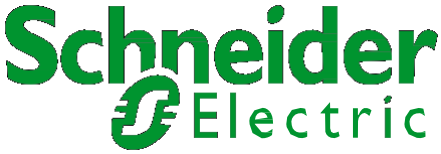
FIRST PROSPECTUS SUPPLEMENT DATED 5 NOVEMBER 2020

TO THE BASE PROSPECTUS DATED 28 APRIL 2020



SCHNEIDER ELECTRIC SE

Euro 10,000,000,000

Euro Medium Term Note Programme

This prospectus supplement (the "**First Prospectus Supplement**") is supplemental to, and should be read in conjunction with, the Base Prospectus dated 28 April 2020 which received approval no. 20-162 on 28 April 2020 from the *Autorité des marchés financiers* (the "**AMF**") (the "**Base Prospectus**") prepared in relation to the Euro 10,000,000,000 Euro Medium Term Note Programme (the "**Programme**") of Schneider Electric SE (the "**Issuer**"). The Base Prospectus constitutes a base prospectus for the purpose of Article 8 of Regulation (EU) 2017/1129 of 14 June 2017, as amended (the "**Prospectus Regulation**").

Application has been made for approval of the First Prospectus Supplement to the AMF in its capacity as competent authority pursuant to the Prospectus Regulation.

This First Prospectus Supplement has been prepared pursuant to Article 23 of the Prospectus Regulation, for the purpose of (i) incorporating the Issuer's First Half Year 2020 results, (ii) incorporating recent events in connection with the Issuer and (iii) as a consequence, amending and supplementing the following sections of the Base Prospectus:

- Documents Incorporated by Reference;
- Risk Factors ;
- Recent Developments; and
- General information.

Save as disclosed in this First Prospectus Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus which is material in the context of the Programme since the publication of the Base Prospectus.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this First Prospectus Supplement.

To the extent that there is any inconsistency between (a) any statement in this First Prospectus Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Copies of this First Prospectus Supplement (a) may be obtained, free of charge, from the registered office of the Issuer during normal business hours, (b) will be available on the website of the Issuer (https://www.se.com), (c) will be available on the website of the AMF (https://www.amf-france.org) and (d) will be available during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for inspection at the offices of each Paying Agent(s).

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DOCUMENTS INCORPORATED BY REFERENCE

The section entitled "**Documents Incorporated by Reference**", appearing on pages 25 to 29 of the Base Prospectus is deleted in its entirety and replaced with the following:

"This Base Prospectus should be read and construed in conjunction with:

- the pages referred to in the table below which are included in the French language *Document d'Enregistrement Universel* of the Issuer which received n° D.20-0137 from the AMF on 17 March 2020 (the "**2019 Universal Registration Document**");
- the pages referred to in the table below which are included in the French language *document de référence* of the Issuer which received n° D.19-0155 from the AMF on 15 March 2019 (the "**2018 Registration Document**");
- the pages referred to in the table below which are included in the Issuer's interim financial report in French language for the six-month period ended 30 June 2020, dated 29 July 2020 (the "**2020 Half-Year Financial Report**"); and
- the terms and conditions of the notes contained in the base prospectuses of the Issuer dated, respectively, 25 April 2019 (the "**2019 EMTN Conditions**"), 26 November 2018 (the "**2018 EMTN Conditions**"), 6 October 2017 (the "**2017 EMTN Conditions**"), 31 August 2016 (the "**2016 EMTN Conditions**"), 31 July 2015 (the "**2015 EMTN Conditions**"), 15 July 2014 (the "**2014 EMTN Conditions**") and 25 June 2013 (the "**2013 EMTN Conditions**" and, together with the 2013, 2014, 2015, 2016, 2017, 2018 and 2019 EMTN Conditions, the "**EMTN Previous Conditions**").

Any reference in this Base Prospectus, in the 2019 Universal Registration Document or in the 2018 Registration Document to the registration documents and/or annual reports (either 2019 or 2018) shall be deemed to exclude the above-mentioned excluded sections.

Any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus may be obtained, free of charge, from (i) the registered office of the Issuer, (ii) the website of the Issuer (https://www.se.com) and/or (iii) at the offices of each Paying Agent set out at the end of this Base Prospectus during normal business hours.

The 2019 Universal Registration Document and the 2018 Registration Document are available on the website of the AMF (https://www.amf-france.org).

Other than in relation to the documents which are incorporated by reference, the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the AMF.

For the purpose of the Prospectus Regulation, information can be found in the documents incorporated by reference in this Base Prospectus in accordance with the following cross-reference table (in which the numbering refers to the relevant items of Annex 7 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation (the "**Commission Delegated Regulation**").

Any information not listed in the cross-reference list below but included in the documents incorporated by reference shall not form part of this Base Prospectus. The non-incorporated parts are either not relevant for investors or covered elsewhere in this Base Prospectus.

The English Translation of the 2019 Universal Registration Document, the 2018 Registration Document and the 2020 Half-Year Financial Report are available on the website of the Issuer (https://www.se.com/ww/en/about-us/investor-relations/regulatory-information/annual-reports.jsp). Such English translations are available for information purposes only and are not incorporated by reference in this Base Prospectus. Only the French versions of the 2019 Universal Registration Document, the 2018 Registration Document and the 2020 Half-Year Financial Report may be relied upon.

Commission Delegated Regulation –Annex 7		2020 Half-Year Financial Report	2019 Universal Registration Document	2018 Registration Document
A7.2	**STATUTORY AUDITORS**			
A7.2.1	Names and addresses of the Issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).		Page 444	
A7.2.2	If auditors have resigned, been removed or not been re-appointed during the period covered by the historical financial information, details if material.		Not applicable	
A7.3	**RISK FACTORS**			
A7.3.1	A description of the material risks that are specific to the Issuer and that may affect the Issuer's ability to fulfil its obligations under the securities, in a limited number of categories, in a section headed 'Risk Factors'. In each category the most material risks, in the assessment of the Issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the Issuer and the probability of their occurrence, shall be set out first. The risk factors shall be corroborated by the content of the registration document.	Page 22	Pages 63 to 81	
A7.4	**INFORMATION ABOUT THE ISSUER**			
A7.4.1	**History and development of the Issuer:**			
A7.4.1.1	the legal and commercial name of the Issuer;		Page 392	
A7.4.1.2	the place of registration of the Issuer and its registration number and legal entity identifier ('LEI');		Page 392	
A7.4.1.3	the date of incorporation and the length of life of the Issuer, except where indefinite; and		Page 392	
A7.4.1.4	the domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business if different from its registered office) and website of the Issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.		Page 392	

Commission Delegated Regulation –Annex 7		2020 Half-Year Financial Report	2019 Universal Registration Document	2018 Registration Document
A7.5	**BUSINESS OVERVIEW**			
A7.5.1	**Principal activities:**			
A7.5.1.1	A brief description of the Issuer's principal activities stating the main categories of products sold and/or services performed; and		Pages 2-3 and 22 to 31	
A7.5.1.2	The basis for any statements in the registration document made by the Issuer regarding its competitive position.		Pages 10-11, 20-21, 32-37 and 216-217	
A7.6	**ORGANISATIONAL STRUCTURE**			
A7.6.1	If the Issuer is part of a group, a brief description of the group and the Issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.		Pages 355 to 361, 381 and 386-387	
A7.6.2	If the Issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.		Not applicable	
A7.9	**ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES**			
A7.9.1	Names, business addresses and functions in the Issuer of the following persons, and an indication of the principal activities performed by them outside the Issuer where these are significant with respect to that Issuer: (a) members of the administrative, management or supervisory bodies; (b) partners with unlimited liability, in the case of a limited partnership with a share capital.		(a) Pages 226 to 234 (b) Not Applicable	
A7.9.2	**Administrative, Management, and Supervisory bodies conflicts of interests** Potential conflicts of interests between any duties to the Issuer of the persons referred to in item 9.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made.		Page 258	
A7.10	**MAJOR SHAREHOLDERS**			
A7.10.1	To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.		Page 398	

Commission Delegated Regulation –Annex 7		2020 Half-Year Financial Report	2019 Universal Registration Document	2018 Registration Document
A7.10.2	A description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.		Not applicable	
A7.11	**FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES**			
A7.11.1	**Historical Financial Information** Historical financial information covering the latest two financial years (at least 24 months) or such shorter period as the Issuer has been in operation and the audit report in respect of each year.	Pages 1 to 16	Pages 308 to 366	Pages 274 to 331
	(a) balance sheet;	Pages 4-5	Pages 311-312	Pages 279-280
	(b) income statement;	Pages 1-2	Pages 308-309	Pages 276-277
	(c) cash flow statement; and	Page 3	Page 310	Page 278
	(d) accounting policies and explanatory notes.	Pages 7 to 16	Pages 314 to 361	Pages 282 to 327
A7.11.2	**Auditing of historical annual financial information**			
A7.11.2.1	A statement that the historical financial information has been audited. If audit reports on the historical financial information contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full and the reasons given.	Page 25	Pages 362 to 366	Pages 328 to 331
A7.11.5	**Legal and arbitration proceedings** Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	Page 22	Pages 77, 353 and 377	

Commission Delegated Regulation –Annex 7		2020 Half-Year Financial Report	2019 Universal Registration Document	2018 Registration Document
A7.12	**MATERIAL CONTRACTS**			
A7.12	A brief summary of all material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to security holders in respect of the securities being issued.		Not applicable	

The EMTN Previous Conditions are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued with the relevant EMTN Previous Conditions.

EMTN Previous Conditions	
2013 EMTN Conditions	Pages 54 to 82
2014 EMTN Conditions	Pages 51 to 81
2015 EMTN Conditions	Pages 57 to 88
2016 EMTN Conditions	Pages 62 to 94
2017 EMTN Conditions	Pages 63 to 92
2018 EMTN Conditions	Pages 30 to 66
2019 EMTN Conditions	Pages 30 to 67

Information contained in the Documents Incorporated by Reference other than information listed in the table above is for information purposes only."

RISK FACTORS

The section entitled "**Risk Factors**" appearing on pages 13 to 24 of the Base Prospectus is completed by the following:

COVID-19 pandemic

Impact of the spread of the COVID-19 and Strategy of the Group

The COVID-19 pandemic and the actions taken in response to its spread have resulted in disturbances to the Group's business operations and supply chain.

In this context, during the first part of the year, the Group has been coordinating its teams globally, regionally and locally to ensure business continuity and focused on the following key elements: health, business continuity, cash & costs, rebound with customers, taking care of communities through the launch of "Tomorrow Rising Fund". While the first initiatives included ensuring the health and safety of its employees, the Group also adapted some facilities to assist in the production of essential medical equipment. The supply chain organization instituted a global management team that has been tracking evolution of the situation in real time. The Group focused on enhancing the digital customer experience, while establishing communities and partnerships, and provided multiple digital interactions and trainings to customers across the world. The Group also accelerated its medium-term cost efficiency plan, and implemented specific tactical savings across the organization, leveraging its multi-local model. These elements along with a balanced geographical footprint and a strong focus on Digital, software, services and multi-business solutions permit to react locally, drive tactical savings and protect the margin level.

In H1-2020, the impact on the Group is different across the various geographies:

- North America: the second quarter was the most impacted and there is still a lot of uncertainties (strong increase in contagion in several states of the U.S. and associated containment measures);
- China: after a first quarter strongly impacted, the second one demonstrated a continuation of economic recovery which should pursue over the year;
- Rest of Asia Pacific: the impact on India should pursue in the second half (increasing levels of contagion and resurgence of lockdowns);
- Western Europe: Major economies were strongly impacted during the second quarter and a progressive recovery in the second part of the year is expected, with rate and strength of recovery varied by country.

Q3-2020 revenues show a progressive recovery across the quarter enabling the Group to return to growth in many economies across the world.

As mentioned in the Q3-2020 press release, « given the acceleration of COVID-19 cases in various geographies, the Group recognizes there remains uncertainty in its Q4 results. Overall, even if the Group is doing is best to mitigate the consequences of the COVID crisis, the global health and economic crisis is not over and a risk still exists that there might be another significant lockdown in major economies following a second wave of contagion which could have a strong impact on the Group by affecting global production chains, local supply or transportation chains and could lead to an economic slowdown in a market in which the Group operates. This could result in an adverse impact on its financial condition, results or prospects.

RECENT DEVELOPMENTS

The section entitled "**Recent developments**" appearing on pages 72 to 81 of the Base Prospectus is completed by the following press releases published by the Issuer respectively on:

- 29 July 2020;
- 25 August 2020;
- 31 August 2020; and
- 22 October 2020.

Press release of 29 July 2020 on Schneider Electric second quarter revenues and first half results for the period ending 30 June 2020

"H1 2020 Revenues of €11.6bn, down -10% org. Resilient Gross margin and agility in driving tactical savings lead to Adj. EBITA margin of 13.6%, down -130 bps org. Strong cashflow of ~€1 bn. Adj. Net Income of €1bn down -26%.

- ***H1 2020 –***
  - ***Energy Management revenue down -11% org., Adj. EBITA margin -0.8 pts org.***
  - ***Industrial Automation revenue down -9% org., Adj. EBITA margin -2.0 pts org.***
- ***Strong rebound in China, up double-digit in Q2***
- ***Software & Services revenues demonstrate resilience, -1% org. in H1***
- ***Gross margin in H1 at 39.9%, improving +20bps organic with mix positive at +€29 million***
- ***Strong cashflow of ~€1 billion representing efficient management of receivables & payables despite increased inventory***
- ***FY 2020 targets re-established; medium-term margin ambition reiterated***

Rueil-Malmaison (France), July 29, 2020 - Schneider Electric announced today its second quarter revenues and half year results for the period ending June 30, 2020.

Key figures (€ million)	2019 H1	2020 H1	Organic Change	Reported Change
Revenues	**13,202**	**11,575**	**-10.5%**	**-12.3%**
Adjusted EBITA *% of revenues*	**1,960** *14.8%*	**1,576** *13.6%*	**-18.4%** *-130 bps*	**-19.6%** *-120 bps*
Adjusted Net Income[1]	**1,340**	**995**		**-26%**
Net Income (Group share)	**993**	**775**		**-22%**
Free cashflow	**837**	**965**		**15%**

Jean-Pascal Tricoire, Chairman and CEO, commented:

"H1 2020 represents a test of our past strategic choices on business model, portfolio positioning and digital transformations. During H1, we have leveraged our "Multi-local" and "empowered country" set up to react locally, drive tactical savings and protect our margin level. Our balanced geographical footprint also enabled us to withstand some very significant declines in specific countries through Q2, while our exposure in China provided

1. See appendix for Adjusted Net Income calculation

some momentum. Our strong focus on Digital, software, services and multi-business solutions supported the resilience of our business.

Though the crisis is still ongoing our focus remains on operating our business in a COVID-19 and post COVID-19 world. We focus on helping customers on their Digitization, efficiency, sustainability and nowadays resilience agenda. Our integrated portfolio and diversified end-market positioning provide a strong resilience and ability to grow. Though some markets might be impacted, a large part of our business will be well oriented for future years and will potentially be accelerated by government stimulus.

As we go through H2 2020, we will have a lower contribution from the tactical savings actions that we were able to quickly deploy in H1 while we will step up efforts for structural savings. We remain committed to (i) an across cycle organic growth range of 3% to 6%; (ii) achieve higher margins with a first step to move adjusted EBITA margin to around 17% by 2022; and (iii) achieve strong FCF in coming years of around €3 billion on average through the economic cycle. Despite remaining uncertainty, we also re-establish targets for 2020.

Our teams across the world have realized important efforts in H1 to deliver to our customers and our communities and to ensure that Life is On!, and we enter H2 fully focused on business, operating in the unusual conditions created by COVID-19".

I. SECOND QUARTER REVENUES WERE DOWN -14% ORGANICALLY

2020 Q2 revenues were **€5,745 million**, down -14.2**%** organically and down -16.7**%** on a reported basis.

Across the Group in Q2, **Products** (59% of Group) were down **-15%** org. (-11% in H1). Sales of products were strongly impacted by the COVID-19 crisis, with the degree of impact differing by country and commensurate to the severity of lockdowns implemented. There were signs of a recovery as the quarter progressed, boosted by targeted price actions in some geographies and the reopening of many countries.

Systems (projects and equipment, 24% of Group) decreased by **-17%** org. in Q2 (-15% in H1) with a larger decline in Industrial Automation, across multiple geographic markets, on a high base of comparison and with impact on demand and activity due to COVID-19.

Software and Services (17% of Group) showed resilience at **-5%** org. in Q2 (-1% in H1) despite a high base of comparison in 2019. The Group continued to see good demand for Software, with AVEVA adding to the resilience of the Group, while the Group's other software offers also grew well. The Group's digitally enabled service offer based on analytics to enable remote monitoring, preventive maintenance and asset management saw increased traction partly as a response to the COVID-19 crisis. Field services (especially linked to critical end-markets) showed resilience despite being impacted by COVID-19 at the beginning of the quarter due to a lack of access to customer sites, trending positively in June as lockdowns were eased and showing good demand.

Digital update - The Group continues to focus on its strategy to significantly increase its Digital footprint reflected in the growth of assets under management (AUM), reaching 3.4 million up +43% year-on-year by the end of H1 2020. The COVID-19 crisis has provided further impetus for the digital transformation of the Group's end-markets. Through the crisis, it was very clear that customers who were digitally connected with their assets were better positioned to react to events and manage their respective response to the crisis.

The breakdown of revenue by business and geography was as follows:

€ million		Q2 2020		
		Revenues	**Organic Growth**	**Reported Growth**
Energy Management	North America	1,368	-19.6%	-19.9%
	Western Europe	1,044	-17.1%	-19.9%
	Asia Pacific	1,374	-7.6%	-9.9%
	Rest of the World	586	-18.4%	-26.6%
	Total Energy Management	**4,372**	**-15.4%**	**-18.0%**
Industrial Automation	North America	255	-20.9%	-20.0%
	Western Europe	371	-21.1%	-23.0%
	Asia Pacific	529	2.9%	2.2%
	Rest of the World	218	-3.1%	-10.3%
	Total Industrial Automation	**1,373**	**-10.4%**	**-12.0%**
Group	North America	1,623	-19.8%	-19.9%
	Western Europe	1,415	-18.2%	-20.7%
	Asia Pacific	1,903	-4.9%	-6.8%
	Rest of the World	804	-14.7%	-22.8%
	Total Group	**5,745**	**-14.2%**	**-16.7%**

€ million		H1 2020		
		Revenues	**Organic Growth**	**Reported Growth**
Energy Management	North America	2,915	-9.7%	-9.6%
	Western Europe	2,197	-9.6%	-12.3%
	Asia Pacific	2,402	-13.5%	-14.8%
	Rest of the World	1,241	-11.4%	-18.5%
	Total Energy Management	**8,755**	**-11.0%**	**-13.1%**
Industrial Automation	North America	567	-12.1%	-11.7%
	Western Europe	841	-13.3%	-14.8%
	Asia Pacific	948	-6.7%	-6.5%
	Rest of the World	464	0.1%	-4.6%
	Total Industrial Automation	**2,820**	**-8.9%**	**-9.9%**
Group	North America	3,482	-10.1%	-10.0%
	Western Europe	3,038	-10.6%	-13.1%
	Asia Pacific	3,350	-11.7%	-12.6%
	Rest of the World	1,705	-8.5%	-15.1%
	Total Group	**11,575**	**-10.5%**	**-12.3%**

ENERGY MANAGEMENT DOWN -15% ORG. IN Q2

The main developments by end-market in Q2 were:

- **Buildings –** Commercial & Industrial Building (CIB) activity remained impacted though improving towards the end of the quarter, with timing varied across the company's regions and linked to easing of lockdown measures. Hospitals/healthcare and life science industries remained resilient while hotels/hospitality, and retail were impacted due to COVID-19. Demand for digitization of Buildings increased (with a specific focus on health considerations & sustainability) and was reflected in traction for

offers of EcoStruxure Building and EcoStruxure Power across segments including in areas such as office, retail and hotels in many cases. Residential building demand was relatively stronger especially towards the end of the quarter. Working from home trends had a positive influence on renovation demand in the quarter.

- **Data Center** sales are subject to a high base of comparison through most of 2020, particularly in the U.S. whilst also impacted by supply chain disruption in Q2 that is now resolved. Demand remains strong supported by networks, cloud connections and data storage needs created by increased internet traffic during the crisis. The Group is very relevant in this end-market due to its positioning across technologies (MV/LV, Secure Power, BMS, Software), for both small and large Data Centers and for enabling Edge computing. The Group also launched its End-to-End Solution for Multi-Site and Hyperscale Data Center together with AVEVA for a Unified Operations Center solution for customers. The Group has an unrivaled global footprint and focus on providing efficiency & sustainability solutions for data centers.
- **Infrastructure** markets have been relatively less impacted within Energy Management. In most regions, demand for electrical utility smart grid, digitization and remote operation & maintenance was enhanced. The company's exposure and positioning towards Oil & Gas (O&G) downstream has been partly offsetting limited upstream exposure which has seen pressure due to the low and volatile oil price.
- **Industry** market was mixed with weaker segment demand however with some consumer orientated markets including Consumer-Packaged Goods (CPG) faring better.

Trends for Energy Management, by geography:

North America (31% of Q2 revenues) sales fell -19.6% organically with the fall attributable to both the local markets and to specific supply chain disruptions. Distributor stocking actions also influenced the trends within the quarter. Elevated stock levels noted at the end of Q1, combined with lesser activity due to COVID-19, contributed to weaker demand at the start of Q2 though a restock at the end of the quarter, coupled with easing lockdown restrictions, helped June sales. In the U.S., demand in the residential market remained well oriented though short-term supply issues impacted residential sales activity in Q2. Demand in hotels, retail and other commercial buildings were impacted by the lockdowns while Consumer-Packaged Goods (CPG), including Food & Beverage (F&B), Life science/health and logistics were more resilient. Sales to the Data Center end-market continue to experience a high base of comparison, but digital and upgrade requirements continued during the crisis and the outlook remains solid. ASCO saw a low-single digit decline due to COVID-19 but demand was still positive in the quarter helped by exposure to healthcare markets. Canada was sharply lower impacted by weak resource markets. Mexico also fell as the lockdown impacted late in the quarter and was disrupted by demand and the supply chain. Energy Management Services turned positive at the end of the quarter, after suffering from lockdown at the start of the quarter, as technicians returned to the field.

Western Europe (24% of Q2 revenues) was down -17.1% organic for the quarter, linked with the timing and severity of lockdown restrictions in the region, but improving sequentially throughout the quarter as restrictions eased in some countries. France, Italy, Spain and UK were all substantially down, while Germany performed better relatively, down low single-digit due to good project execution and against a high base of comparison. France performance improved sequentially through the quarter with a strong month of June as distributors restocked. The closure of construction sites and factories has impacted both CIB and Residential building demand, but some resilience was noted in Digital Buildings, Healthcare and Life Sciences. Services were also more resilient, as expected. Spain and Italy were impacted in the quarter given the significant rise in contagion levels and consequent containment measures though the Group continued to meet demand from critical infrastructure. The U.K. was down across most segments but with CPG proving more resilient than others, and a good level of demand seen from the Data center market. In the North of the region, Finland, Norway and Sweden all grew in the quarter driven by demand for residential building offers and in the context of a less severe lockdown.

Asia-Pacific (31% of Q2 revenues) contracted by -7.6% organically in Q2, contrasted between China, which rebounded strongly in the quarter, growing high-single digit, and the rest of the region which saw declines. In China, continued good demand for power train products into the Data Center end-market, coupled with the beginnings of recovery in residential and public buildings underpinned the growth, which was strengthened by some distributor stocking and commercial actions. Services also grew well. In the rest of the region, of the larger economies, Australia performed relatively better (down mid-single digit in Q2) improving sequentially from May to June with growth in demand for power systems, while the residential market was impacted though with some resilience in renovation. India was heavily impacted across the Energy Management portfolio due to the worsening contagion situation and

the implementation of nationwide lockdown in the quarter. In East Asia, the picture was more balanced with Japan, Indonesia, Thailand and Vietnam on the weaker side, while South Korea and Singapore performed relatively better.

Rest of the World (14% of Q2 revenues): contracted by -18.4% organically in Q2, down across most countries, but with some contrast between the magnitude of impact. Central and Eastern Europe showed resilience, in part due to the performance in Smart Grid Services. CIS, South America and Middle East all saw negative impacts consistent with the region average, albeit with bright spots in a limited number of individual countries. CIS saw weaker project sales due to issues in site access. South America was heavily impacted by COVID-19 towards the end of the quarter having earlier seen good demand from Metals, Mining & Minerals (MMM) and channel sales. Middle East showed a mixed picture with continued lower demand from utilities in Gulf states, offset by good demand for products in Turkey. Africa was particularly heavily impacted across the continent, with construction markets impacted by lockdown.

INDUSTRIAL AUTOMATION -10% ORG. GROWTH IN Q2

Industrial Automation sales fell -10.4% organic in Q2. The results reflected the evolution of the economic cycle coupled with the impact of the COVID-19 crisis.

- **Discrete** as well as **Process & Hybrid** markets were down double digit.
- The Group's revenue from **Process & Hybrid** end markets decreased in Q2, with **Process Automation** impacted in the quarter due to specific project phasing. Certain segments such as WWW and MMM proved more resilient.
- The Group's industrial software offering performed well in the quarter adding resilience to the overall Industrial Automation portfolio, as did services.
- Sales to the **Discrete Automation markets** and **OEM** end market experienced a slowdown across many regions.

Trends for Industrial Automation, by geography:

North America (19% of Q2 revenues) sales contracted -20.9% organically. U.S. sales fell in line with the region with the impact least in Canada and the most in Mexico. Process & Hybrid end-markets were particularly impacted by weak resource/energy markets in the U.S. including O&G though the Group's exposure to downstream and maintenance, performance analytics & upgrades proved more resilient and partly compensated. Industrial OEM was impacted by disruptions in various machinery sectors, again particularly in the U.S. Targeted segments (CPG, MMM, WWW), with the pull-through from Energy Management, continue to perform relatively better. Software performed strongly with customers demanding more digital/remote offerings for their factories and facilities, especially during the crisis. The smaller Canadian market fared better than the U.S. except in software while Mexico was weak across all areas.

Western Europe (27% of Q2 revenues) was down by -21.1% organic in Q2, having improved sequentially throughout the quarter. In a difficult industrial environment and severe lockdown, most countries showed a decline. Germany proved the most resilient with good demand from end-users, while the U.K. was impacted by a high base of comparison in Software. While the month of June showed sequential improvement in all major economies of the region, it was particularly notable for France which returned to growth driven both by the sale of products into discrete end-markets and a good performance in services. In Process & Hybrid markets, good demand was seen from the WWW segment. Italy and Spain were also weak in Industrial end markets due to manufacturing slowdown as a result of the crisis.

Asia-Pacific (39% of Q2 revenues) sales grew organically by +2.9% in Q2, with strong growth in China more than offsetting the weakness elsewhere in the region, notably in India, where the lockdown measures had a significant impact. China growth was mainly driven by OEM demand, notably in packaging, hoisting and material handling, while offers to the Process & Hybrid market remained challenged. Singapore grew, helped by Software sales, while Australia and Japan showed a degree of resilience towards the end of the quarter across both discrete and process end-markets.

Rest of the World (15% of Q2 revenues): saw -3.1% organic growth. The Middle East saw strong growth on account of a specific Cybersecurity projects in the Gulf while OEM sales in Turkey grew. CIS performed well in Discrete end markets. South America and Africa saw a decline; Central Europe was down.

CONSOLIDATION[2] AND FOREIGN EXCHANGE IMPACTS IN Q2

Net acquisition / disposals had an impact of **-€100 million** or **-1.5%**. This includes the disposal of Pelco and Converse Energy Projects, and the deconsolidation of Electroshield Samara (all Energy Management) along with some minor acquisitions / disposals.

The impact of foreign exchange fluctuations was negative at **-€96 million** or **-1.0%**, with the strengthening of the U.S. Dollar against the Euro more than offset by the weakening of several new economies' currencies against the Euro.

Based on current rates, the FX impact on FY 2020 revenues is estimated to be between **-€500 million** to **-€600 million**. The FX impact at current rates on adjusted EBITA margin could be between **-30bps** to **-40bps**.

II. H1 2020 KEY RESULTS

€ million	**2019 H1**	**2020 H1**	**Organic Change**	**Reported change**
Revenues	**13,202**	**11,575**	**-10.5%**	**-12.3%**
Gross Profit	**5,202**	**4,621**	**-10.1%**	**-11.2%**
Gross profit margin	*39.4%*	*39.9%*	*+20 bps*	*+50 bps*
Support Function Costs	**(3,242)**	**(3,045)**	**-5.0%**	**-6.1%**
SFC ratio	*24.6%*	*26.3%*	*+150 bps*	*+170 bps*
Adjusted EBITA	**1,960**	**1,576**	**-18.4%**	**-19.6%**
Adjusted EBITA margin	*14.8%*	*13.6%*	*-130 bps*	*-120 bps*
Restructuring costs Other operating income & expenses **EBITA** Amortization & impairment of purchase accounting intangibles	(101) (346) **1,513** (88)	(221) (69) **1,286** (86)		**-15%**
Net income (Group share)	**993**	**775**		**-22%**
Adjusted Net Income[3]	**1,340**	**995**		**-26%**
Adjusted EPS (€)	**2.42**	**1.80**		**-26%**
Free Cash Flow	**837**	**965**		**+15%**

- **ADJUSTED EBITA MARGIN AT 13.6%, DOWN -130 BPS ORGANIC FROM RESILIENT GROSS MARGIN, POSITIVE MIX AND SFC TACTICAL SAVINGS**

  Gross profit was down **-10.1%** organic with Gross margin improving by +**20bps** organic to **39.9%** in H1 2020 mainly driven by net price, productivity and a positive mix effect.

  H1 2020 Adjusted EBITA reached **€1,576** million, decreasing organically by **-18.4%** and the Adjusted EBITA margin deteriorated by **-130 bps** organically to **13.6%.**

  The key drivers contributing to the earnings change were the following:

  - Volume impact was negative, **-€551** million.

2. Changes in scope of consolidation also include some minor reclassifications of offers among different businesses.
3. See appendix for Adjusted Net Income calculation

- The company continued to execute on its Tailored, Sustainable & Connected supply chain, contributing to an H1 industrial productivity level of **+€37** million. While delivering a good level of productivity considering the negative volume environment, the Group was impacted by additional costs of air-freight and personal protective equipment and saw some temporary supply issues due to lockdown.

- The net price[4] impact was positive at **+€81** million in H1 2020. Pricing on products was positive at +€37 million due to positive pricing actions taken in all geographies except China. In total, RMI was a tailwind at +€44 million.

- Cost of Goods Sold inflation was **-€27** million in H1 2020, of which the production labor cost and other cost inflation was **-€32** million, and a decrease in R&D in Cost of Goods Sold was +**€5** million.

  Support function costs decreased organically by **€151** million, or **-5.0%** in H1 2020 but the Group was unable to fully compensate the fall in revenues leading the overall SFC to Sales ratio to rise from 24.6% to 26.3%, higher organically by 150bps. The reduction in support function cost was supported by tactical savings of around €200 million derived from the Group's agile response to the crisis and ongoing operational efficiency actions of around €150 million. The Group anticipates the benefit from tactical savings will progressively decrease over H2 2020 and mostly reverse in 2021. The ongoing operational efficiency actions for long-term efficiency and effectiveness are set to accelerate starting H2 and achieve around €1 billion between 2020-2022.

- The impact of foreign currency decreased the adjusted EBITA by **-€29** million in H1 2020.

- H1 2020 resulted in favorable mix of **+€29** million due to the balance of growth by geography, along with the relative growth rates of the product and systems business. For the full year, the mix impact could be around flat assuming a resumption of a normalized balance of growth in H2 between business and geographies.
- The impact from scope & others was **-€75** million in H1 2020. Scope was a slight positive taking into account the effect of the disposal of Pelco and deconsolidation of Electroshield Samara.

By business, the H1 2020 adjusted EBITA for:

- **Energy Management** generated an adjusted EBITA of €1,494 million, or **17.1%** of revenues, down c. -80bps organic (down -50bps reported), due mainly to the decrease in volume, but partly offset by a strong positive mix effect, positive net pricing and SFC savings.

  Industrial Automation generated an adjusted EBITA of €429 million, or **15.2%** of revenues, down c. -200bps organic (down -240bps reported), due mainly to the decrease in volume along with further impacts from labor inflation and a negative mix effect while product sales fell substantially, partly offset by SFC savings.

- **Central Functions & Digital Costs** in H1 2020 amounted to **€347 million** (€367 million H1 2019), rising slightly as a proportion of revenue to 3.0%. Costs have reduced in line with total SFC for the Group with the Corporate cost element decreasing at a higher rate while there was some increase in costs for digital and cybersecurity.

- **ADJUSTED NET INCOME DOWN -26%**

Restructuring charges were **-€221 million** in H1 2020, €120m higher than last year due to additional costs associated with delivering the Group's structural savings and cost efficiency plan.

4. Price on products and raw material impact

Other operating income and expenses had a negative impact of **-€69 million**, consisting mainly of some M&A and integration costs vs. -€346 million in H1 2019 which additionally included the loss on disposal of Pelco.

The amortization and depreciation of intangibles linked to acquisitions was **-€86 million** compared to -€88 million in the first half of last year.

Net financial expenses were **-€172** million**,** €32 million higher than in H1 2019, with the cost of debt broadly flat in comparison to H1 2019. The increase in financial expenses can be ascribed mainly to the fair-value revaluation of financial assets.

Income tax amounted to **-€247** million, lower than last year by €39 million. The effective tax rate was 24.0%, in line with the expected range of ETR of 22%-24% in 2020.

There was no impact from discontinued operations in H1 2020, compared to +€4 million in H1 2019.

Share of profit on associates decreased slightly to **+€40** million, from +€41 million in the first half of last year. The Group share of Delixi net income was +**€40m**, up c.+€6m year-on-year, with strong performance resulting in organic growth at both the gross margin and operating margin level.

As a result, Net Income was **€775** million in H1 2020, down -22% from H1 2019.

The Adjusted Net Income[5] was **€995** million in H1 2020, down -26% vs. H1 2019.

- **FREE CASH FLOW REACHED €965 MILLION, UP 15% DUE TO DILIGENT WORKING CAPITAL MANAGEMENT**

Despite the decline in revenue in H1, free cash flow was strong at **€965** million. Net capital expenditure of €339 million remained stable as a percentage of revenue at around 3%, and the strong cash performance was driven by working capital movements. A positive evolution on receivables and payables was partly offset by an increase in inventory.

- **BALANCE SHEET REMAINS STRONG**

Schneider Electric's net debt at June 30, 2020 amounted to **€4,770 million** (€3,792 million in December 2019) after payment of €1.4 billion to fulfill the 2019 dividend, net acquisitions of €140 million and the strong free cashflow performance of H1.

As at June 30, 2020, Schneider Electric had total liquidity of around **€9.6 billion**.

As at date, Schneider Electric has total liquidity of around **€8 billion**, including cash and cash equivalents and available committed credit lines. This figure is after the successful launch of three bonds during H1, the payment of the 2019 dividend and the cash paid (c. €1.3 billion) for the acquisition of RIB Software.

The Group has sufficient liquidity for its operation and debt repayments.

III. M&A UPDATE

Acquisitions

RIB Software

As announced on 10 July 2020, Schneider Electric has successfully completed the voluntary public takeover offer for all outstanding shares of RIB Software SE. RIB will be consolidated as part of the Energy Management business.

5. See appendix for Adjusted Net Income calculation

Larsen & Toubro E&A

The continuing nationwide lockdown in India has delayed the final completion of the group's purchase of L&Ts electrical and automation business. The transaction is expected to close during H2 2020.

ProLeiT

Completion of the bolt-on acquisition of ProLeiT announced on 23 April, enhancing the Group's offering in the Consumer-Packaged Goods segment, remains ongoing. The transaction is expected to close in the coming weeks.

Disposals

The Group remains committed to its portfolio optimization program for disposals/deconsolidation of revenues of € 1.5bn to € 2bn. There is no significant disposal to report in H1, 2020 further to the revenues of €0.6 billion disposed in 2019. The initial timeline for this portfolio optimization program was by 2021. In light of the COVID-19 crisis, it is reasonable to expect a delay of around one year to such timeline though the preparation and work surrounding portfolio optimization continues.

IV. SCHNEIDER SUSTAINABILITY IMPACT

The Schneider Sustainability Impact 2018-2020 is the Group's transformation plan and steering tool measuring progress towards its ambitious sustainability commitments. Details can be found at:
https://www.schneider-electric.com/en/about-us/sustainability/sustainable-performance/barometer.jsp

In Q2, the Schneider Sustainability Impact reaches a score of **7.71** out of 10, as the Group continues to execute its three-year sustainability plan.

V. SHARE BUYBACK

On February 14, 2019, the Group initiated a new €1.5bn to €2.0bn share buyback program over 3 years (2019-2021). Schneider Electric suspended the buyback of its shares aligned with the withdrawal of its 2020 guidance pursuant to its March 23, 2020 communication. €316 million of buyback had been completed prior to the suspension of the program.

As of the date of this release, the Group has re-established targets for 2020 and the share buyback program is no longer suspended. The Group notes the economic uncertainties that continue into H2 2020 and will act accordingly, taking a cautious approach in implementing its existing buyback program in the coming months.

VI. CORPORATE GOVERNANCE

In pursuance of the amendment of the Articles of Association approved by the shareholders at the General Meeting held on April 23, 2020 allowing the appointment of the second employee representative by the European Works Council, Schneider Electric's board of directors will include a new member, Ms. Rita Felix, as second director representing the employees. Ms. Rita Felix, 37 years old, a Portuguese national, has been working in the Group for 8 years and is currently Product Manager Officer (PMO) and Inside Sales Director. Given Rita Felix' interest in human resources topics and her experience as a member of the European Works Council for more than two years, she is joining the Human Resources & CSR committee.

Schneider Electric's board of directors now comprises 14 directors out of which 3 are employees.

VII. DIVIDEND

The dividend payment of €2.55 per share for Fiscal Year 2019 was paid on May 7, 2020.

The dividend payment for Fiscal Year 2020 will be on May 12, 2021.

VIII. H2 2020 EXPECTED MARKET TRENDS

The Group recognizes the ongoing uncertainty and challenges relating to the continuing global health and economic crisis. It is hard to predict whether there might be another significant lockdown in major economies following a second wave of contagion. On the assumption that is not the case, the Group currently expects the following trends in H2 2020:

- In North America, the Group recognizes the uncertainty presented by a strong increase in contagion in several states in the South and West of the U.S. and associated containment measures resulting in a mixed picture across the country. The Group notes strong economic data related to residential construction and robust demand in data center end-market. Though several segments show pockets of resilience linked to digitization and services, the overall demand remains challenged. The Group expects continued softness in Mexico.
- The Group expects China to continue the growth trend commenced in Q2, with a continuation of economic recovery led by OEM and Data Center end-markets, and with pick-up in Infrastructure and Construction in H2.
- For the rest of Asia Pacific, the Group expects India to remain impacted in H2 based on increasing levels of contagion resulting in recent resurgence of lockdowns. South East Asia and countries in the Pacific could see improvement in economic activity though varied by country.
- The Group expects major Western Europe economies to progressively recover in H2, with rate and strength of recovery varied by country.
- The Group expects continued softness in the Rest of the World, although with some pockets of optimism. A high base of comparison in Industrial Automation is noted for H2.

IX. 2020 TARGETS

Following the resilient H1 and acknowledging the uncertain macro-economic trends, the Group re-establishes targets for FY 2020 as it deploys its strategic priorities in key markets to drive towards its medium-term ambition.

In the current context, the Group notes the inherent uncertainty around the impact of the ongoing crisis and the possibility of second waves of lockdowns and contagion in several countries. Based on the current economic climate, the Group sets targets for 2020 as follows:

- Revenue expected to be between -7% to -10% organic
- Adjusted EBITA margin expected to be between -50bps to -90bps organic, implying Adjusted EBITA margin between 14.5% to 15.0% (including scope and FX based on current estimation)

Further notes on 2020 available in appendix

X. ACROSS CYCLE & MEDIUM-TERM AMBITION REITERATED

Schneider Electric believes that its strategy and positioning is well oriented to drive strong and profitable growth across the economic cycle. The Group believes it is well positioned in most of its end-markets and with its portfolio for growing in a post COVID-19 world, with possible additional benefit from government stimulus actions across the world. The Group would therefore share its across cycle and medium-term ambition as follows:

- Organic revenue growth of between +3% to +6%, on average across the cycle
- Achieve higher margins with a first step of moving adjusted EBITA margin to around 17% by 2022 (at 2019 constant currency)
- Free cashflow to be around €3 billion, on average across the cycle

****

The financial statements of the period ending June 30, 2020 were established by the Board of Directors on July 28, 2020 and certified by the Group auditors on that date.

The Q2 2020 & H1 2020 Results presentation is available at www.se.com

Q3 2020 Revenues will be presented on October 22, 2020.

Disclaimer: All forward-looking statements are Schneider Electric management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. For a detailed description of these factors and uncertainties, please refer to the section "Risk Factors" in our Annual Registration Document (which is available on www.se.com). Schneider Electric undertakes no obligation to publicly update or revise any of these forward-looking statements.

About Schneider Electric

At Schneider, we believe **access to energy and digital** is a basic human right. We empower all to **make the most of their energy and resources**, ensuring **Life Is On** everywhere, for everyone, at every moment.

We provide energy and automation digital solutions for efficiency and sustainability. We combine world-leading energy technologies, real-time automation, software and services into integrated solutions for Homes, Buildings, Data Centers, Infrastructure and Industries.

We are committed to unleash the infinite possibilities of an open, global, innovative community that is passionate about our **Meaningful Purpose, Inclusive and Empowered** values.

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Appendix – Further notes on 2020

- **Foreign Exchange impact:** Based on current rates, the FX impact on FY 2020 revenues is estimated to be between -€500 million to -€600 million. The FX impact at current rates on adjusted EBITA margin could be between -30bps to -40bps
- **Scope:** Around -€300 million on 2020 revenues and c.+20bps on 2020 Adj. EBITA margin
- **Tax rate:** The ETR is expected to be in a 22-24**%** range in 2020
- **Restructuring:** The Group expects additional restructuring costs of between €400 - €500 million in aggregate over three years (2020-2022) due to COVID-19 in addition to a base level of restructuring similar to 2019, taking the total level of expected restructuring costs in this period to between €1.15 - €1.25 billion
- **Industrial Productivity:** The Group expects industrial productivity in 2020 to be heavily impacted by the volume decreases and additional costs brought about by COVID-19. Over a three-year period (2020-2022) the Group now expects Industrial Productivity of around €1 billion

Appendix – Revenues breakdown by business

Second quarter 2020 revenues by business were as follows:

€ million	**Q2 2020**				
	Revenues	**Organic growth**	**Changes in scope of consolidation**	**Currency effect**	**Reported growth**
Energy Management	4,372	-15.4%	-1.8%	-0.8%	-18.0%
Industrial Automation	1,373	-10.4%	-0.2%	-1.4%	-12.0%
Group	**5,745**	**-14.2%**	**-1.5%**	**-1.0%**	**-16.7%**

Half year 2020 revenues by business were as follows:

€ million	**H1 2020**				
	Revenues	**Organic growth**	**Changes in scope of consolidation**	**Currency effect**	**Reported growth**
Energy Management	8,755	-11.0%	-2.0%	-0.1%	-13.1%
Industrial Automation	2,820	-8.9%	-0.5%	-0.5%	-9.9%
Group	**11,575**	**-10.5%**	**-1.7%**	**-0.1%**	**-12.3%**

Appendix – Consolidation

In number of months	Acquisition /Disposal	2019				2020			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Pelco Energy Management Business €169 million revenues in FY2018 (ending December 2018)	Disposal	3m	1m						
U.S. Panel offer Industrial Automation Business €80 million of annualized revenues	Disposal	3m							
Converse Energy Projects Energy Management Business ~ €140 million revenues in FY 2019 (ending December 2019)	Disposal	3m	3m	3m	3m				
Electroshield Samara Energy Management Business ~ €145 million revenues in FY 2019 (ending December 2019)	Disposal	3m	3m	3m	3m				

Appendix – Gross Margin, Analysis of Change

	H1
	Gross Margin
H1 2019 GM	39.4%
Volume	0.0pts
Net Price	+0.6pts
Productivity	+0.3pts
Mix	+0.2pts
R&D & Production Labor Inflation	-0.2pts
FX	-0.1pts
Scope & Others	-0.3pts
H1 2020 GM	**39.9%**

Appendix - Results breakdown by business

€ million		H1 2019	H1 2020	Organic
Energy Management	*Revenues*	10,072	8,755	
	Adjusted EBITA	1,776	1,494	
	Adjusted EBITA margin	17.6%	17.1%	c. -80 bps
Industrial Automation	*Revenues*	3,130	2,820	
	Adjusted EBITA	551	429	
	Adjusted EBITA margin	17.6%	15.2%	c. -200 bps
Corporate	*Central Functions & Digital Costs*	(367)	(347)	
Total Group	*Revenues*	13,202	11,575	
	Adjusted EBITA	1,960	1,576	
	Adjusted EBITA margin	14.8%	13.6%	-130 bps

Appendix – Adjusted Net Income & EPS

Key figures (€ million)	**H1 2019**	**H1 2020**	**Change**
Adjusted EBITA	**1,960**	**1,576**	**-20%**
Amortization of purchase accounting intangibles	(88)	(86)	
Financial Costs	(140)	(172)	
Income tax with impact from adjusted items	(386)	(317)	
Discontinued ops	4	-	
Equity investment & Minority Interests	(10)	(6)	
Adjusted Net Income (Group share)	**1,340**	**995**	**-26%**
Adjusted EPS (€)	**2.42**	**1.80**	**-26%**

In H2 2019, the Group changed its definition of Adjusted Net Income, which includes the adjusted EBITA, PPA amortization (excluding impairment), net financial income & loss, income tax expense on the above at the effective tax rate, discontinued operations net income, share of profit & loss of associates and impact of non-controlling interests. This enables the Adjusted Net Income to be more transparently derived from the financial statements. The H1 2019 Adjusted Net Income has been restated to reflect the revised definition, resulting in an increase of +€85 million compared to the published figure. The Adjusted EPS for H1 2019 improves by €0.15.

Appendix – Free Cash Flow and Net Debt

Analysis of debt change in €m	H1 2019	H1 2020
Net debt at opening at Dec. 31	**(5,136)**	**(3,792)**
Operating cash flow	1,791	1,459
Capital expenditure – net	(380)	(339)
Operating cash flow, net of capex	**1,411**	**1,120**
Change in trade working capital	(381)	178
Change in non-trade working capital	(193)	(333)
Free cash flow	**837**	**965**
Dividends	(1,333)	(1,427)
Acquisitions – net	(74)	(140)
Net capital increase	(76)	(50)
FX & other (incl. IFRS 16)	(297)	(326)
(Increase) / Decrease in net debt	**(943)**	**(978)**
Net debt at Jun. 30	**(6,079)**	**(4,770)**

"

Press release of 25 August 2020 on Schneider Electric full endorsement of AVEVA's proposed acquisition of OSIsoft

"**Schneider Electric fully endorses AVEVA's proposed acquisition of OSIsoft**

Rueil-Malmaison (France), August 25, 2020 – Schneider Electric, the global leader in digital transformation of energy management and automation, fully endorses the transaction announced today by AVEVA regarding its proposed acquisition of OSIsoft for a consideration of $5bn.

Schneider Electric is AVEVA's majority shareholder with 60.2% ownership and board representation, and fully consolidates AVEVA in its group financial statements. Schneider Electric believes this represents the next step in AVEVA's evolution. This acquisition will provide significant value to industrial customers as well as across Schneider Electric's other end-markets: Building, Infrastructure and Data Center. The details and rationale of the transaction have been shared in AVEVA's press release today available on their website https://investors.AVEVA.com/

In 2018, Schneider Electric merged its industrial software business with AVEVA to create a unique value proposition for customers in the process and hybrid industries. Since then, Schneider Electric has supported AVEVA's expansion, including into new end-markets and geographies. The merger has been successful and has been creating value for both companies, continuing to deliver strong growth and synergies for both AVEVA and Schneider, with AVEVA now part of the FTSE 100.

Strategic Context of the Transaction

- The transaction announced today is aligned with Schneider Electric's strategic vision to grow its suite of best-in-class, end-to-end software. The Group remains committed to helping customers on their digital transformation journey to drive sustainability, efficiency and resiliency.
- OSIsoft's PI System is a leading platform for data acquisition and data structuring for its customers, specialized on the mission-critical applications on which AVEVA and Schneider are focused. It delivers aggregation and visualization of real-time sensor, actuator and control data in an open infrastructure to support best-of-breed ecosystems. It is scalable, supporting small to enterprise-wide deployments.

- This agnostic data ingestion and structuring layer complements Schneider Electric's existing software portfolio which covers the full lifecycle from **Design & Build**, including AVEVA's Unified Engineering platform, RIB and IGE-XAO, to **Operate & Maintain**, including AVEVA's Asset Performance and Planning & Operations applications and the targeted Ecostruxure Advisors developed by Schneider. These capabilities are delivered on the edge and on the cloud depending on technology and customer preference.
- The acquisition of OSIsoft by AVEVA reinforces its position as a leading agnostic Industrial IOT software player while retaining the culture, speed and business model of a software company.
- With this transaction, Schneider Electric will have enhanced offerings across the life cycle in all its end-markets with an unparalleled portfolio of industrial software for long-term revenue growth.
- The Group remains focused on growing its Software and Service revenue which represented 17% of group revenues in H1 2020. Such revenues have higher level of resiliency and proportion of subscription/recurring revenue. The OSIsoft transaction is expected to be around 30bps margin accretive to Adj EBITA based on LTM (12 months to June 30, 2020).

Commenting on the transaction, Jean-Pascal Tricoire, Chairman and CEO said: *"All of our customers are focused more than ever on their digitization agenda on which AVEVA and Schneider have been partnering to deliver solutions which range from "control agnostic" to fully integrated "plug-and-play". Always targeting mission critical applications, we have built a full portfolio of capabilities with the clear objective to bridge the world of Design & Build and the world of Operate & Maintain, collecting an ever-growing amount of data.*
OSIsoft and its renowned PI System bring along the needed capability of a reference and agnostic platform for data acquisition and structuring - across the whole life of the installations which are at the core of our focus. At a consolidated Group level, we plan to bring OSIsoft teams access to new geographies, new segments, new customers, and create value from connecting data to the unparalleled set of applications from AVEVA- and Schneider portfolio of software."

Further Information

- Schneider Electric has agreed to guarantee c.60% of the AVEVA bridge loan to equity and has committed to subscribe its pro-rata share (c.$2.1bn) of the proposed AVEVA rights-issue to fund the transaction.
- Schneider Electric acknowledges a marginal dilution of its stake in AVEVA to c.57% due to the structure of the transaction and the merits of having OSIsoft's founder, Dr. J. Patrick Kennedy, as a key stakeholder. The Group continues to believe that a majority shareholding in an agnostic software company is important to drive revenue synergies
- The additional consolidated long-term debt at Group level is limited to $900m and the Group remains attached to maintaining a solid investment grade credit rating.
- The Group's capital allocation policy of M&A in the core, disposal of non-core activities and dividend remain unchanged.
- In light of the economic uncertainties and the effects of the proposed transaction, Schneider Electric expects to put its current share buy-back program on hold in the near term, though it commits to neutralise its employee share plans.

AVEVA has arranged a conference call at 08.30am UK time to discuss the transaction, details are available in AVEVA's press release. In addition, Schneider Electric will host a call from 10.15am to 11:00am UK time to discuss its perspective on the transaction and take questions from analysts and investors. Dial in details for the Schneider Electric's call at 10.15am UK time are:

UNITED KINGDOM:	+ 44-20-7950-6551
FRANCE:	+ 33-1-70-75-25-35
USA:	+ 1-210-795-1143 or toll free +1 866-297-1588
Passcode: 6680923	

JP Morgan is acting as financial advisor to Schneider Electric.

About Schneider Electric

At Schneider, we believe **access to energy and digital** is a basic human right. We empower all to **make the most of their energy and resources**, ensuring **Life Is On** everywhere, for everyone, at every moment.

We provide energy and automation digital solutions for efficiency and sustainability. We combine world-leading energy technologies, real-time automation, software and services into integrated solutions for Homes, Buildings, Data Centers, Infrastructure and Industries.

We are committed to unleash the infinite possibilities of an open, global, innovative community that is passionate about our **Meaningful Purpose, Inclusive and Empowered** values.

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Press release of 31 August 2020 on Schneider Electric completing the transaction to combine its Low Voltage and Industrial Automation business in India with Larsen & Toubro's Electrical & Automation business

"**Schneider Electric completes transaction to combine its Low Voltage and Industrial Automation business in India with Larsen & Toubro's Electrical & Automation business**

Rueil-Malmaison (France), August 31, 2020 – Further to the announcement made on 1st May 2018, Schneider Electric, the global leader in digital transformation of energy management and automation, is pleased to announce that it has successfully completed the transaction to combine Schneider Electric India's Low voltage and Industrial Automation Products business and Larsen and Toubro ("L&T") Electrical and Automation business.

Schneider Electric holds 65% of the combined business, while Temasek, a global investment company headquartered in Singapore, holds the remaining stake.

With closing of the transaction, India is set to become the third largest country of Schneider Electric in terms of revenues and one of its key global innovation and manufacturing hubs.

The Combined Business would be fully consolidated in the Group's accounts.

About Schneider Electric

At Schneider, we believe **access to energy and digital** is a basic human right. We empower all to **do more with less**, ensuring **Life Is On** everywhere, for everyone, at every moment.

We provide **energy and automation digital** solutions for **efficiency and sustainability**. We combine world-leading energy technologies, real-time automation, software and services into integrated solutions for Homes, Buildings, Data Centers, Infrastructure and Industries.

We are committed to unleash the infinite possibilities of an **open, global, innovative community** that is passionate with our Meaningful **Purpose, Inclusive and Empowered** values.
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Press release of 22 October 2020 on Schneider Electric third quarter revenues for the period ending 30 September 2020

"STRONG REBOUND IN Q3 2020; REVENUE UP +1.3% ORGANIC
FULL YEAR 2020 TARGETS UPGRADED

- ***Both businesses and all regions contributing to sequential improvement***
  - ***Energy Management up +2.5% org.; U.S. +2% org., China +12% org., W. Europe +1% org. and RoW +1% org.***
  - ***Industrial Automation down -2.5% org.; Discrete automation growing mid-single digit, Process & hybrid down largely on account of process markets globally; Services up mid-single digit***
- ***Pricing actions supporting organic growth in products business***
- ***Software & Services showing resilience with AVEVA impacted in Q3 due to timing and high base of comparison***
- ***Uncertainty on Q4 2020 remains with an acceleration of COVID-19 cases in several geographies***
- ***Full year 2020 Targets upgraded***

Rueil-Malmaison (France), October 22, 2020 - Schneider Electric announced today its third quarter revenues for the period ending September 30, 2020.

Jean-Pascal Tricoire, Chairman and CEO commented: *"During the third quarter, Schneider rebounded strongly, returning to growth in many economies exiting the strict lockdowns we saw in Q2.*

We saw a progressive recovery across the business throughout the quarter, which was boosted, in part, by pent-up demand from past orders and re-stocking in our distribution channels.

In respect of financial performance, Energy Management is back to growth across all four geographies. In Industrial Automation, short-cycle OEM performed strongly in the quarter while mid to late cycle demand remains impacted by the economic cycle and COVID-19 crisis.

While COVID-19 contagion levels continue to contribute toward uncertainty for Q4, the crisis has reinforced our customer's agenda for sustainability and digitization, both areas where Schneider has focused its strategy, accelerating adoption of our full suite of digital solutions to serve these growing needs. We remain focused on the execution of our strategic priorities of more products, more services, more software and better systems across our two synergetic businesses.

We also had an active Q3 in terms of M&A with the completion of the acquisitions of L&T E&A, RIB Software and ProLeiT, and the announcement by our subsidiary, AVEVA, of the signing of OSIsoft. A key priority for us is integrating these offers into our compelling portfolio for the benefit of our customers.

As a result of the strong third quarter performance, and factoring the uncertainties for Q4, we are upgrading our Full Year 2020 targets set out in July 2020 and remain committed to our 2022 adjusted EBITA margin ambition of around 17%."

I. THIRD QUARTER REVENUES WERE UP +1.3% ORGANICALLY

2020 Q3 revenues were **€6,458 million**, up **+1.3%** organically and down -2.8**%** on a reported basis.

Products grew mid-single digit organic in Q3, benefiting from offers for Residential & Small buildings and from offers for discrete industrial markets through our multi-local approach and unrivaled partner network. Products grew across most geographies partly impacted by distributor restocking.

Systems (projects and equipment) decreased mid-single digit organic in Q3. Industrial Automation contracted more than Energy Management. The Group continues to focus on ensuring profitable growth in systems.

Software & Services is down low-single digit in Q3 driven by a high base of comparison in Software and the impact of timing of specific projects of AVEVA that were pushed into Q4. Services were up in the quarter with contribution

from both businesses. Field technicians progressively were able to return to sites in Q3. The Group continues to implement its strategy to service its installed base across electro-intensive customers and critical infrastructures.

Digital update: The Group continues to make good progress in the growth of assets under management (AuM), reaching 3.8 million, up +46% year-on-year by the end of September 2020.

The breakdown of revenue by business and geography was as follows:

€ million		Q3 2020		
		Revenues	**Organic Growth**	**Reported Growth**
Energy Management	North America	1,582	+2.1%	-3.2%
	Western Europe	1,238	+1.1%	+0.1%
	Asia Pacific	1,475	+4.9%	+3.1%
	Rest of the World	710	+1.2%	-11.8%
	Total Energy Management	**5,005**	**+2.5%**	**-2.0%**
Industrial Automation	North America	276	-7.0%	-13.5%
	Western Europe	404	-9.7%	-9.5%
	Asia Pacific	534	+5.5%	+4.8%
	Rest of the World	239	-0.3%	-9.3%
	Total Industrial Automation	**1,453**	**-2.5%**	**-5.6%**
Group	North America	1,858	+0.6%	-4.9%
	Western Europe	1,642	-1.8%	-2.5%
	Asia Pacific	2,009	+5.1%	+3.5%
	Rest of the World	949	+0.8%	-11.2%
	Total Group	**6,458**	**+1.3%**	**-2.8%**

€ million		9m YTD 2020		
		Revenues	**Organic Growth**	**Reported Growth**
Energy Management	North America	4,497	-5.9%	-7.5%
	Western Europe	3,435	-6.0%	-8.2%
	Asia Pacific	3,877	-7.5%	-8.8%
	Rest of the World	1,951	-7.2%	-16.2%
	Total Energy Management	**13,760**	**-6.6%**	**-9.3%**
Industrial Automation	North America	843	-10.5%	-12.3%
	Western Europe	1,245	-12.2%	-13.2%
	Asia Pacific	1,482	-2.7%	-2.7%
	Rest of the World	703	+0.0%	-6.2%
	Total Industrial Automation	**4,273**	**-6.8%**	**-8.5%**
Group	North America	5,340	-6.6%	-8.3%
	Western Europe	4,680	-7.8%	-9.6%
	Asia Pacific	5,359	-6.2%	-7.2%
	Rest of the World	2,654	-5.4%	-13.7%
	Total Group	**18,033**	**-6.6%**	**-9.1%**

GOOD PERFORMANCE IN ENERGY MANAGEMENT IN Q3 UP +2.5% ORG.

Energy Management returned to positive organic growth in all regions led by Asia Pacific and North America. This growth was stronger towards the end of the quarter. Restocking, as noted at the end of Q2, continued as underlying markets improved. Price increases also supported the organic growth in the quarter.

- **Buildings** – Residential construction continued its positive trend from the end of Q2 in both new build and Renovation, Maintenance, Improvement helped by increased consumer spending and working from home trends. Areas of resilience noted earlier this year including Hospitals/Healthcare, Life Science and Digital Buildings remained solid. Commercial & Industrial Building (CIB) activity restarted in most regions after sites had been closed during lockdowns.
- **Data Center (DC)** – DC demand continued to remain strong helped by increased internet traffic, digitization trends and surge in video/virtual meeting platforms. Sales continue to be impacted by the high base of comparison in 2019, particularly for hyper-scale DC. Edge computing is experiencing strong demand across geographies due to the need for reduced latency, higher fidelity and data-security.
- **Infrastructure** – Electric utility networks has remained a strong area for investment with government/private utilities ensuring the stability of their grids and supply during COVID-19 while also increasingly focusing on sustainability factors. The Group experienced good demand of its Smart Grid offers. Marine, Mobility and Water & Wastewater (WWW) segments were negatively impacted by COVID-19.

  Industry – Oil & Gas (O&G) and Metals, Mining & Minerals (MMM) remain impacted due to lower levels of capital investment. The Group continues to offer OpEx solutions to drive efficiency and sustainability for customers. The level of Field services is being normalized as the lockdowns have eased and customers are focused on ensuring real time data and resilience from their installations.

Trends for Energy Management, by geography:

North America (32% of Q3 revenues) was up +2.1% organically, with a particularly strong end to the quarter. Performance was driven by the U.S. which delivered solid revenue growth; Canada saw mid-single digit growth in the quarter, while Mexico was slightly down. Residential offers have continued to strengthen since the lockdowns of Q2. Non-residential markets have witnessed quick restarts since easing of lockdowns as well as increased demand for digital offerings linked to health and safety. The Data Center end-market continues to be impacted by the high base of comparison from hyperscale. Supply chain issues relating to COVID-19 highlighted in the earlier part of this year are largely resolved and capacity is being normalized to meet demand. Field services have started to return to normal but in some cases site access is still not fully open.

Western Europe (25% of Q3 revenues) posted organic growth of +1.1% in Q3, as the major economies of the region continued their rebound from the effects of COVID-19 in Q2. Within the quarter, monthly performance was relatively stable. In the major economies of the region, Germany saw solid growth, benefitting from good traction in residential and driven by specific projects, while the U.K. was around flat with good performance in the Data Center end-market offset by softer demand in residential. France, Italy and Spain were down slightly, but showed significant sequential improvement in Q3 versus Q2, with contrasted performance across end-markets. In France, offers for the residential segment grew well, while the CIB market remained more challenged. Sales into the Data Center end-market grew well, and Field services showed good traction as engineers returned to the field, growing high single digit. Italy and Spain saw good performance in residential offers, but not fully offsetting the continued softness in non-residential offers. The resilient regional performance was further boosted by strong growth in Switzerland, Denmark and Ireland.

Asia-Pacific (29% of Q3 revenues) was up +4.9% organically in Q3 and showing sequential improvement as the quarter progressed. The region benefitted from the continuation of the economic recovery in China which began in Q2, and from a strong rebound (double-digit) in India. China is up double-digit for the quarter. Delixi (the Group's non-consolidated subsidiary in China) recorded high double-digit growth. Australia delivered a flat performance for the quarter impacted by the lockdown in the state of Victoria. In other parts of the region, Singapore and South Korea saw good growth while Japan, Philippines and Vietnam were weak. Indonesia was negatively impacted on account of delayed investment plans of large customers. Residential offers were strong across most countries helped by distributors restocking. Data center demand remained robust.

Rest of the World (14% of Q3 revenues) showed solid performance through the third quarter, growing +1.2% organic, however contrasted between countries as expected. CIS grew well, mostly coming from Russia. South America also saw good growth, including strong demand for MV/LV products in Brazil & supported by Argentina and Peru. Africa was slightly up, mainly driven by project execution in Egypt. In the Middle East, revenues were down low-single digit, with Gulf countries impacted by delays in execution of projects, partly offset by good demand in Turkey across all technologies. Central and Eastern Europe was also down, in part impacted by MV offers performance.

INDUSTRIAL AUTOMATION -2.5% ORG. GROWTH IN Q3 WITH GROWTH IN DISCRETE MARKETS WHILE PROCESS AND HYBRID MARKETS REMAIN CHALLENGED

The Group delivered -2.5% organic growth in Industrial Automation in Q3, impacted by continued softness in Process & Hybrid end markets and a high base of comparison in Software, while Discrete markets recovered well.

- The Quarter reflected the evolution of the economic cycle coupled with the impact of the COVID-19 crisis. The business benefited from its balanced portfolio: a strong performance in Discrete offers during the quarter in most geographies while Process & Hybrid markets were down.
- AVEVA Software revenues decreased in the quarter due to high base of comparison and some slippage into Q4.
- Certain segments such as MMM, WWW and Consumer-Packaged Goods (CPG) proved more resilient. Demand from O&G was weighed down by COVID-19and the impact of oil prices. The Group continues to offer OpEx solutions combining Schneider Electric and AVEVA solutions to drive efficiency and sustainability for customers.

Trends for Industrial Automation, by geography:

North America (19% of Q3 revenues) was down -7.0% organic in Q3, showing a sequential improvement against the trough of Q2 performance but remaining inhibited by softness in mid/late-cycle demand. By country, U.S. was down low-single digit, contrasted between good demand for products in Discrete automation and continued good performance of industrial software, offset by weakness in demand from Process and Hybrid industries. Canada and Mexico both saw continued weakness, with revenues down across the full line of Automation offers. Canada has seen some recovery in MMM markets while Mexico remains impacted by on-going COVID-19 issues.

Western Europe (28% of Q3 revenues) was down -9.7% organic over Q3, with each of the major economies of Germany, U.K., France, Italy and Spain down. Italy and Germany were most impacted with sales to Discrete end-markets remaining weak but showed some improvement against Q2 performance with pockets of resilience seen in Process & Hybrid markets. Italy continued to be impacted by the ongoing COVID-19 related manufacturing slowdown. France, Spain and the U.K. performed relatively better while still down, with Spain improving sequentially through Q3 and France having a good performance towards the end of the quarter, with the quarter impacted by project phasing.

Asia-Pacific (37% of Q3 revenues) was up +5.5% organic for the quarter with demand in China more than offsetting weakness elsewhere in the region. China was up strong double-digit in Q3 with OEM continuing to lead the organic growth supported by good underlying domestic demand and recovering export markets. In Australia performance was significantly impacted by the lockdown in the state of Victoria. India showed significant improvement through the quarter after a very difficult Q2. Japan and South Korea were down.

Rest of the World (16% of Q3 revenues) was down -0.3% organic, performing well against a high (double-digit) base of comparison from Q3'19 with strong growth driven by discrete automation offers more than offsetting continued softness in Process & Hybrid markets. CIS grew strongly, driven by Industrial markets in Russia, while South America posted good growth across several countries, notwithstanding the high base of comparison mainly in demand from Brazil in CPG and MMM segments. Middle East and Africa each proved resilient, delivering results that were around flat. Africa was up slightly, showing good resilience across automation offers, while the Middle East was down slightly against a high base of comparison in the Gulf countries, OEM sales in Turkey grew. Central Europe was down.

II. CONSOLIDATION[6] AND FOREIGN EXCHANGE IMPACTS IN Q3

Net acquisition / disposals had an impact of **+€24 million** or **+0.4%**. This includes the disposal of Converse Energy Projects and the deconsolidation of Electroshield Samara along with the acquisition of RIB Software, L&T E&A and ProLeiT.

The impact of foreign exchange fluctuations was negative at **-€296 million** or **-4.5%**, primarily due to the strengthening of the EUR against the USD and new economies' currencies.

Based on current rates, the FX impact on FY 2020 revenues is estimated to be between **-€600 to -€700 million**. The FX impact at current rates on adjusted EBITA margin could be at the higher end of the **-30bps to -40bps** range.

III. SCHNEIDER SUSTAINABILITY IMPACT

The Schneider Sustainability Impact 2018-2020 is the Group's transformation plan and steering tool measuring progress towards its ambitious sustainability commitments. Details can be found at:

https://www.se.com/en/about-us/sustainability/sustainable-performance/barometer.jsp

In Q3, the Schneider Sustainability Impact posted a strong reading of **8.63** out of 10 (up from 7.71/10 in H1). The Group believes it is well on its way to achieving its year-end sustainability targets of at least 9/10.

The Group will unveil its new 5-year SSI as part of a **Virtual ESG investor event on November 16, 2020**.

IV. PORTFOLIO UPDATES

Acquisitions:

- As announced on August 4, 2020, the Group finalized the acquisition of ProLeiT. This bolt-on acquisition enhances Schneider Electric's offering in the CPG segment with a specific focus on Food & Beverage, Chemical and Lifesciences. ProLeit is consolidated in the Group Accounts from August 1st, 2020 within the Industrial Automation business.

- As announced on August 25, 2020, Schneider Electric fully endorsed the transaction announced by its subsidiary AVEVA regarding AVEVA's proposed acquisition of OSIsoft for a consideration of $5 billion.

  The prospectus is expected to be issued in November and the deal is expected to close at or around the end of the year.

- As announced on August 31, 2020 Schneider Electric completed the transaction to combine Schneider Electric India's Low Voltage and Industrial Automation Products business and Larsen and Toubro ("L&T") Electrical and Automation business. Schneider Electric holds 65% of the combined business, while Temasek, a global investment company headquartered in Singapore, holds the remaining stake. With closing of the transaction, India is set to become the third largest country of Schneider Electric in terms of revenues and one of its key global innovation and manufacturing hubs. Schneider Electric's cash contribution for the transaction was around €950 million. The combined business is fully consolidated in the Group's accounts starting from September 1st.

Disposals:

The Group remains committed to its portfolio optimization program for disposals/deconsolidation of revenues of € 1.5bn to € 2bn. There is no significant disposal to report in 2020 further to the revenues of €0.6 billion disposed in

[6] *Changes in scope of consolidation also include some minor reclassifications of offers among different businesses.*

2019. The initial timeline for this portfolio optimization program was originally by 2021. In light of the COVID-19 crisis, and as already stated during H1 results, the Group expects a delay of around one year to this timeline though the preparation and work surrounding portfolio optimization continues.

V. 2020 FISCAL YEAR DIVIDEND CALENDAR

Dividend ex-date:	May 10, 2021
Date of approval of the positions:	May 11, 2021
Dividend payment dates:	May 12, 2021

VI. 2020 TARGETS

The Group established revised 2020 targets together with its HY results in July 2020 to provide transparency whilst recognizing the ongoing uncertainty and challenges relating to the continuing global health and economic crisis. Given the acceleration of COVID-19 cases in various geographies, the Group recognizes there remains uncertainty in its Q4 results. Given the strong performance in Q3, the Group upgrades its 2020 targets as follows:

- Revenue expected to be between -5% to -7% organic [previously between -7% to -10%]
- Adjusted EBITA margin expected to be between -20bps to +10bps organic [previously -90bps to -50bps], implying Adjusted EBITA margin of around 15.1% - 15.4% (including scope and FX based on current estimation)

Further notes on 2020 available in appendix

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The 2020 Q3 revenues presentation is available at www.se.com

The 2020 Full Year Results will be presented on February 25, 2021.

Disclaimer: All forward-looking statements are Schneider Electric management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. For a detailed description of these factors and uncertainties, please refer to the section "Risk Factors" in our Annual Registration Document (which is available on www.se.com). Schneider Electric undertakes no obligation to publicly update or revise any of these forward-looking statements.

About Schneider Electric: Schneider's purpose is to **empower all to make the most of our energy and resources, bridging progress and sustainability** for all. We call this **Life Is On**.

Our mission is to be your **digital partner for Sustainability and Efficiency**.

We drive digital transformation by integrating world-leading process and energy technologies, end-point to cloud connecting products, controls, software and services, across the entire lifecycle, enabling integrated company management, for homes, buildings, data centers, infrastructure and industries.

We are the **most local of global companies**. We are advocates of open standards and partnership ecosystems that are passionate about our shared **Meaningful Purpose, Inclusive and Empowered** values.

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Appendix – Further notes on 2020

- **Forex Exchange impact**: Based on current rates, the FX impact on FY 2020 revenues is estimated to be between -€600 million to -€700 million. The FX impact at current rates on adjusted EBITA margin could be at the higher end of -30bps to -40bps range.
- **Scope**: Around -€50 million on 2020 revenues and between +10bps to +20bps on 2020 Adj. EBITA margin
- **Tax rate**: The ETR is expected to be in a 22-24% range in 2020.

Appendix – Revenues breakdown by business

Third quarter 2020 revenues by business were as follows:

€ million	Q3 2020				
	Revenues	**Organic growth**	**Changes in scope of consolidation**	**Currency effect**	**Reported growth**
Energy Management	5,005	+2.5%	+0.1%	-4.6%	-2.0%
Industrial Automation	1,453	-2.5%	+1.3%	-4.4%	-5.6%
Group	**6,458**	**+1.3%**	**+0.4%**	**-4.5%**	**-2.8%**

9m YTD 2020 revenues by business were as follows:

€ million	9m YTD 2020				
	Revenues	**Organic growth**	**Changes in scope of consolidation**	**Currency effect**	**Reported growth**
Energy Management	13,760	-6.6%	-1.3%	-1.4%	-9.3%
Industrial Automation	4,273	-6.8%	+0.1%	-1.8%	-8.5%
Group	**18,033**	**-6.6%**	**-1.0%**	**-1.5%**	**-9.1%**

Appendix – Consolidation

In number of months	Acquisition/ Disposal	2019 Q1	Q2	Q3	Q4	2020 Q1	Q2	Q3	Q4
Pelco Energy Management Business €169 million revenues in FY2018 (ending December 2018)	Disposal	3m	1m						
U.S. Panel offer Industrial Automation Business €80 million of annualized revenues	Disposal	3m							
Converse Energy Projects Energy Management Business ~ €140 million revenues in FY 2019 (ending December 2019)	Disposal	3m	3m	3m	3m				
Electroshield Samara Energy Management Business ~ €145 million revenues in FY 2019 (ending December 2019)	Disposal	3m	3m	3m	3m				
Larsen & Toubro E&A Mainly Energy Management Business	Acquisition							1m	3m
RIB Software Energy Management Business ~ €214 million revenues in FY 2019	Acquisition							3m	3m
ProLeiT Industrial Automation Business ~ €50 million revenues in FY 2019	Acquisition							2m	3m

"

GENERAL INFORMATION

The section "**General Information**" on pages 104 to 106 of the Base Prospectus is amended as follows:

1. Paragraph (5) is deleted in its entirety and replaced with the following:

"5. Save as disclosed in this Base Prospectus and the information incorporated by reference herein, including with respect to the impact that the health crisis resulting from the COVID-19 may have, there has been no significant change in the financial position or financial performance of the Issuer or the Group since 30 September 2020."

2. Paragraph (6) is deleted in its entirety and replaced with the following:

"6. Save as disclosed in this Base Prospectus and the information incorporated by reference herein, including with respect to the impact that the health crisis resulting from the COVID-19 may have, there has been no material adverse change in the prospects of the Issuer since 31 December 2019."

3. Paragraph (11)(ii) is deleted in its entirety and replaced by the following:

"11. (ii) the 2018 Registration Document, the 2019 Universal Registration Document and the 2020 Half-Year Financial Report;"

4. Paragraph (12)(ii) is deleted in its entirety and replaced with the following:

"12. (ii) the Base Prospectus and the supplements to the Base Prospectus; and"

5. Paragraph (12)(iii) is deleted in its entirety and replaced with the following:

"12. (iii) the documents incorporated by reference in this Base Prospectus (excluding the 2020 Half-Year Financial Report)."

PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE FIRST PROSPECTUS SUPPLEMENT

In the name of the Issuer

I declare, to the best of my knowledge, that the information contained in this First Prospectus Supplement is in accordance with the facts and contains no omission likely to affect its import.

Issued in Rueil-Malmaison, on 5 November 2020

Schneider Electric SE
35, rue Joseph Monier
92500 Rueil-Malmaison
France

Duly represented by:
Véronique Blanc
Senior Vice President Financing and Treasury

Duly authorised

on 5 November 2020

AMF | AUTORITÉ DES MARCHÉS FINANCIERS

Autorité des marchés financiers

This First Prospectus Supplement has been approved on 5 November 2020 by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129.

The AMF has approved this First Prospectus Supplement after having verified that the information it contains is complete, coherent and comprehensible within the meaning of Regulation (EU) 2017/1129.

This approval is not a favourable opinion on the Issuer that is the subject of this First Prospectus Supplement.

This First Supplement obtained the following approval number: n°20-537.