FY 2023 Report

Sustainability Impact

Our contributions to accelerate sustainability for all

Life Is On | Schneider Electric

IMPACT Company

2 guiding principles

#1: Do well to do good and vice versa

- Performance
- Business
- All ESG

#2: Bringing everyone along

- Model and Culture
- All Stakeholders

Our 6 long-term commitments

Act for a climate-positive world — by continuously investing in and developing innovative solutions that deliver immediate and lasting decarbonization in line with our Net-Zero Commitment.

Be efficient with resources — by behaving responsibly and making the most of digital technology to preserve our planet.

Live up to our principles of trust — by upholding ourselves and all around us to high social, governance, and ethical standards.

Create equal opportunities — by ensuring all employees are uniquely valued and work in an inclusive environment to develop and contribute their best.
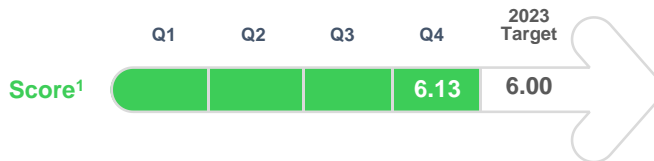
Harness the power of all generations — by fostering learning, upskilling, and development for each generation, paving the way for the next.

Empower local communities — by promoting local initiatives and enabling individuals and partners to make sustainability a reality for all.
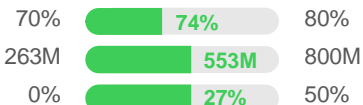
Supporting SUSTAINABLE DEVELOPMENT G☉ALS

Q4 2023 Results

	Q1	Q2	Q3	Q4	2023 Target
Score[1]				6.13	6.00

6 long-term commitments

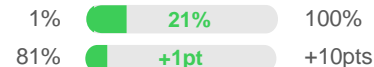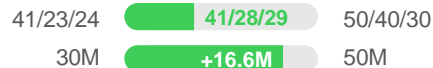|	Baseline	Q4 2023	2025 Target
CLIMATE			
1. Grow Schneider Impact revenues*[2]	70%	74%	80%
2. Help our customers save and avoid millions of tonnes of CO_2 emissions[3]	263M	553M	800M
3. Reduce CO_2 emissions from top 1,000 suppliers' operations	0%	27%	50%
RESOURCES			
4. Increase green material content in our products	7%	29%	50%
5. Primary and secondary packaging free from single-use plastic, using recycled cardboard	13%	63%	100%
TRUST			
6. Strategic suppliers who provide decent work to their employees[4]	1%	21%	100%
7. Level of confidence of our employees to report unethical conduct[5]	81%	+1pt	+10pts
EQUAL			
8. Increase gender diversity in hiring (50%), front-line management (40%) and leadership teams (30%)	41/23/24	41/28/29	50/40/30
9. Provide access to green electricity to 50M people[6]	30M	+16.6M	50M
GENERATIONS			
10. Double hiring opportunities for interns, apprentices and fresh graduates[2]	4,939	x1.52	x2.00
11. Train people in energy management[6]	281,737	578,709	1M
LOCAL			
+1. Country and Zone Presidents with local commitments that impact their communities	0%	100%	100%
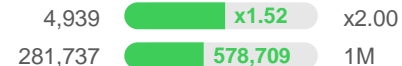
*Per Schneider Electric definition and methodology
[1] 2021 baseline 3/10, 2025 target 10/10   [2] 2019 baseline   [3] cumulated since 2018   [4] 2022 baseline   [5] 2021 baseline   [6] cumulated since 2009

Internal

Climate
FY 2023 Highlights

Our Zero Carbon Project helped suppliers **reduce operational CO_2 emissions by 27%.**

CPHI's Sustainability Pharma awarded our Energize program for **increasing access to renewable energy** in the industry.

Program launched with Intel, Applied Materials, and Google to **accelerate decarbonization of the semiconductor value chain.**

Our automation and process control solutions drove scaling Brilliant Planet's **algae-based carbon capture** for **global decarbonization efforts.**

Schneider Electric ranks in the **top position across ESG** ratings.

PLATINUM Top 1%
ecovadis
Sustainability Rating
FEB 2024

A Global 100
Most Sustainable Corporation

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

In the main ESG indices by
Moody's Analytics

CDP
DISCLOSURE INSIGHT ACTION

Resources
FY 2023 Highlights

Partnered with ArcelorMittal **on low-carbon steel** to further reduce the environmental impact of our products.

World Economic Forum (WEF) recognized Schneider Electric's Hyderabad factory as a **Sustainability Lighthouse.**

Schneider's Shanghai "Waste-to-Resource" factory **eliminated 1.5 tons of hazardous waste** in one year.

80% of the cardboard in our primary and secondary packaging **is recycled cardboard**.

Schneider Electric leads in **sustainable procurement and innovation.**

Trust
FY 2023 Highlights

Recognized as Best Investor Relations in **ESG Information Quality award** at IRCliff Seminar for the third year in a row.

97.67% of shareholders supported Schneider Electric's decarbonization plan in the first **Say on Climate motion.**

Maintained **#1 ESCO (Energy Service Company)** position in 2023 Guidehouse Insights leaderboard.

Launched the Schneider **Sustainability School for partners** to support them in their journey to net zero.

Schneider Electric advances **ethical business** practices.

Internal

Equal
FY 2023 Highlights

Increased **healthcare access** in South Asia and Africa with solar solutions for medical centers serving **1.5 million people.**

Certified by the **Fair Wage Network** for ensuring all employees are valued and compensated fairly for their work.

Featured in 2023 **"Best Places to Work for Disability Inclusion"** List by Disability:IN, with an increased rating.

Celebrated as a **'Lighthouse' in Diversity, Equity & Inclusion** by the World Economic Forum in recognition of our efforts to promote care and inclusion and pay equity across our offices.

Schneider Electric supports **equality and inclusion** for all.

Schneider Electric — Top 100 Globally for gender equality in 2023 — EQUILEAP

Brandon Hall Group — HCM Excellence Award — DIVERSITY, EQUITY AND INCLUSION — GOLD 2023

WORLD'S TOP COMPANIES FOR WOMEN — Forbes 2023 — POWERED BY STATISTA

Bloomberg — Gender-Equality Index — 2023

FT FINANCIAL TIMES — LEADER IN DIVERSITY 2024 — statista

Generations

FY 2023 Highlights

Engaged students to find innovative solutions to reduce carbon emissions with the **UAE Youth Green Challenge.**

19,000+ students from more than 70 countries competed for a more sustainable future with **Bold ideas to Go Green.**

Trained **10,000 students** in Vietnam with renewable electricity skills as part of the **Youth Education and Entrepreneurship program.**

Raised **€40M** for Gaia Energy Impact Fund II, with Gaia Impact and Capital Croissance to support entrepreneurs in **decentralized renewable energy** in Africa.

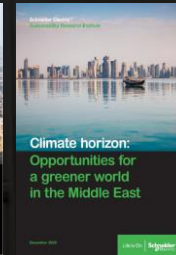Schneider Electric ranked among the **most attractive employers.**

Internal

Local
FY 2023 Highlights

Collaborated on the Enactus Core Program in **Mexico**, impacting over 400 universities and 60,000 students to foster entrepreneurial and social innovation skills.

Launched a first-of-its-kind industry collaboration with Compass Datacenters to create over 100 jobs in the **U.S.** and enable supply chain network integration.

Provided a pathway to accelerate decarbonization in **India and the Middle East** to support local transformation.

Provided rural electrification solutions to 90,000+ people in **North Africa.**

Switched our **China** operations' corporate fleets to 100% electric vehicles.

Schneider Electric *Foundation*

Over 100 foundation delegates and local employees mobilized globally for sustainable impact, supporting vocational training and mentoring initiatives, completing **17,000+ volunteering days** in 2023.

Internal

Methodological note

Schneider Sustainability Impact (SSI), is Schneider Electric's continuous improvement process to deliver outstanding sustainability performance, in line with its business strategy. Progress is measured against a 2020 baseline, except for two programs measured against a 2019 baseline to mitigate COVID-19 impacts (#1 Impact revenues and #10 opportunities for the next generation), one program measured against a 2021 baseline (#7 Level of confidence to report unethical conduct), and one program measured against a 2022 baseline (#6 Our strategic suppliers provide decent work to their employees).

The SSI provides, on a scoring scale of 10, an overall measure of the Group's progress on its sustainability goals. This is done by converting each KPI's performance on a 10-point scale, considering that base year performance receives a 3/10 score, and the 2025 objective translates in a 10/10 score. For each KPI, the relevant score is obtained by linear interpolation and rounded down to the second decimal. By construction, the score of an indicator cannot exceed 10/10, and cannot be lower than 0/10. The overall score of the tool is the average of each KPI's score with equal weight, excluding the Local commitment (SSI #+1). An external auditor provides limited assurance on the KPIs of the SSI once a year – including the review of the methodologies and processes used to consolidate the different KPIs. In 2022, the Group obtained a "reasonable" assurance for SSI #8 and will progressively cover all externally assured KPIs with this new level of assurance.

Each year, the SSI performance impacts short-term incentives for the Group's executives and about 64,000 eligible employees, for 20% of the collective share.

se.com/sustainability

For further inquiries, please reach out to our Investor Relations team here.

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