

Chair Blessing III, Vice Chair Reineke, ranking minority member Clyde, and the members of the House Government Accountability and Oversight committee, my name is Terry Szmagala and I am the Senior Vice President of Public and Community Affairs and Corporate Communications, as well as the Executive Sponsor of Eaton's LGBT Employee Resource Group, Eaton PRIDE.

Eaton is a power management company with 2016 sales of \$19.7 billion. We provide energy-efficient solutions that help our customers effectively manage power more efficiently, safely and sustainably. Eaton is dedicated to improving the quality of life and the environment through the use of power management technologies and services.

We employ approximately 95,000 employees and sell products to customers in more than 175 countries. Our North American headquarters are in Beachwood, right outside of Cleveland.

We employ more than 2,400 people who call Ohio home. In 2016, we have paid \$328 million in salary to Ohio employees, \$10 million in state taxes, \$6.5 million in local taxes, made \$4 million in charitable contributions in Ohio and purchased \$394 million in goods and services from over 1,000 suppliers within this state. In addition, our Cleveland area employees serve on the boards of directors of over 100 non-profit organizations in Northeast Ohio, and we annually run either the largest or second largest United Way campaign in Greater Cleveland.

One of Eaton's aspirational goals is to be a model of inclusion in our industry. We have policies and practices in place to cast the widest possible net in order to attract the best and brightest talent from across the country—policies and practices that go well beyond the protections against discrimination that the State of Ohio currently has.

Our business rationale for valuing diversity and inclusion is simple. We need inclusion and diversity to achieve our business objectives – diverse workforces are more effective workforces. Openness to diversity widens our access to the best talent, and inclusion allows us to engage that talent fully.

It is equally important that Ohio be viewed as committed to inclusion and diversity so that Ohio businesses such as ours are able to attract the best talent to the state. When we recruit to Ohio, we are often recruiting for top level positions (vice president, general manager, Communications, Human Resources, Law, Marketing, Computer Scientists). Our products are Internet of Things enabled and being marketed through social media. So when we recruit talent, our competition is not just GE and Siemens, but Apple, Google and Microsoft.

To be successful in recruiting for these creative jobs, Ohio needs to be viewed as a place where inclusion and diversity are valued. Eaton's success is tied to Ohio's success and we view this legislation as positioning Ohio as a state of choice for the new economy.

Eaton strongly supports legislation that shares our vision of inclusion, because it only makes our vision easier to achieve and contributes to our employees' success in all aspects of their lives, not just while on the clock.

Thank you for your time and I am willing to answer questions.

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For additional questions contact information is below:

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