

Executing on our growth commitments



Sustainability and efficiency

Our purpose is to empower all to make the most of our energy and resources, bridging progress and sustainability for all. We want to be the digital partner of our customers for sustainability and efficiency.

2020 progress

We delivered **efficiencies** for our customers:

- During the COVID-19 crisis, Schneider Electric was recognized as mission-critical in over 90 countries, ensuring that hospitals, grids, water, food and beverage and cold chain installations, and mission-critical infrastructure were running and able to adapt to the new reality.
- During lockdowns, we continued to service critical infrastructure thanks to field services teams and remote monitoring capabilities.

We **innovated in sustainability** with:

- Unique SM AirSeT switchgear to avoid using SF₆, the greenhouse gas commonly found in electrical equipment.
- Launch of GreenStruxure with Huck Capital to deliver renewable Energy-as-a-Service contracts for buildings.
- Strategic venture with Verkor in France, to accelerate European battery cell production.
- Green Premium™ program and c.72% of our business labeled as Green Revenues⁽¹⁾.

2021 priorities

- Continue to accompany our customers across the whole life cycle of their assets, portfolios, and installations.
- Focus on delivering our full value proposition to support the future of buildings, homes, data centers, industries, infrastructure, and grid.
- Scale up growth with sustainability and prosumer technologies.



Digital innovation

We believe digital solutions create opportunities to connect the physical and digital world, and combine energy management and automation. Our EcoStruxure™ platform and core innovations help change the way buildings, industries, and cities are designed, built, and operated.

2020 progress

We reinforced our software portfolio across the life cycle, with:

- Voluntary public takeover of **RIB Software** to expand capabilities in building life cycle digitization.
- Announced acquisition of **OSisoft** by AVEVA, connecting customers' real-time industrial data for efficiency.
- Minority investment in **Planon** for Integrated Workplace Management to transform buildings into safe, sustainable, and resilient assets.
- Proposed investment in **ETAP** to design, model, simulate, and optimize critical power systems with digital twins.

We released new innovations at virtual Innovation Summit 2020 World Tour events, including:

- Low-voltage PrismaSeT Active switchboards, using cloud-connectivity to monitor hazardous power losses.
- Ergonomic and connectivity-ready ComPacT breakers and modular plug-and-play accessories.
- EcoStruxure™ Automation Expert to program and run open, virtualized, and interoperable applications for industrial efficiency and resiliency.
- New digital services and software, such as EcoStruxure™ Power Monitoring Expert and Power SCADA Operations.

2021 priorities

- Successfully integrate and grow with software and services.
- Drive synergies of recent software acquisitions.
- Bring further added value to our customers with digital services.
- Continue to make the most of our digital channels.

(1) Green Revenues are stringently defined as offers that bring energy, climate or resource efficiency to our customers, while not generating any significant harmful impact to the environment. Learn more about Green Revenues on page 99.



Diversity and inclusion

Strive for diversity, equity, and inclusiveness, valuing difference and welcoming people from all walks of life. Facilitate agility and flexibility and offer equal opportunities to all, reinforced by our multi-hub approach, which makes us the most local of global companies.

2020 progress

- Employees celebrated International Women's Day, Pride Month, International Men's Day, Global Mental Health Day, and awareness campaigns for LGBT+ and People with Disabilities.
- 91% of white-collar employees discussed their development with their managers.
- In June, all employees were surveyed with specific questions related to COVID-19 and 68% of employees took part.
- Over 7,000 students joined the *Global Virtual Student Experience* to learn about Schneider Electric through self-learning and project simulations.
- Diversity and Inclusion awards from *Forbes*, *Financial Times*, *Bloomberg*, *Great Place to Work*, *Glassdoor*, *Workhuman*, and *Universum*; partnerships with *Gender & Diversity KPI Alliance*, *ILO Global Business*, and *Disability Network*.
- 45,000 employees registered on *Open Talent Market* to drive upskilling, career development, and mentoring.
- Employee Resource Groups in more than 40 countries helped empower and advance women in leadership locally.

2021 priorities

- Build behavior and results-driven culture through *New Ways of Working*.
- Deliver recruitment experience for Schneider Electric's workforce of the future.
- Increase gender diversity, from hiring to frontline managers and leadership teams (50/40/30).
- Create opportunities for the next generations.
- Build employee career and development plans for 10 years before retirement.



Trust and resilience

Trust is at the core of what we do and is a signature of our brand. We believe that trust is the foundation of resilience and empowerment. We do not compromise on safety, quality, delivery, cybersecurity, ethics, and compliance.

2020 progress

Our trusted and empowered local teams swiftly defined innovative solutions to deal with unexpected situations:

- Local response teams acted to protect employee, supplier, and customer health and safety and mitigate exposure to COVID-19 (personal protective equipment, business travel restrictions, limited site access, and progressive return to work after lockdowns).
- Teams, especially in our supply chain, displayed resilience and flexibility to work remotely and maintain operations.

We upheld commitments to ethics, digital trust, and cybersecurity:

- 98% of employees completed cybersecurity training.
- Schneider Electric's first *Ethics & Compliance Day* recognized working environments that promote a speak-up culture.
- Enforcing the highest standards in business ethics and compliance for employees, customers, and partners, notably through our alert system.

2021 priorities

- Launch our *Ethics and Compliance Risk Assessment* as part of the new *Enterprise Risk Management Framework*.
- Advance our *Principles of Responsibility* as our *Charter of Trust*.