership Initiative and has chaired numerous HBS Executive Education programs. Ms. Hill is a member of the Board of Directors of State Street Corporation and Harvard Business Publishing. She is also a trustee of The Bridgespan Group and the Art Center College of Design. She is a Special Representative to the Bryn Mawr College Board of

Trustees and is on the Advisory Board of the Aspen Institute Business and Society Program.

Director Qualifications: Ms. Hill has expertise in human resource management and organizational behavior including valuable knowledge of corporate governance, talent management, implementation of global strategies and innovation through her position as a Professor at the Harvard Business School and serving as a consultant for numerous Fortune 500 corporations and other organizations. Ms. Hill's service as a director of Cooper Industries plc since 1994 benefits the process of integrating Cooper into Eaton.

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Table of Contents**Proposal 1: Election of Directors** Our Nominees**Arthur E. Johnson****Retired Senior Vice President, Corporate Strategic Development,****Lockheed Martin Corporation****Director since 2009**

Age 68

Arthur E. Johnson is the retired Senior Vice President, Corporate Strategic Development of Lockheed Martin Corporation, a manufacturer of advanced technology systems, products and services. Mr. Johnson was elected a Vice President of Lockheed Martin Corporation and named President of Lockheed Martin Federal Systems in 1996. He was named President and Chief Operating Officer of Lockheed Martin's Information and Services Sector in 1997 and Senior Vice President, Corporate Strategic Development in 1999. Mr. Johnson is currently lead director of AGL Resources, Inc., a director of Booz Allen Hamilton and an independent trustee of the Fixed Income and Asset Allocation Funds of Fidelity Investments.

Director Qualifications: Mr. Johnson's role in strategic development with a leading company in the defense industry has given him an understanding of doing business with governments, strategic planning, regulatory compliance, and legislative and public policy matters. His knowledge of the global aerospace and defense industry are of particular benefit to our Board in connection with these businesses. Mr. Johnson's service as lead director of a New York Stock Exchange listed company, as well as his service on other boards, provides Eaton with valuable corporate governance expertise, which is of particular benefit to Eaton in his role as Chair of the Governance Committee.

Ned C. Lautenbach**Retired Partner, Clayton, Dubilier & Rice, Inc.****Director since 1997**

Age 71

Ned C. Lautenbach retired as a Partner of Clayton, Dubilier & Rice, Inc., a private equity investment firm specializing in management buyouts during 2010. Before joining the firm in 1998, Mr. Lautenbach was associated with IBM from 1968 until his retirement in 1998. While at IBM, he held a number of executive positions including serving as a member of the IBM Corporate Executive Committee. He was also Senior Vice President and Group

Executive of Worldwide Sales and Services. Mr. Lautenbach is currently chairman of the Independent Trustees of the Equity and High Income Funds of Fidelity Investments. He is also Chairman of the Board of Artis-Naples in Naples, Florida, a member of the Council on Foreign Relations and a member of the Florida Board of Governors, State University System. Mr. Lautenbach previously served as a member of the Florida Transportation Commission and as a director of Sony Corporation.

Director Qualifications: Mr. Lautenbach has extensive experience in executive, operational and oversight roles during his career. He has expertise in general management, corporate finance, sales and marketing, and corporate restructurings. All of these attributes are valuable to the Eaton Board of Directors in its role with management oversight. In addition, his role as chairman of independent trustees of prominent investment funds provides him with a unique perspective on governance issues of concern to shareholders. His broad background and experience are of particular benefit to Eaton in his role as Lead Director.

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Proposal 1: Election of Directors Our Nominees

Deborah L. McCoy

Independent aviation safety consultant

Director since 2000

Age 60

Deborah L. McCoy is an independent aviation safety consultant. She retired from Continental Airlines, Inc. in 2005, where she had served as Senior Vice President, Flight Operations since 1999. During part of 2005, Ms. McCoy also briefly served as the Chief Executive Officer of DJ Air Group, a start-up commercial airline company.

Director Qualifications: Ms. McCoy has extensive experience in the commercial aerospace markets, and brings an understanding of aircraft design and performance, airline operations and the strategic issues and direction of the aerospace industry. In addition, Ms. McCoy has extensive experience in safety initiatives, Federal regulatory compliance, labor relations and talent management. All of these attributes are of benefit to Eaton's Board in its oversight role across the enterprise.

Gregory R. Page

Executive Chairman, Cargill, Incorporated

Director since 2003

Age 63

Gregory R. Page is Executive Chairman of Cargill, Incorporated, an international marketer, processor and distributor of agricultural, food, financial and industrial products and services. He was named Corporate Vice President & Sector President, Financial Markets and Red Meat Group of Cargill in 1998, Corporate Executive Vice President, Financial Markets and Red Meat Group in 1999, President and Chief Operating Officer in 2000 and became Chairman and Chief Executive Officer in 2007. He was named Executive Chairman of Cargill in 2013. Mr. Page is a director of Cargill, Incorporated, Carlson, Deere & Company, and a director and past non-executive Chair of the Board of Big Brothers Big Sisters of America. He is also President and a board member of the Northern Star Council of the Boy Scouts of America.

Director Qualifications: As Executive Chairman and former Chief Executive Officer of one of the largest global corporations, Mr. Page brings extensive leadership and global business experience, in-depth knowledge of commodity markets, and a thorough familiarity with the key operating processes of a major corporation, including financial systems and processes, global market dynamics and succession management. Mr. Page's experience and expertise provide him valuable insight on financial, operational and strategic matters in his role as Chair of the Audit Committee.

Sandra Pianalto

Retired President and Chief Executive Officer of the

Federal Reserve Bank of Cleveland

Director since 2014

Age 60

Sandra Pianalto served as President and Chief Executive Officer of the Federal Reserve Bank of Cleveland from February 2003 until her retirement in June 2014. She joined the Bank in 1983 as an economist in the research department. She was appointed Assistant Vice President of public affairs in 1984, Vice President and Secretary to the board of directors in 1988, and Vice President and Chief Operating Officer in 1993. Before joining the Bank, Ms. Pianalto was an economist at the Federal Reserve Board of Governors and served on the staff of the Budget Committee of the U.S. House of Representatives. She is currently a director of The J.M. Smucker Company, Vice Chair of the board of directors of University Hospitals Health System, past chair and life director of the board of United Way of Greater Cleveland, and she holds the FirstMerit Chair in Banking at the University of Akron. Ms. Pianalto is also an advisory trustee at the University of Akron and serves on the board of College Now Greater Cleveland.

Director Qualifications: Ms. Pianalto has extensive experience in monetary policy and financial services, and brings to Eaton wide-ranging leadership and operating skills through her former roles with the Federal Reserve Bank of Cleveland. As Chief Executive Officer of the Bank, she developed expertise in economic research, management of financial institutions, and payment services to banks and the U.S. Treasury. Ms. Pianalto's comprehensive experience qualifies her to provide substantial guidance and oversight to the Board especially with regard to the Company's finances.

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Gerald B. Smith

Chairman and Chief Executive Officer, Smith Graham & Co., and former lead independent director of Cooper Industries plc

Director since 2012

Age 64

Gerald B. Smith was a director of Cooper Industries plc from 2000 until 2012 and served as lead independent director of Cooper Industries plc since 2007. Mr. Smith joined the Board effective upon the close of the Cooper acquisition. He is Chairman and Chief Executive Officer of Smith Graham & Co., an investment management firm that he founded in 1990. Prior to launching Smith Graham, he served as Senior Vice President and Director of Fixed Income for Underwood Neuhaus & Company. He is a member of the Board of Trustees and chair of the Investment Oversight Committee for The Charles Schwab Family of Funds, and serves as a director of the New York Life Insurance Company. In the past five years, Mr. Smith was a director of ONEOK Inc. and ONEOK Partners MLP. He is a director of the Federal Reserve Bank of Dallas, Houston Branch, and serves as Chairman of the Texas Southern University Foundation.

Director Qualifications: Mr. Smith has expertise in finance, portfolio management and marketing through executive positions in the financial services industry including being founder, Chairman and CEO of Smith Graham & Company. In addition, Mr. Smith's experience as a director of companies in the oil and gas and energy services businesses has provided him with valuable insight into markets in which Eaton also participates. Mr. Smith's experience as lead independent director of Cooper Industries plc since 2007 benefits the process of integrating Cooper into Eaton.

HOW NOMINEES ARE CHOSEN

Director Nomination Process

The Governance Committee of the Board, composed entirely of directors who meet the independence standards of the Board of Directors and the New York Stock Exchange, is responsible for overseeing the process of nominating individuals to stand for election as directors. The Governance Committee charter is available on our website at <http://www.eaton.com/governance>.

The Governance Committee will consider any director candidates recommended by our shareholders, consistent with the process used for all candidates. To learn how to submit a shareholder recommendation, see below under Shareholder Recommendations of Director Candidates.

The Governance Committee chair reviews all potential director candidates in consultation with the Chairman, typically with the assistance of a professional search firm retained by the Committee. The Committee decides whether to recommend one or more candidates to the Board of Directors for nomination. Candidates who are ultimately nominated by the Board stand for election by the shareholders at the annual general meeting. Between annual general meetings, nominees may also be elected by the Board itself. Director Sandra Pianalto was elected by the Board on July 22, 2014. Ms. Pianalto was identified as a director candidate by the Chairman and other Company directors.

Director Qualifications and Board Diversity

In order to be recommended by the Governance Committee, a candidate must have the following minimum qualifications, as described in the Board of Directors Governance Policies: personal ability, integrity, intelligence, relevant business background, independence, expertise in areas of importance to our objectives, and a commitment to our corporate mission. In addition, the Governance Committee looks for individuals with specific qualifications so that the Board as a whole has diversity in experience, international perspective, background, expertise, skills, age, gender and ethnicity. These specific qualifications may vary from one year to another, depending upon the composition of the Board at that time.

The Governance Committee is responsible for ensuring that director qualifications are met and Board balance and diversity objectives are considered during its review of director candidates. The Committee annually evaluates the extent to which these goals are satisfied as part of its yearly assessment of the skills and experience of each of the current directors using a director skills matrix and a director evaluation process. The director evaluation process includes self-evaluation, peer evaluation and input from the chairs of each Board committee. Upon completion of the skills matrix

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Proposal 1: Election of Directors **Director Independence**

and the evaluation process, the Governance Committee identifies areas of director knowledge and experience that may benefit the Board in the future, and uses that information as part of the director search and nomination effort.

The Board of Directors Governance Policies are available on our website at <http://www.eaton.com/governance>.

Shareholder Recommendations of Director Candidates

The Governance Committee will consider director candidates who are recommended to it in writing by any Eaton shareholder. In accordance with Eaton's Articles of Association, any shareholder wishing to recommend an individual as a nominee for election at the 2016 annual general meeting of shareholders should send a signed letter of recommendation to the following address: Eaton Corporation plc, Attention: Company Secretary, Eaton House, 30 Pembroke Road, Dublin 4, Ireland. Recommendation letters must be received no earlier than December 13, 2015 and no later than the close of business on January 15, 2016 and must include the reasons for the recommendation, the full name and address of each proposed nominee, and a brief biographical history setting forth past and present directorships, past and present positions held, occupations and civic activities. The recommendation letter should be accompanied by a written statement from the proposed nominee consenting to be nominated and, if nominated and elected, to serve as a director.

Any shareholder wishing to recommend an individual as a nominee for election as a director must also describe in writing any financial agreement, arrangement or understanding between the nominee and any party other than the Company relating to such nominee's potential service as a director, any compensation or other payment received from any party other than the Company relating to such nominee's potential service as a director, and details regarding such agreement, arrangement or understanding and its terms, or of any compensation received.

DIRECTOR INDEPENDENCE

The Board of Directors Governance Policies provide that all of our non-employee directors should be independent. The listing standards of the New York Stock Exchange state that no director can qualify as independent unless the Board of Directors affirmatively determines that he or she has no material relationship with the Company. Additional, and more stringent, standards of independence are required of Audit Committee members. Our annual proxy statement discloses the Board's determination as to the independence of the Audit Committee members and of all non-employee directors. For our current directors, we describe these determinations here.

As permitted by the New York Stock Exchange listing standards, the Board of Directors has determined that certain categories of relationships between a non-employee director and the Company will be treated as immaterial for purposes of determining a director's independence. These categorical standards are included in the Board of Directors independence criteria. The independence criteria for non-employee directors and members of the Audit Committee are available on our website at <http://www.eaton.com/governance>.

Because directors' independence might be influenced by their use of Company aircraft and other Company-paid transportation, the Board has adopted a policy on this subject. This policy is included in the Board of Directors Independence Criteria, which is available on our website at <http://www.eaton.com/governance>.

In their review of director independence, the Board of Directors and its Governance Committee have considered the following circumstances:

- ⁿ Directors G. S. Barrett, T. M. Bluedorn, C. M. Connor, L. A. Hill and G. R. Page currently serve as officers, employees or directors of companies that have had purchases and/or sales of property or services with us during 2014. In each case, the amounts of the purchases and sales met the Board's categorical standard for immateriality, that is, they were less than the greater of \$1 million or 2% of the annual consolidated gross revenues of the director's company. Mr. Barrett is Chairman and Chief Executive Officer of Cardinal Health. Cardinal Health purchased approximately \$436,000 worth of Eaton products during 2014. Mr. Bluedorn is Chairman and CEO of Lennox International Inc., which purchased approximately \$462,000 worth of Eaton products during 2014. Mr. Connor is Chairman and CEO of The Sherwin-Williams Company, which purchased approximately \$63,000 worth of Eaton products and sold approximately \$514,000 worth of products to Eaton during 2014. Ms. Hill is a director of Harvard Business Publishing, which provided executive training services to Eaton for an aggregate of \$170,000 during 2014. Mr. Page is Executive Chairman of Cargill, Incorporated, which purchased approximately \$2,818,000 worth of Eaton products and sold

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Proposal 1: Election of Directors **Director Independence**

approximately \$17,238,000 worth of products to Eaton during 2014. In addition, Cargill paid approximately \$7,235,000 in royalty payments to the Company.

- ⁿ The use of our aircraft and other Company-paid transportation by all non-employee directors is consistent with the Board policy on that subject.

After reviewing the circumstances described above (which are the only relevant circumstances known to the Board of Directors), the Board has affirmatively determined that none of our non-employee directors has a material relationship with the Company other than in his or her capacity as a director, and that each of the following directors qualifies as independent under the Board's independence criteria and the New York Stock Exchange standards: G. S. Barrett, T. M. Bluedorn, C. M. Connor, M. J. Critelli, C. E. Golden, L. A. Hill, A. E. Johnson, N. C. Lautenbach, D. L. McCoy, G. R. Page, S. Pianalto and G. B. Smith. All members of the Audit, Compensation and Organization, Finance and Governance Committees qualify as independent under the standards described above.

The Board has also affirmatively determined that each member of the Audit Committee, that is, G. S. Barrett, T. M. Bluedorn, M. J. Critelli, D. L. McCoy, G. R. Page and G. B. Smith meets not only our Board's independence criteria but the special independence standards required by the New York Stock Exchange and by the Sarbanes-Oxley Act of 2002 and the related rules adopted by the Securities and Exchange Commission as well.

Review of Related Person Transactions

Our Board of Directors has adopted a written policy to identify and evaluate related person transactions, that is, transactions between us and any of our executive officers, directors, director nominees, 5%-plus security holders or members of their immediate families, or organizations where they or their family members serve as officers or employees. The Board policy calls for the disinterested members of the Board's Governance Committee to conduct an annual review of all such transactions. At the Committee's direction, a survey is conducted annually of all transactions involving related persons, and the Committee reviews the results in January or February of each year. The Committee is responsible for determining whether any related person transaction (i) poses a significant risk of impairing, or appearing to impair, the judgment or objectivity of the individuals involved; (ii) poses a significant risk of impairing, or appearing to impair, the independence of an outside director or director nominee; or (iii) has terms that are less favorable to us than those generally available in the marketplace. Depending upon the Committee's assessment of these risks, the Committee will respond appropriately. In addition, as required by the rules of the Securities and Exchange Commission, any transactions that are material to a related person are disclosed in our proxy statement.

In February 2015, the Governance Committee conducted an annual survey and found that since the beginning of 2014 the only related person transactions were those described above under the heading **Director Independence** and that none of our executive officers engaged in any such transactions. The Committee also concluded that none of the related person transactions posed risks to the Company in any of the areas described above.

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Proposal 1: Election of Directors Board Committees

BOARD COMMITTEES

The Board of Directors has the following standing committees: Audit, Compensation and Organization, Executive, Finance and Governance.

Audit Committee	Met 11 times in 2014
<p>Gregory R. Page (Chair) George S. Barrett (through the date of the annual general meeting only) Todd M. Bluedorn Michael J. Critelli Deborah L. McCoy Gerald B. Smith</p>	<p>The functions of the Audit Committee include assisting the Board in overseeing:</p> <ul style="list-style-type: none"> ▪ the integrity of our financial statements and its systems of internal accounting and financial controls; ▪ the performance of our internal auditors; and ▪ our compliance with legal and regulatory requirements. ▪ the independence, qualifications and performance of our independent auditor; <p>The Committee also has sole authority to appoint, compensate and terminate the independent auditor, and pre-approves all auditing services and permitted non-audit services that the audit firm may perform for the Company. The Committee is also responsible for negotiating the audit fees. In order to ensure continuing auditor independence, the Committee periodically considers whether there should be a rotation of the independent audit firm. In conjunction with the mandated rotation of the audit firm's lead engagement partner, the Committee and its Chair are directly involved in the selection of the audit firm's new lead engagement partner. Among its other responsibilities, the Committee meets regularly in separate Executive Sessions with our independent auditor and senior leaders of Eaton Corporation, including the Vice Chairman and Chief Financial and Planning Officer, Executive Vice President, General Counsel and Secretary, Senior Vice President-Internal Audit, and Senior Vice President-Global Ethics and Compliance; approves the Committee's report to be included in our annual proxy statement; assures that performance evaluations of the Audit Committee are conducted annually; and establishes procedures for the proper handling of complaints concerning accounting or auditing matters.</p> <p>Each Committee member meets the independence requirements, and all Committee members collectively meet the other requirements, of the New York Stock Exchange, the</p>

Sarbanes-Oxley Act of 2002 and the Securities and Exchange Commission. In addition, Committee members are prohibited from serving on more than two other public company audit committees. The Board of Directors has determined that each member of the Audit Committee is financially literate, that Messrs. Barrett, Bluedorn, Critelli, Page and Smith each qualify as an audit committee financial expert (as defined in Securities and Exchange Commission rules) and that all members of the Audit Committee have accounting or related financial management expertise.

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Proposal 1: Election of Directors Board Committees

Compensation and Organization Committee		Met 5 times in 2014
<p>Christopher M. Connor (Chair)</p> <p>Charles E. Golden</p> <p>Linda A. Hill</p> <p>Arthur E. Johnson</p> <p>Ned C. Lautenbach</p> <p>Sandra Pianalto</p>	<p>The functions of the Compensation and Organization Committee include:</p> <ul style="list-style-type: none"> ▪ reviewing proposed organization or responsibility changes at the senior officer level; ▪ evaluating the performance of the Company's Chairman and Eaton Corporation's Chief Executive Officer with input from all non-employee directors; ▪ reviewing the performance evaluations of the other senior officers; ▪ reviewing succession planning for the Company's Chairman and Eaton Corporation's Chief Executive Officer and for other key officer positions; ▪ reviewing our practices for recruiting and developing a diverse talent pool; ▪ determining the annual salaries and short- and long-term incentive opportunities for our senior officers; ▪ establishing performance objectives under our short- and long-term incentive compensation plans and assessing performance against these objectives; <p>Additional information on the Committee's processes and procedures is contained in the Compensation Discussion and Analysis portion of this proxy statement beginning on</p>	<ul style="list-style-type: none"> ▪ annually determining the aggregate amount of awards to be made under our short-term incentive compensation plans and adjusting those amounts as it deems appropriate within the terms of those plans; ▪ annually determining the individual awards to be made to our senior officers under our short- and long-term incentive compensation plans; ▪ administering our stock plans; ▪ reviewing compensation practices as they relate to key employees to confirm that those plans remain equitable and competitive; ▪ reviewing significant new employee benefit plans or significant changes in such plans or changes with a disproportionate effect on our officers or primarily benefiting key employees; and ▪ preparing an annual report for our proxy statement regarding executive compensation.

Executive Committee

Alexander M. Cutler

(Chair)

Each non-employee director serves a

four-month term

The functions of the Executive Committee include:

- acting on matters requiring Board action during the intervals between Board meetings; and
- carrying out any function of the Board except for filling Board or Committee vacancies.

Mr. Cutler is a member of the Committee for the full 12-month term and serves as Committee Chair. Each of the non-employee directors serves a four-month term on this Committee.

Finance Committee

Met 2 times in 2014

Charles E. Golden

(Chair)

George S. Barrett

(through the date of

the annual general

meeting only)

Todd M. Bluedorn

Christopher M. Connor

Sandra Pianalto

The functions of the Finance Committee include:

- the periodic review of our financial condition and the recommendation of financial policies to the Board;
- analyzing Company policy regarding its debt-to-equity relationship;
- reviewing and making recommendations to the Board regarding our dividend policy;
- reviewing our cash flow, proposals for long- and short-term debt financing and the financial risk management program;
- meeting with and reviewing the performance of the management pension committees and any other fiduciaries appointed by the Board for pension and profit-sharing retirement plans; and
- reviewing the key assumptions used to calculate annual pension expense.

Gerald B. Smith

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Governance Committee		Met 3 times in 2014
Arthur E. Johnson (Chair)	The responsibilities of the Governance Committee include:	
Michael J. Critelli	<ul style="list-style-type: none"> ▪ recommending to the Board improvements in our corporate governance processes and any changes in the Board Governance Policies; 	<ul style="list-style-type: none"> ▪ reviewing and recommending to the Board the nomination of directors for re-election;
Linda A. Hill		<ul style="list-style-type: none"> ▪ overseeing the orientation of new directors and the ongoing education of the Board;
Ned C. Lautenbach	<ul style="list-style-type: none"> ▪ advising the Board on changes in the size and composition of the Board; 	
Deborah L. McCoy	<ul style="list-style-type: none"> ▪ making recommendations to the Board regarding the structure and responsibilities of Board committees; 	<ul style="list-style-type: none"> ▪ recommending to the Board compensation of non-employee directors;
Gregory R. Page		<ul style="list-style-type: none"> ▪ administering the Board's policy on director retirements
	<ul style="list-style-type: none"> ▪ annually submitting to the Board candidates for members and chairs of each standing Board committee; 	<ul style="list-style-type: none"> ▪ establishing guidelines and procedures to be used by the directors to evaluate the Board's performance.
	<ul style="list-style-type: none"> ▪ in consultation with the Chief Executive Officer of Eaton Corporation, identifying and recommending to the Board candidates for Board membership; 	
	Other responsibilities include providing oversight on significant public policy issues with respect to our relationships with shareholders, employees, customers, competitors, suppliers and the communities in which we operate, including such areas as ethics, compliance, environmental, health and safety issues, community relations, government relations, charitable contributions and shareholder relations.	

Committee Charters and Policies

The Board committee charters are available on our website at <http://www.eaton.com/governance>.

In addition to the Board of Directors Governance Policies, certain other policies relating to corporate governance matters are adopted from time to time by Board committees, or by the Board itself upon recommendation of the committees.

BOARD MEETINGS AND ATTENDANCE

The Board of Directors held four meetings in 2014. Each of the directors attended at least 85% of the meetings of the Board and the committees on which he or she served. The average rate of attendance for all directors was 97%.

Director Attendance at Annual General Meeting of Shareholders The policy of the Board of Directors is that all directors should attend annual general meetings of shareholders. At the 2014 annual general meeting held April 23, 2014, all 12 members of the Board at that time were in attendance.

BOARD GOVERNANCE POLICIES

The Board revised the Board of Directors Governance Policies most recently in February 2015, as recommended by the Governance Committee of the Board. The revised Governance Policies are available on our website at <http://www.eaton.com/governance>.

EXECUTIVE SESSIONS OF THE NON-EMPLOYEE DIRECTORS

The Board's policy is that the non-employee directors, all of whom qualify as independent under the criteria of the Board of Directors and the New York Stock Exchange, meet in Executive Session at each regular Board meeting, without the Chairman or other members of management present, to discuss whatever topics they deem appropriate. As described more fully in Leadership Structure below, the Lead Director chairs these Executive Sessions.

At each meeting of the Audit, Compensation and Organization, Finance and Governance Committees, the Committee members (all of whom qualify as independent) hold an Executive Session, without any members of our management present, to discuss whatever topics they deem appropriate.

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