

Schneider Electric announces strategic investment in Uplight to expand software offer for Utilities and drive sustainability in the new electric world

Rueil-Malmaison (France), March 3, 2021 – Schneider Electric, global leader in the digital transformation of Energy Management and Automation, today announces the agreement to acquire a strategic minority stake in Uplight, Inc. (“**Uplight**”), the technology partner of energy providers transitioning to clean energy.

Uplight, a certified B Corporation, has the goal of 100 million metric tons of CO₂ abatement and to save consumers \$10 billion on their energy bills in the next 5 years. Formed in 2019, Uplight provides Software as a Service (SaaS) solutions to more than 80 regulated utility companies representing 110 million residential, commercial and industrial end-users in North America, becoming ‘the operating system at the grid edge and the new energy ecosystem’. Uplight has long lasting and sticky relationships with its utility customers, driving a high proportion of recurring revenues and strong commercial momentum for further market penetration. Uplight solutions help utilities reduce their baseload by changing consumer behavior and rolling out new programs for energy efficiency and demand reduction. It helps customers reduce their bill while adjusting in real-time to changing grid conditions, renewable supply and EV charging spikes. The transaction values Uplight at c. \$1.5 billion (c. €1.2 billion), around 10x expected 2021 revenue. Uplight expects significant revenue growth in the coming years.

As traditional energy models are increasingly disrupted by thematic shifts toward decarbonization, digitization and decentralization, Schneider Electric continues to ensure its strong positioning as the digital partner to its customers and end-users for efficiency and sustainability. The Group has assembled software enabled offers across its portfolio, including ADMS, DERMS and other specialized software for Grid and off-grid solutions (microgrid). The strategic investment in Uplight provides significant opportunity to further participate in the much-needed digitization of Utilities across the world and Uplight’s enabling software offer is at the crossroads of Smart Grid, Smart Building and Smart Home.

With this ‘future-ready’ strategic partnership, the Group envisions:

- Leveraging this key software technology to enable efficiency and sustainability for utilities customers
- Enhance EcoStruxure Grid offering
- Enable demand response management offer to the benefit of both Utilities and end consumers.
- Scaling Uplight’s technology globally through Schneider Electric channels
- Utilizing Uplight’s marketplace for Schneider Electric’s offers

As part of the agreed transaction, Schneider Electric will acquire a strategic minority stake of c.30% in Uplight. The AES Corporation (“AES”), an existing strategic partner of Uplight, is increasing its investment to also hold c.30%. A group of financial investors, led by Huck Capital and including Coatue and Inclusive Capital Partners, will invest alongside Schneider Electric and AES to acquire substantial equity interests in Uplight, while Rubicon Technology Partners and Uplight management will roll over a portion of their existing equity interests.

Commenting on the transaction, Jean-Pascal Tricoire, Schneider Electric’s Chairman and CEO, said *“Uplight’s software will enhance Schneider Electric’s existing EcoStruxure Grid offering and has further potential to play a key enabling role between Smart Grid, Smart Home and Smart Building. We look forward to investing alongside AES and the other financial investors, who all share our vision of a more digital and more electric world, leading to a sustainable future.”*

The transaction is expected to close in the coming months, subject to receipt of customary regulatory approvals and French social procedures. Upon completion Schneider Electric will account for the investment under the equity method.

Nomura Greentech acted as M&A advisor to Schneider Electric and the group of new investors in this transaction. Debevoise & Plimpton acted as legal advisor to Schneider Electric.

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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