



# Schneider Electric

Extra-financial results Q4 2020

February 11<sup>th</sup>, 2021

## Indicators & objectives 2020 - selection

		Q4 2020	Q3 2020
<b>CLIMATE</b>	120 million metric tons CO <sub>2</sub> saved on our customers' end thanks to EcoStruxure offers	<b>134</b>	118
<b>CIRCULAR ECONOMY</b>	75% of sales under our new Green Premium™ program	<b>76.7%</b>	59%
<b>HEALTH &amp; EQUITY</b>	100% of employees are working in countries that have fully deployed our Family Leave policy	<b>100%</b>	99%
<b>ETHICS</b>	100% of sales, procurement, and finance employees trained every year on anti-corruption	<b>94%</b>	90%
<b>DEVELOPMENT</b>	400,000 Underprivileged people trained in energy management	<b>281,737</b>	263,630

## Highlights of the quarter

### Launch of new 2021-2025 strategy:

- The [new Schneider Sustainability Impact](#) will span 2021-2025 and is built on six long-term commitments, which are set to deliver on each of the United Nations' Sustainable Development Goals. These commitments are to act for a climate-positive world; to be efficient with resources; to live up to its principles of trust; to create equal opportunities; to harness the power of all generations; and to empower local communities.

### Launch of first-ever convertible sustainability-linked bonds

- Schneider Electric launches its [first sustainability-linked bonds convertible](#) into new shares and/or exchangeable for existing shares (OCEANes) due 2026 for a nominal amount of €650 million. The bond is linked to three indicators of the SSI 2021-2025, linked to climate, equality and generation commitments.

### The Tomorrow Rising global campaign: 73 local projects in 67 countries

- [The Tomorrow Rising Fund](#), set up by the Schneider Electric Foundation, for an amount of 4 million euros, has benefited to 1.5 million people.
- Since April 2020, Schneider Electric employees have been highly committed through their donations and more than 5,000 days of volunteer work.

### Record year for ESG rankings and awards

- The Schneider Sustainability External and Relative Index (SSERI) achieved record 100% performance thanks to unmatched leading position in 4 ESG rankings ([DJSI](#), [FTSE4Good](#), [Vigeo Eiris](#) and [CDP Climate Change](#))
- Schneider is the [World's Most Sustainable Corporation](#) according to Canadian media and research company Corporate Knights, among 8,000 companies evaluated
- Schneider is awarded [best 2020 Vigilance plan](#) by multi-stakeholder French association FIR (*Forum pour l'Investissement Responsable*)
- Other notable awards can be found on [our website](#)

Our megatrends and SDGs		Our 21 goals 2018-2020	Overall score out of 10	Beginning 01/2018	Results Q4 2020	Target End 2020
<b>CLIMATE</b>				<b>3</b>	<b>9.32</b>	<b>9</b>
		1. Renewable electricity 2. CO <sub>2</sub> efficiency in transportation 3. Million metric tons CO <sub>2</sub> saved on our customers' end thanks to EcoStruxure offers 4. Increase in turnover for our EcoStruxure Energy and Sustainability Services		--	80% ↑ 8.4% ↑ 134 ↑ 17.6% ↑	80% 10% 120 25%
<b>CIRCULAR ECONOMY</b>						
		5. Sales under our new Green Premium program 6. Sites labeled towards zero waste to landfill 7. Cardboard and pallets for transport packing from recycled or certified sources 8. Metric tons of avoided primary resource consumption through ecoFit, recycling, and take-back programs		30.5% 140 50% --	76.7% ↑ 206 ↑ 99% → 157,588 ↑	75% 200 100% 120,000
<b>HEALTH &amp; EQUITY</b>						
		9. Scored in our <i>Employee Engagement Index</i> 10. Medical incidents per million hours worked 11. Employees have access to a comprehensive well-being at work program 12. Employees are working in countries that have fully deployed our Family Leave policy 13. Workers received at least 15 hours of learning, and 30% of workers' learning hours are done digitally 14. White-collar workers have individual development plans 15. Employees are working in a country with commitment and process in place to achieve gender pay equity		65% 1.15 13% -- -- 32% 89%	69% → 0.58 ↑ 90% ↑ 100% ↑ 90% ↑ 92% ↑ 99.6% ↑	70% 0.88 90% 100% 100% <sup>(1)</sup> 90% 95%
<b>ETHICS</b>						
		16. Increase in average score of ISO 26000 assessment for our strategic suppliers 17. Suppliers under Human Rights & Environment vigilance received specific on-site assessment 18. Sales, procurement, and finance employees trained every year on anti-corruption		-- -- --	+6.3 ↑ 374 ↑ 94% ↑	+5.5 pts 350 100%
<b>DEVELOPMENT</b>						
		19. Turnover of our Access to Energy program 20. Underprivileged people trained in energy management 21. Volunteering days thanks to our VolunteerIn global platform		-- 148,145 --	x1.64 ↑ 281,737 ↑ 18,469 ↑	X4 400,000 <sup>(1)</sup> 15,000

The arrow shows if the indicator has risen, stayed the same or fallen compared to the previous quarter.

The color shows if the indicator is above (green) or below (red) the quarter objective of 9/10

<sup>(1)</sup> See methodological note next page

# Methodological note

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 2020 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. An external auditor provides a limited assurance on the KPIs of the SSI – including the review of the processes used to consolidate the different KPIs. Quarterly results are also available on the Group's website. Each year, the SSI performance impacts short-term incentive plans for more than 60,000 managers (20% of collective share).

Indicator 13 and 20 scores have been adjusted for 2020 to take into account the impact of the pandemic on specific actions such as face to face training not being able to take place. As agreed with external auditors, a 'rule of three' removing one quarter from the calculation has been applied for the annual results for these two indicators only. This means that, in 2020 only, performance for indicator 13 is calculated against a target of 11.25 hours of training (instead of 15 hours) and performance for indicator 20 is calculated against a target of 380,000 (instead of 400,000)

Please note that without these corrections, the 2020 SSI score would have been 9.29/10. These modifications are important to reflect well the work of our teams in an exceptional context, but they do not significantly alter the SSI performance (0.3% change).



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