



2021 Social Impact Report

Delivering social impact for a just transition



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“Today’s young people are forward-thinking, creative and one of the largest demographics. They are committed to address the biggest challenges of our time. However, many of them lack access to education to unleash their true potential. Schneider Electric has a key role to play in supporting all young people and ensuring that they acquire the skills to build their future.”

Gilles Vermot Desroches, Senior Vice President Corporate Citizenship & Institutional Affairs

Context and goals

Schneider Electric has been building a sustainable development approach since the late 1990s thanks to the Schneider Sustainability Impact, measuring the Company’s objectives and progress every quarter. These objectives have always taken into account all dimensions of responsibility – environmental, social, territorial, and governance – encompassing all the Group’s stakeholders on a global scale.

In 2021, Schneider Electric was recognized by Corporate Knights as the World’s Most Sustainable Corporation out of 5,000 companies surveyed. All of this prompted the Group to get moving, to think about the world of tomorrow by building scenarios, both in the environmental and climate fields – but without forgetting the social and territorial dimensions. If the transition is not inclusive and fair, it will not allow people in underserved communities to build their future and create their own business. Schneider Electric Corporate Citizenship division, created in early 2021, embodies this vision. The planet has to be saved, and its inhabitants too.

Four main lines of action have been defined. The first one is to ensure that the Group’s business partners respect all human rights for everyone, everywhere, at any time and in any situation, from decent work standards to the creation of a social label for the Group’s products.

The second line of action is to ensure that everyone is supported in building their future, regardless of their generation. Schneider has always played an active role in the economic development of the communities in which it has a presence, in particular where people have no or poor access to energy through dedicated products offers and socially responsible investments for impact.

This focus is in line with the third major action, youth. There have never been so many young people on the planet, but many have no access to training. Yet it is young people who bring innovation. The Company has a role to play in supporting them and ensuring that they acquire the skills to build their future. This is the mission of the Schneider Electric Foundation, to give them the means to do so. The first of these means is training, the Foundation’s historical activity. It has already enabled more than 300,000 young people around the world to receive professional training in energy-related professions. These are essential jobs for the future in a world that is becoming increasingly electrified and digitized and where access to energy is still difficult for millions of people.

The fourth approach is to make citizenship a collective commitment to co-construct the future in a dynamic way by learning and sharing with many different initiatives.

2021 Highlights



13,000 Mobyia solar lanterns distributed in Benin, Senegal, and Cameroon in partnership with ADEME.



150,000 Young people trained in energy management through UCEP Bangladesh and Schneider Electric Foundation partnership.



Partnership with Solar Impulse Foundation on its Efficient Solutions Label initiative to identify 1,000 solutions to fight climate change.



24hr electricity to 150,000 people in 5 remote cities in Chad through a partnership with local enterprise ZIZ energy.



+9,500 Days of Volunteering in 2021 with increased participation from Schneider Electric employees.



The Schneider Electric Foundation has reached the bar of 300,000 young people trained in energy related professions.

Key targets and results

Progress against our 2021-2025 Sustainability commitments

Schneider Sustainability Impact		Baseline ⁽¹⁾	2021 progress ⁽²⁾	2025 Target
Long-term commitments aligned to UN SDGs Equal 	9. Provide access to green electricity to 50 million people	30M	+4.2M	50M
Generations 	11. Train people in energy management	281,737	328,359	1M

Schneider Sustainability Essentials		Baseline ⁽¹⁾	2021 progress ⁽²⁾	2025 Target
Long-term commitments aligned to UN SDGs Local 	25. Increase the number of volunteering days since 2017	18,469	27,981	50,000

(1) Generally, the 2020 performance serves as a baseline for Schneider Sustainability Impact (SSI) and Schneider Sustainability Essentials (SSE) programs, except SSI #1, SSI #10, SSE #5, SSE #14, and SSE #20, which are measured against a 2019 baseline to mitigate COVID-19 impacts.
 (2) Each year, Schneider Electric obtains a "limited" level of assurance on methodology and progress from an independent third party verifier for all the SSI and SSE indicators (except SSI #6, SSI #7, SSI #+1, SSE #12 and SSE #23, in 2021), in accordance with ISAE 3000 assurance standard (for more information, please refer to the Universal Registration Document). The 2021 performance is also discussed in more details in each section of this report.

Long term roadmap

2030

Give access to green electricity to 100 million people cumulated since the beginning of the program in 2009

A changemaker for sustainability

For over 15 years, sustainability has been at the core of Schneider Electric’s transformation journey. The Group is now a world corporate leader in sustainability and a key enabler for all stakeholders in its ecosystem to accelerate their own energy efficiency and sustainability transition. With this experience, comes a strong belief that what makes Schneider Electric stand out today and tomorrow is that it is an impact company.



“Companies need to have a net positive mindset where they can benefit from solving the world’s problems instead of creating them. This restorative mindset is aligned with Schneider Electric’s impact company model that can be a true driver for change.”

Bertrand Piccard
Chairman of the Solar Impulse Foundation

Schneider Electric is an impact company, a company which lives by a unique sustainability strategy and operating model, built to deliver positive impacts in the long-run. It entails a responsibility to share learnings and keep raising the bar.

An impact company seeks to address the needs of all stakeholders in its ecosystem, from employees to supply chain partners, customers, as well as local communities and institutions.

To deliver sustainability in its entire value chain, it must combine a solid profitability with leading practice on all Environmental, Social and Governance dimensions.

It means that an impact company has inherently aligned and integrated its purpose and its business mission to ensure its corporate value delivers on sustainability needs and ambitions.

The company’s operating model is set up to impact on all of the above at global and local levels. Its culture builds on strong and practiced values with the right talent and processes to be a leading purpose-led company.

Our Guiding Principles

- 1. Performance**
the foundation for doing good
- 2. All Stakeholders**
in our ecosystem
- 3. All ESG**
dimensions
- 4. Business**
digital partner for Sustainability and Efficiency
- 5. Model & Culture**
set up for global and local impact

An Impact model recognized in external ratings



Our 2025 sustainability commitments

With less than ten years left to reach the 17 United Nations SDGs, Schneider Electric has accelerated its impact and is making new, bold commitments to drive meaningful impact within the framework of its business activity. Such sustainability commitments and progress are fully integrated in the governance processes and bodies that design and execute the Group's strategy internally and externally at every level from the Board of Directions to the operations.

<p>Act for a climate-positive world</p> <p>by continuously investing in and developing innovative solutions that deliver immediate and lasting decarbonization in line with our carbon pledge.</p>  <p>Create equal opportunities</p> <p>by ensuring all employees are uniquely valued in an inclusive environment to develop and contribute their best.</p> 	<p>Be efficient with resources</p> <p>by behaving responsibly and making the most of digital technology to preserve our planet.</p>  <p>Harness the power of all generations</p> <p>by fostering learning, upskilling, and development for each generation, paving the way for the next.</p> 	<p>Live up to our principles of trust</p> <p>by upholding ourselves and all around us to high social, governance, and ethical standards.</p>  <p>Empower local communities</p> <p>by promoting local initiatives and enabling individuals and partners to make sustainability a reality for all.</p> 
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Schneider Sustainability Impact

Progress against our six commitments for 2021 – 2025 are tracked through quantitative performance indicators, under two complementary tools: the Schneider Sustainability Impact (SSI) and the new Schneider Sustainability Essentials (SSE).

The SSI is the translation of our six long-term commitments into a selection of 11 highly transformative and innovative programs. The programs are tracked and published quarterly, as well as audited annually. To instill a culture of sustainability, the SSI performance is embedded in the short-term incentive plans for the managers and leaders of the Group. A notable addition to the SSI in 2021 is the local commitment, aiming to deploy meaningful local actions in the 100+ markets where the Group operates.

The SSE is a new tool created to maintain a high level of engagement and transparency for 25 other long-lasting programs, such as our promise to pay all our employees above the living wage.

Our unique transformation tool

- 1. Focused**
on material issues
- 2. Disrupting**
the *status quo*
- 3. Transparent**
quarterly disclosure
- 4. Robust**
assured by an independent third party
- 5. Rewarding**
employees for performance



2030 PLEDGE

For our Ecosystem

Climate

Carbon pledge towards net-zero CO₂ emissions
In our operations by 2030
In our value chain by 2050

Biodiversity

Pledge to be efficient with resources with no net biodiversity loss in our operations by 2030

Access to Energy

Provide access to green electricity to 100 million people by 2030

1 Offering better lives through access to green electricity

1.1 Risks and opportunities

Today, more than two billion people have little or no access to electricity, representing 25% of the world's population.

Notable progress has been made on energy access in recent years, with the number of people living without electricity dropping to 759 million in 2019 from one billion in 2016⁽¹⁾. Nonetheless, as SEforAll⁽²⁾ puts it, "electricity access is growing, but not for everyone".

In sub-Saharan Africa, colossal additional efforts must be made to achieve universal access:

- About 600 million people in sub-Saharan Africa do not have access to electricity, i.e., more than one in two inhabitants;
- This trend is increasing, due to demographic pressure;
- The COVID-19 pandemic will have further amplified the difficulties of access to electricity in the most fragile areas; according to SEforAll, the pandemic could increase the non-electrified population by 100 million in 2020;
- By 2030, on the current trajectory, 85% of the remaining unelectrified world population will be in sub-Saharan Africa.

Asia-Pacific is approaching universal electrification with ambitious government off-grid electrification and grid extension programs:

- Between 2000 and 2018, more than 1.4 billion people gained access to electricity worldwide, mainly in developing countries in Asia;
- Nevertheless, the grid can be unreliable in remote areas, where it must be supplemented with solar-powered backup solutions;
- The growing need for equipment and electrical appliances for productive use in rural areas must be met with renewable energy solutions.

In addition to the 759 million people without electricity access, an estimated one billion people have access to intermittent, unreliable, or dangerous electricity.

To achieve United Nations Sustainable Development Goal 7 (SDG 7), access to affordable, reliable, sustainable, and modern energy must be a major objective, as the lack of energy affects the poorest: among the energy poor, three quarters are also multidimensionally poor in terms of human development².

Access to green electricity offers a chance to live a better life, as it can have a positive multiplier effect on all socio-economic dimensions of the individual or community: livelihood, health, education, security, and empowerment of women, while fighting against climate change by replacing fossil solutions.

1.2 Group policy

Schneider Electric launched its Access to Energy program in 2009, with a unique approach combining three dimensions that enrich each other:

- **A training and entrepreneurship program** aimed at developing skills in the electricity trades and supporting entrepreneurs in this area, in particular women, in order to promote sustainable and inclusive local development.
- **A social and inclusive business**, with products and solutions for rural electrification (collective and individual, such as solar lanterns, solar home systems including Pay-As-You-Go features, solar water pumping systems, microgrids including plug and play containerized solutions, etc.), creating local jobs in distribution, energy services, electricity powered industries, etc.
- **Impact investment funds** to support local economies in gaining access to modern energy and reducing energy poverty.

The purpose of the Access to Energy social business is to bring clean electricity to populations in emerging markets both as a fundamental right and a means for social and economic development, with a safe, affordable, reliable, and sustainable energy offer. At Schneider, we call this Electricity for Life and Electricity for Livelihood.

The ambition of the Access to Energy social business is to connect an additional 20 million people between 2021 and 2025, and 70 million by 2030. 34 million people have already benefited from the Schneider energy access solutions between 2009 and 2021.

The impact investment funds will contribute to these targets, within the scope of the invested companies contributing to the mission of providing access to green electricity. More broadly, Schneider's vision of impact investing is to fund high social impact initiatives, such as energy and digital services that enable all generations to contribute to a better future.

1.3 Access to energy social business

Schneider Electric develops products and solutions to meet a range of both individual and community needs across the energy chain, from solar lanterns and solar home systems to decentralized small power plants, water pumping systems, and street lighting. These offerings also make it possible to maintain a sustainable economic and social activity as well as include and involve local communities in projects.

1.3.1 Governance

A new governance of the Access to Energy business was put in place from 2021. It is placed under the responsibility of the Access to Energy Business Vice-President, reporting to the Sustainability Senior Vice-President.

An advisory board dedicated to the subject has been set up, made up of the Chief Strategy & Sustainability Officer, the Energy Management Executive Vice-President, the International Operations Executive Vice-President, as well as the Sustainability Senior Vice-President and the Access to Energy Business Vice-President, and, once a year, the Chairman & CEO. The subject was also one of those reviewed in 2021 by the Schneider Electric Stakeholder Committee.

(1) Source: Tracking SDG 7: The Energy Progress Report, produced by the International Energy Agency (IEA), the International Renewable Energy Agency (IRENA), the United Nations Statistics Division (UNSD), the World Bank, and the World Health Organization (WHO).

(2) Using the Global Multidimensional Poverty Index.

1.3.2 Electricity for Life

Actions towards “Electricity for Life” focus on delivering access to green electricity for off-grid households and small businesses, and the humanitarian sector. Almost 800 million people live in off-grid areas, and our world has no less than 80 million people forcibly displaced. These people are in need for energy as a fundamental right answering to essential needs in homes (lighting, cooking, social connection, education, etc.).

Whether due to the geopolitical context, natural disasters, or climate change, emergency situations continue to rise in an increasingly uncertain world. With nearly 80 million people displaced in 2019, the United Nations High Commissioner for Refugees (UNHCR) has seen an unprecedented number of people uprooted by war, violence, or persecution worldwide. According to the NGO Oxfam, an estimated 23.5 million people were forced to leave their homes in 2016 due to extreme natural disasters. Since 2016, Schneider Electric has committed to offering energy access solutions in emergency situations and has been working closely with the UNHCR to find solutions that are suited to the specific needs of refugees or displaced persons. In 2018, Schneider and the UNHCR signed a memorandum of agreement to seal their commitment with the deployment of Mobiya lamps in refugee camps over a three-year period. This agreement has been extended to 2022. Schneider has provided camps around the globe with modern energy systems and services. Such systems and services range from Mobiya lamps to microgrids – including with connection to EcoStruxure™ for Energy Access – energy dispensers, solar streetlights, and training in electricity trades.



1.3.3 Electricity for Livelihood

Actions towards “Electricity for Livelihood” focus on delivering access to green electricity for households and small businesses connected to an unreliable grid, and for productive businesses. Around one billion people depend on an unreliable, intermittent grid, and are in need for quality energy with solar backup equipment. Micro-businesses and micro-industries in rural areas need solar power generation and storage equipment; for example, in agriculture where solar systems can power water pumping and processing activities. “Electricity for Livelihood” proves that energy is a driver of economic development and poverty reduction.

Electricity can make a real difference to the lives of farmers and ensure food security through irrigation, food storage, and processing, or linking to the market to ensure better prices, while allowing people to be the agents of their own transformation.

In India, the “Energy for Livelihood” Schneider initiative is transforming the lives of farmers, in particular women, through the innovative Villaya Agri-business solution. This project promotes sustainable livelihood activities in the farming, agri-enterprises, food processing, livestock, handicraft, and other micro-enterprises.

Sustainable and reliable electricity is also a prerequisite for enabling effective health services, especially in the fight against pandemics such as COVID-19. Providing local infrastructures with modern energy also contributes to socio-economic recovery through better health and a greater capacity to work and enhances rural appeal.

In Nigeria, the COVID-19 isolation facility of the Eleme General Hospital in Rivers State needed a reliable system to provide uninterrupted power supply to its medical equipment. Schneider Electric supplied a solar mini-grid and power storage.

Equal

SSI #9

Provide access to green electricity to 50 million people

Schneider Electric is equipping five remote cities with solar hybrid microgrids in Chad, providing electrical distribution and monitoring software. The five sites are currently grid-connected but with only two hours of power per day on average and with priority given to productive hubs – homes are not connected. Thanks to this project, hybridization and batteries will make it possible to provide 24-hour energy to all 150,000 inhabitants.

Baseline	2021 Progress	2025 target
30M	<div style="display: flex; align-items: center; justify-content: center;"> <div style="width: 100%; height: 15px; background: linear-gradient(to right, #2e8b57, #ccc);"></div> <div style="width: 100%; height: 15px; background-color: #ccc; margin-left: 2px;"></div> </div> <p style="margin-top: 2px; font-weight: bold;">+4.2M</p>	50M

A full range of products and solutions to provide green electricity

Mobiya

Portable, robust, and affordable solution for individual lighting and charging a cell phone



3 products

Mobiya Original: solar powered LED lamp with mobile charge, offering 48 hours of lighting without recharging

Mobiya Lite: lighter solar powered portable LED lamp with mobile charger

Mobiya Front: head lamp

Case Study: Schneider Electric, its Foundation and ADEME, the French Agency for Ecological Transition, partner to provide 45,000 solar lanterns to vulnerable women in Africa.

Objective: Distribute solar lanterns to women entrepreneurs in order to extend hours of activities and livelihood, as well as underprivileged women and families in order to enjoy lighting for nighttime home activities and limit the use of kerosene lamps.

Solution: Mobiya Original. An impact study will be conducted, measuring the benefits of the solution across the five African countries of the project: Kenya, Nigeria, Cameroon, Benin, and Senegal.

Homaya

Domestic electrification for access to quality, affordable, and uninterrupted power



3 products

Homaya Family: solar home system including a solar panel and lamps

Homaya Family PAYG: solar home system including a solar panel and lamps, and Pay-As-You-Go function fully compatible with all mobile payment platforms

Homaya Hybrid: AC and DC, solar and grid home system

Case Study: 300,000+ people living in remote and rural areas of Cambodia have been provided access to clean and reliable electricity through Schneider Electric's solar home systems, supplied under the government funded rural electrification program.

Objective: Provide access to energy for basic lighting for domestic needs, mobile charging, and rice cookers.

Solution: Homaya Family and other customized solar home systems.

Villaya

Collective electrification solutions in remote sites, either 100% solar or hybrid



6 solutions

Villaya Community: solar or hybrid microgrid to power rural communities

Villaya Agri-Business: solar power plant to provide electricity and/or hot water to agriculture

Villaya Emergency: containerized solar or hybrid microgrid to provide electricity in emergencies

Villaya Water: solar water pumping system

Villaya Lighting: solar street lighting

Villaya Recharge: USB charging station Including EcoStruxure™ for Energy Access, an affordable, flexible, and open platform using analytics to improve the profitability and efficiency of electricity microgrid.

Case Study: Schneider Electric and *Entrepreneur du Monde* (NGO) launched a project to bring reliable power for onion storage in Senegal.

Objective: Develop a low cost, decentralized generation of refreshed storage buildings that can conserve onions for several months as 30% to 60% of Senegalese onions' production rot due to lack of storage.

Solution: Villaya Community 25 kW with sodium-nickel batteries and Villaya Edge Control software in order to ensure reliable power supplying cooling system and some income generating activities.

Didactic

Educational tools for the vocational and higher education fields

Offer

Didactical benches for training electricians, installers, facility managers, entrepreneurs, and trainers, covering the management of high and low voltage, electrical distribution, building management, global energy management, and process and machine management.

Case Study: Schneider Electric and *La Salle Solidarieta Internazionale ONLUS* (NGO) join forces to empower local communities with competencies in energy management in Chad.

Objective: Train 250 students per year in electrical distribution, industrial control, and renewable energies focused on practical experience.

Solution: Didactic benches to equip electrical labs in training centers in N'djaména and Kélo in Chad.

2 Investing for high social impact

A pioneer in the corporate social investor space, Schneider Electric has been investing for impact since 2009:

- 2009 – Launch of Schneider Electric Energy Access (SEEA)
- 2011 – Investment in Livelihoods Carbon Fund #1
- 2015 – Launch of Energy Access Ventures (EAV)
- 2017 – Investment in Livelihoods Carbon Fund #2
- 2020 – Launch of Schneider Electric Energy Access Asia (SEEA)
- 2021 – Investment in Livelihoods Carbon Fund #3

Schneider Electric Impact Investing activities catalyze and facilitate multiple coalitions with different stakeholders (Schneider Electric Foundation, employees, DFIs, NGOs, social businesses, impact investors, asset management companies) to leverage Schneider Electric competencies towards a fair and inclusive transition.

2.1 Risks and opportunities

Schneider Electric's Impact Investing strategy aims to address the fundamental needs of underserved communities and minorities around the world.

By investing in and supporting companies with high social and environmental impact, Schneider Electric contributes to bridging the energy gap, supporting local economies to get access to green energy and to reduce energy poverty. It also promotes digital and financial inclusion and the transition to a decarbonized world.

2.2 Group policy

The goal of Schneider Electric's Impact Investing is to generate high social impact while protecting the assets under management. Accordingly, it has adopted strict management rules, such as:

- Always invest in partnerships with recognized players;
- Never take a majority stake;
- Always provide efficient company support (help develop a business plan, provide technical advice, etc.) to deliver the optimum social impact while minimizing risk; and
- Ensure that ethical business practices and rules are respected.

2.3 Governance

Each investment vehicle has its own governance structure generally composed of at least two bodies.

The first one is a Board of Directors or a Supervisory Board in charge of ensuring compliance with all legal and ethical regulations. In most cases investors are represented in this board.

The second one is a Management Investment Committee which can be either totally independent or composed by investors according to the legal structure. All Management Investment Committee members bring specific competencies and knowledge to assess investment decisions. In some cases, they can also rely on external experts. They are responsible for ensuring compliance with investment policies and are regularly updated on investment performance, both in terms of impact and finance.

In some cases, an investment vehicle can also rely on Advisory Committee or Strategic Committee to help them setting up and managing their investment strategies and policies.

All investment vehicles are supervised by independent auditors.

2.4 Tackling energy poverty in Europe with Schneider Electric Energy Access (SEEA)

In July 2009, Schneider Electric created an Impact Investing structure in the form of a variable-capital SAS (simplified joint-stock company), Schneider Electric Energy Access (SEEA), certified as a social and solidarity investment company (ESUS certification) and open to French employee savings through the Group's Employee Savings Plan (*Schneider Energie Solidaire Fund*).

With a dedicated Schneider management team based in Rueil-Malmaison (France), SEEA invests primarily in equity and quasi-equity in start-ups that:

- Fight against energy poverty by promoting efficient affordable housing and energy efficiency solutions:
 - Six invested companies for a total of EUR 2.3 million (*Foncière Chênelet, Foncière du Possible, LVD Energie/ HomeBlok, Soliha BLI, Dorémi, Réseau Eco-Habitat*)
- Promote digital and financial inclusion:
 - Two invested companies for a total of EUR 644,000 (*Sunfunder, SIDI*)
- Provide access to affordable, clean and sustainable energy:
 - Two invested companies for a total of EUR 940,000 (*Okra Solar, Amped Innovations*)
- Promote job creation and income generation:
 - Three invested companies for a total of EUR 400,000 (*Bretagne Ateliers, Incubethic, Envie Rhônes Alpes*)

SEEA has invested in 21 companies and has exited eight. As of December 2021, SEEA had 13 companies in its portfolio: 10 in France, two operating in sub-Saharan Africa, and one operating in South-East Asia, and managed the following amounts:

- EUR 3,000,000 in capital invested by Schneider Electric;
- EUR 3,200,000 invested by *Schneider Energie SICAV Solidaire* (including EUR 500,000 in capital), a mutual fund managing the employee savings scheme for Schneider Electric employees in France;
- EUR 200,000 of capital invested by Phitrust Impact Investors;
- EUR 500,000 of capital invested by *Mutuelle d'Entreprises Schneider Electric* (MESE).

SEEA brings together different stakeholders by encouraging Schneider Electric's employees and business partners around the world to play an active role in this commitment. At the end of August 2021, 6,576 (past or present) Group employees in France have invested EUR 57 million in the *Schneider Energie SICAV Solidaire* fund.



2.5 Bringing access to green energy in Africa with Energy Access Ventures impact fund (EAV)

Schneider Electric initiated and supported Energy Access Ventures (EAV), a fund which manages EUR 75 million to be invested in companies transforming communities across Africa and stimulating economic development through energy access solutions. The fund is jointly backed by Schneider Electric, CDC group (on behalf of the UK Department for International Development, DFID), the European Investment Bank, FMO (Dutch development Bank), FISEA-PROPARCO, OFID, and AFD-FFEM.

At the end of 2021, EAV has invested in 15 companies and has exited one. EAV is now entering the seventh year and the independent management team based in Nairobi (Kenya) is now focusing on actuating on value creation in the portfolio, follow-on investments, and driving liquidity events.

EAV invests primarily in equity and quasi-equity in start-ups that:

- Provide access to affordable, clean, and sustainable energy solutions:
 - Five invested companies for a total of EUR 15.1 million (Zola Electric in Tanzania, PEGAfrica in Ghana, Nuru in DRC, Zonful Solar Energy in Zimbabwe, ZIZ Energy in Chad)
- Provide access to clean productive use energy:
 - Six invested companies for a total of EUR 22.2 million (ManoCap Energy in Ghana, Candi Solar in South Africa, SolarX in Mali, PayGo Energy, SunCulture, and InspiraFarms in Kenya)
- Promote digital and financial inclusion:
 - Three invested companies for a total of EUR 8.9 million (Mawingu, Solarise Africa, Palgo in Kenya)

2.6 Bringing access to green energy in South and South East Asia with Schneider Electric Energy Access Asia (SEEAA)

In recent years, electrification rates in Asia have improved due to strong government policies supporting national electrification. As Asian countries are now approaching universal access to electricity, the focus has been shifting to integrating renewable energy into the energy mix. However, at the micro level, there are still a considerable number of rural areas without access to electricity. Even when access is available, electricity is often not reliable as power grids struggle with load and connectivity issues.

Schneider Electric recognizes the gap and opportunities in this region and envisioned the SEEAA impact investing vehicle in 2018 to help the region advance towards SDG 7 “Affordable and Clean Energy”. The vision convinced three other investors to join forces and the SEEAA was officially established in December 2019 with four founding partners investing EUR 20.9 million: Schneider Electric (SEI SAS), the European Development Finance Institution Management Company (EDFI MC), Norwegian Investment Fund for Developing Countries (Norfund), and *Amundi Finance et Solidarité* (Amundi).

With a dedicated Schneider management team based in Singapore, SEEAA invests primarily in equity in start-ups that work toward increasing quality of life and boosting economic development in Asia, thanks to access to affordable, clean, and sustainable energy. The goals of SEEAA are twofold:

- 1 Increasing access to affordable and reliable energy primarily targets unprivileged communities where last mile energy access is not, or poorly, available. SEEAA aims at creating to social impact for these rural communities especially leveraging productive use of energy.
- 2 Accelerating the transition of economies to clean and renewable sources and increasing the mix of renewables in total energy consumption. For instance, this can be achieved by investing in companies developing renewable energy assets.

As of December 2021, SEEAA had invested in four start-up companies for a total of EUR 2.5 million. Two companies are contributing to Goal 1, both operating in India: Frontier Markets and Oorja Development Solutions, and two are contributing to Goal 2, Freyr Energy and Xurya operating in India and Indonesia respectively.



*India: a farmer irrigates his crop using water from a solar-powered pump operated by Oorja in Bahraich district, Uttar Pradesh.
© Oorja Development Solutions India Private Limited*

2.7 Contributing to decarbonize the world with the Livelihoods Funds

Schneider Electric is a founder member of the Livelihoods Carbon Fund: the first sustainable carbon fund with high social impact created in 2011, managed by an independent team based in Paris. In 2021, Schneider Electric invested EUR 25 million in Livelihoods Carbon Fund #3, in addition to the EUR 10 million invested in Livelihoods Carbon Funds #1 and #2 (EUR 5 million each).

A total of EUR 250 million, invested by private companies and financial investors, is dedicated to investing in high potential carbon clusters to generate positive impact for people and the planet. As at the end of 2021, three million tons of CO₂ have been avoided or sequestered and 1.5 million people have been positively impacted.

The Livelihoods Funds support three types of projects: reforestation, agroforestry, and agricultural practices, and rural energy (improved cookstoves).

The Livelihoods Carbon Funds #1 and #2 have contributed to three mangrove reforestation projects in Senegal, India, and Indonesia. These projects have enabled local communities to improve their living conditions thanks to the restoration of the ecosystem (fish, crabs, etc.). Furthermore, the mangrove has provided efficient protection to the villages and crops during the last tornadoes that struck Asia recently.

Livelihoods Agroforestry projects enable farming communities to increase their revenues thanks to improved conditions for cash crops such as coffee or cocoa and the plantation of fruit trees such as mangoes. Furthermore, Livelihoods Funds contributes to the creation of new downstream activities such as food processing and commercialization.

Rural energy projects contribute strongly to improving women's lives and create jobs thanks to the construction and the distribution of the cookstoves. The carbon credits from the Hifadi project in Kenya, supported by Schneider Electric, are used to offset all the carbon emissions generated by the Schneider Electric Marathon de Paris; the race has been carbon-neutral since 2019.

All these projects are an integral part of Schneider Electric's Carbon Pledge, ensuring that the compensation part has a real effect both on climate and on social development.



Senegal: the largest mangrove restoration program in the world – Artisanal fishing

© Hellio & Van Ingen/Livelihoods Funds

3 Empowering new generations with the Schneider Electric Foundation

3.1 Risks and opportunities

Today's young people are forward-thinking, creative and one of the largest demographics. They need to be empowered with the necessary skills and supported to build a life aligned with their dreams and aspirations.

New social and environmental challenges have weakened social cohesion and blurred opportunities for the future, especially for the youth. They are going to be the first generation to feel the sting of issues such as climate change, and the last generation that can do something about it. Skilling and empowering the youth enables them to actively define their future and find their place in a complex and fast-paced world.

3.2 Group policy

In a world where ecological and social challenges are more widespread and more urgent than ever, the [Schneider Electric Foundation](#), under the aegis of *Fondation de France*, supports innovative and forward-looking initiatives to empower youth with the energy they need to succeed.

Optimistically, the Foundation's aim is to help build a fairer, lower-carbon society to give future generations the keys to transform our world.

3.3 Governance

3.3.1 The Foundation fully in line with the Sustainable Development Goals

For more than 20 years, the Schneider Electric Foundation has been deploying the Group's philanthropic activities in coherence with its sustainability commitments. It contributes directly to the achievement of the United Nations Sustainable Development Goals (SDGs), and more specifically SDGs 1, 4, 7, 8, 10, 11, 13, and 17.

In 2021, there were more than 100 projects, 46,817 young people receiving support, through 9,512 days of volunteering. With an annual budget of EUR 4 million, the Schneider Electric Foundation contributes to the partnerships that are completed by more than EUR 15 million in support from Schneider Electric's entities. Group employees are also involved in these partnerships. In total, more than EUR 19.5 million has been invested to help local communities worldwide.

3.3.2 A foundation under the aegis of *Fondation de France*

Fondation de France is a non-profit organization that, since its creation in 1969, has been the bridge between donors, founders, and field structures in order to support projects in a range of general interest areas. It supports other foundations (916 in 2021) whose operations are governed separately, but who are legally part of *Fondation de France*. It is responsible for ensuring that their actions comply with its by-laws and the legal framework of the sponsorship. The Schneider Electric Foundation's Executive Committee determines the major focuses of its actions and the projects it supports. It then informs *Fondation de France* of its decisions, and the latter verifies the projects' compliance and implements them.

3.3.3 A governance that combines internal and external expertise

Since 2019, the composition of the Schneider Electric Foundation's Executive Committee is as follows:

- Chairman: Jean-Pascal Tricoire;
- Members: Monique Barbut (external expert), Agnès Bouffard (employee representative, Schneider Electric), Bénédicte Faivre-Tavignot (external expert), Christel Heydemann (Schneider Electric), Yoann Kassi-Vivier (external expert), David Lechat (employee representative, Schneider Electric), Pierre-François Mourier (external expert), Philippe Pelletier (external expert), and Luc Rémont (Schneider Electric).

Its missions are the following:

- Define the strategic directions of the Foundation;
- Validate the activity report and financial report;
- Decide on the allocation of budgets by program;
- Validate commitments exceeding EUR 200,000.

One to two Executive Committee meetings are organized each year.

The Schneider Electric Foundation organization has been reinforced with the creation of the zone/cluster foundation committees in 2019. These committees are made up of zone /cluster Presidents and aims to:

- Share a quarterly activity report;
- Validate the commitments/partners to join;
- Specify the respective contribution levels (financial or in-kind donations, skills);
- Follow up on projects.

These committees meet two to three times a year.

The members of the operational team are:

- Gilles Vermot Desroches, General Delegate;
- Patricia Benchenna, Corporate Philanthropy Director;
- Brigitte Antoine, Employee Engagement Leader;
- Morgane Lasserre, Administrative Assistant.

Lastly, the Foundation's Selection Committee is composed of:

- Gilles Vermot Desroches, General Delegate;
- Patricia Benchenna, Corporate Philanthropy Director;
- François Milioni, Program Director, Training & Entrepreneurship.

3.4 Give all young people the means to build solutions for a better life

The Schneider Electric Foundation supports innovative initiatives all over the world that enable the most vulnerable, especially young people, to access the energy needed to succeed and build the world of tomorrow. To be relevant and effective, i.e., to have the greatest possible impact and respond specifically to the needs of the people concerned, it is essential that these initiatives combine education, technological innovation, social innovation, and entrepreneurship. These initiatives cover three main areas.

3.4.1 Vocational training for the youth, underprivileged persons, and entrepreneurship support

Training is the historical mission of the Schneider Electric Foundation. The energy sector, and more particularly electricity and renewable energies, offers a lot of potential, especially in areas where access to energy is difficult and growing. Passing

on skills to young people and giving them the means to support their families could, in the long term, boost the local electricity and electrotechnical sectors. This will improve their quality of life and create sustainable jobs. That is what the Training & Entrepreneurship program set up in 2009 is all about.

The Schneider Electric Foundation encourages and provides long-term support for vocational and entrepreneurial training organizations. These include associations and electrical profession educational institutions. The vocational training and entrepreneurship program capture 67% of the funding allocated by the Foundation. All of these actions are monitored and measured on a quarterly basis within the scope of the Schneider Sustainability Impact (SSI #11): "1 million people trained in energy management by 2025".

Since 2009, 328,359 underprivileged people have been trained in more than 45 countries.

3.4.2 Raising awareness of sustainability and the use of reliable, affordable, and clean energy

Contributing to meeting the United Nations SDGs also involves, amongst other things, raising awareness among as many people as possible, especially young people, about the challenges of the fight against climate change and of sustainability.

The Schneider Electric Foundation therefore invests in emblematic and international programs by making available its knowledge of energy systems management, through donations in resources and/or knowledge. It has made a four-year commitment to the Solar Impulse Foundation, which selects 1,000 solutions that contribute to the achievement of at least five SDGs:

- Clean, Accessible Water for All (SDG 6);
- Affordable and Clean Energy (SDG 7);
- Industry, Innovation and Infrastructure (SDG 9);
- Sustainable Cities and Communities (SDG 11); and
- Responsible Consumption and Production (SDG 12).

The selected solutions must meet the following criteria: technical feasibility, environmental benefits, and economic viability. Schneider Electric employees are mobilizing their skills to analyze the various solutions within their field of expertise.

The Solar Sound System project by Atelier 21, a Foundation partner, obtained two Solar Impulse Efficient labels:

- Solar sound systems for events powered by renewable energies (solar or bike-powered). With seven systems in place in France and Switzerland, Solar Sound System has set up solidarity projects in Haiti, Brazil, India, Taiwan, and Cameroon and has projects in Reunion, the United States, and South Africa.
- Regenbox, the first do-it-yourself "non-rechargeable" alkaline battery charger. Regenbox aims to be ecological and anti-planned obsolescence. This project is also an educational tool and a mean to raising awareness about a different use of batteries in order to reduce the amount of electronic waste so present in our daily lives.

Bertrand Piccard, Chairman of the Solar Impulse Foundation, will then promote this portfolio of solutions to corporate and political leaders worldwide. At the end of 2021, 1,000+ solutions had already received the Solar Impulse Efficient Solution label. These included insulating blocks made from hempcrete, wind turbine floats, and a web-based pallet exchange platform.

3.5 Responding to the COVID-19 and post-COVID-19 emergency

In April 2020, the Schneider Electric Foundation set up the Tomorrow Rising fund in response to the COVID-19 health crisis. The purpose of this global initiative is to provide local responses to meet the challenges of the emergency, to promote the recovery of education and training of the most vulnerable young people and to boost resilience.

1 Response: an initial response to the emergency. Food bank, first aid, COVID-19 health kits, maintenance of access to education, etc. For example, a project in China to help low-income students in technical schools to cope better with the crisis (SDG 1 and SDG 4);

2 Recovery: support to the Foundation’s partners in resuming their activities and helping them to roll-out new ones, in particular, the establishment of new partnerships to provide training in energy trades to young people. For example, a project in Brazil to provide young people with tablets and internet access (SDG 4 and SDG 10);

3 Resilience: the ability to continue to train and awareness-raising actions using digital technologies.

KIMSO conducted an assessment of the Tomorrow Rising initiative, based on a three-stakeholders approach, covering all the regions where the initiative has been deployed. Interviews and online surveys took place between July and October 2020.

Tomorrow Rising Impact study*

Project owners	Support	Impact on beneficiaries	Impact on project owners and NGOs
<p>74 projects in 65 countries 70% new partners of the Foundation</p>	<p>€5.5K to €65.5K In a context where funding became scarce</p> <p>More than 25% of the budget for 1/3 project</p>	<p>1.5 million of beneficiaries of which 78% below the poverty line</p>	<p>Strong effects on their confidence and credibility in a context of uncertainty</p>
Study findings	Study findings	Study findings	Study findings
<p>89% answering to an emergency situation</p> <p>68% Specific projects created to face the COVID-19 health crisis</p> <p>75% addressing existing needs that have increased due to the COVID-19 crisis** (food, education, housing...)</p>	<p>Crucial for 35% of the NGOs</p> <p>Quick and flexible</p> <p>87% were able to fill In the funding request form easily</p>	<ol style="list-style-type: none"> 1. Access emergency food aids 2. Get digital tools for school/studies 3. Keep hope about the future 4. Access protective medical equipment or hygiene kits 	<ol style="list-style-type: none"> 1. Meet beneficiaries needs for all 2. Teams confidence and motivation 3. New relationships with partners 4. Greater visibility

* This qualitative and quantitative study was conducted in 2020 by KIMSO, Research & Consulting in social impact assessment. The online survey covered all affected areas and resulted in a 60% response rate (37 answers). Scores "quite agree/completely agree" are bundled in % figures.

** Many project owners also mentioned emerging needs to due the crisis, such as employment and health.

Priorities for project owners (Emergency aid should not replace long-term support)

- 54% more budget
- 51% unrestricted financial support (for project and running costs)
- 49% over-time fundings
- 46% to be put in contact with other funders

3.6 Foundation actions worldwide

The Schneider Electric Foundation has actions in 100 countries on all continents, in particular Asia, the Americas, Africa, and Europe.

3.6.1 Initiatives in North America

The Schneider Electric North America Foundation provides monetary support, product, expertise, and volunteers to non-profit organizations that align with business priorities, values and geographies.

The Schneider Electric Foundation North America offers employee programs to support efforts in their communities:

- Matching Gift provides a dollar match on employee donations to the non-profit of their choice
- Dollars for Doers provides financial grants to organizations where employees volunteer their time
- Sponsorship Grants offer financial and product donations to sponsor events, capital projects and employee missions
- New Hire Program welcomes new employees with a gift to donate to a non-profit of their choice
- Service Days and Volunteer events enables employees to donate time during their working hours

The Schneider Electric North America Foundation has strategic partnerships focusing to support the Schneider Electric Foundation areas:

- Disaster Relief – Provide support to those impacted by disasters through American Red Cross and the Footprint Project
- Habitat For Humanity – Support sustainable and transformative housing with product donations, financial support, and more than 2,500 hours of work done by volunteer employees
- FIRST Robotics –Inspiring future leaders through STEM education with employee mentors and financial support
- National Merit Society –Support the future with scholarships for children of employees

In 2021, the North America Foundation contributed over 5.3 million dollars in cash and product donations to over 1,619 charitable organizations.

3.6.2 Initiatives in India

In 2021, Schneider Electric India Foundation has been instrumental in supporting vocational training of 14,888 unemployed youth out of which 514 are women. 294 trainers were trained and recruited in the program to enhance the quality of training.

In the education field, 57 new electricity and renewable energy training centers were established. Upskilling of 1,232 electricians was done through solar training to enhance their employability in the current markets. 10 alumni meetings were conducted in 2021 enabling 280 alumni from vocational skill development centers to share their professional journey and experiences as well as meet and recommend new trainees to their current organizations and businesses for placements. 85 aspiring entrepreneurs have been incubated this year to establish their own businesses.

Other key programs include:

- Under the Energy for Sustainable Livelihoods program, 120 irrigation pumps powered by green energy were installed, thus supporting 2,400 farmers to switch from monocropping to multi-cropping.
- Through Conserve My Planet, 50 schools have been registered across five cities taking the program forward with 100 Change Maker Teachers and sensitization of 5,035 Green Ambassadors towards environment and energy conservation, digitally.
- Taking another step forward towards a cleaner and greener tomorrow, SEIF has planted 30,060 saplings across 10 cities in India.
- Facing COVID-19, through Healthcare initiatives, SEIF has reached 4,758 beneficiaries through free medical consultations and basic medicines. Also, to ensure preparedness towards the third wave of COVID-19, SEIF is supporting 12 hospitals across 10 states by strengthening their infrastructure to save more lives.

Volunteers from Schneider Electric India Foundation came forward to support of the Foundation causes like youth coaching through teachers' missions, tree plantation, and donations, dedicating 413 volunteering days, including 264 Teachers Missions where they shared their knowledge and skills with young people training as electricians. Most of these Teachers Missions were carried out remotely via a digital platform due to COVID-19 restrictions.

3.6.3 Initiatives in Australia

The Schneider Electric Pacific Fund was established as a sub-fund of the Australian Communities Foundation in July 2021 to help facilitate Schneider Electric's philanthropic giving in the region. Its purpose is to promote sustainability, enable access to energy, and tackle fuel poverty by forming engaged, long-term partnerships with organizations in Australia.

In 2021, the Fund has contributed AU\$ 315,000 to four major charity partners – Australian Wildlife Conservancy, Kokoda Track Foundation, Brotherhood of St Laurence, and the Centre for Appropriate Technology. Funds donated through the Schneider Electric Pacific Fund are supplemented by other programs run directly by Schneider Electric in the zone including matched donations for employees (up to AU\$ 5,000/employee/year); 21 hours of volunteering leave and charity funding in New Zealand continue to be funded directly.

3.7 Support grassroots initiatives: a network structure that acts locally

The Schneider Electric Foundation's network structure is an original and very powerful means for engaging local, human, and lasting sponsorship. This network includes Schneider Electric employees, non-profit associations, public institutions such as the Education ministries of the countries concerned, and government agencies such as ADEME in France.

The Schneider Electric Foundation:

- Has established partnerships with 90 NGOs and associations in 38 countries, such as Solar Impulse Foundation, Don Bosco Tech in India, etc.;
- Works with ministries of education in 13 countries including France, Cambodia, and South Africa.

The Schneider Electric Foundation works almost exclusively with local structures. It is a guarantee of reliability and efficiency because only organizations that work most closely with the communities to be supported know their specific needs and constraints and can provide the appropriate solutions. The creation of the zone/cluster committees, since 2019, made up of Schneider Electric zone directors is a step in that direction.

Over and above financial, material, or logistics support for projects, the actions of the Schneider Electric Foundation aim to create bonds among partners, encourage structures to work together, and build relevant and innovative solutions with all stakeholders to raise the challenges of sustainability.

3.8 Group employees, spearheading the Schneider Electric Foundation’s actions

The Schneider Electric Foundation strongly focuses on the involvement of Group employees in all the actions it implements. Whether they are Foundation delegates or employee volunteers, they are the link between the Company, the Foundation, and the supported organizations. In 2012, the Schneider Electric VolunteerIn NGO was created to organize volunteer missions benefiting the Foundation’s partners. Wherever the Company is based, Schneider Electric VolunteerIn empowers people to be actors and ambassadors of societal commitments in the fields of education, access to energy, and the fight against energy poverty. In particular:

- Employees volunteer their time and make their skills available;
- Partners look for skills to support their activities, specify their needs, and support volunteers in carrying out their mission;
- The Schneider VolunteerIn association as well as the Foundation delegates co-ordinate, connect, and organize the process and cover costs related to carrying out missions, in particular abroad;
- The Schneider Electric entities host the volunteers when the mission takes place outside their country of habitual residence.

3.8.1 Governance

The Schneider Electric VolunteerIn Executive Board is composed of Schneider Electric leaders:

- Charise Le (Chairman, Chief Human Resources Officer);
- Michel Crochon (Vice-President),
- François Milioni (Secretary, in charge of the Training & Entrepreneurship program);
- Christophe Poline (Treasurer, in charge of the SEEA solidarity investment fund);
- Emir Boumediene (Member, volunteer representative);
- Gilles Vermot Desroches (Member, Senior Vice-President Corporate Citizenship).

One to two Executive Board meetings are organized each year.

3.8.2 100 delegates in 80 countries to catalyze the Schneider Electric Foundation’s actions

The Schneider Electric Foundation draws on a network of around 100 volunteer employees, also known as delegates, covering 80 countries. Their role is to select local partners in the fields of vocational training in the energy sector, entrepreneurship, and raising sustainability awareness. They inform the employees of their entity, as well as the Foundation. They follow the progress of the projects after they have been launched. Each proposed project is subject to a review process based on administrative and financial data by the Schneider Electric Foundation and by *Fondation de France* before funds are released.

The delegates manage a digital platform, VolunteerIn, that groups together all the missions proposed by the Foundation locally and internationally. Available in eight languages, the platform can be accessed from anywhere in the world and enables employees to apply for volunteer assignments for the benefit of the Foundation’s partners and their beneficiaries.

Finally, the delegates co-ordinate the organization of the Schneider Electric Foundation’s campaigns for international mobilization such as the Tomorrow Rising fund. This showcases local initiatives to a global audience. They also engage in campaigns organized following natural disasters.

An assignment campaign will be conducted in 2022 to renew the Foundation delegates’ mandates.

Each year, around 35,000 employees in 50 countries take part in these campaigns.

3.8.3 Standardize measurement to improve the impact and coherence of actions in favor of sustainability

The Schneider Electric Foundation is a groundbreaker in the measurement of the social impact of the actions that it supports. The idea is to enable its partners to better fulfill their missions by identifying areas for improvement.

The Schneider Electric Foundation is assisted in particular by KiMSO, a social impact assessment consulting firm. A first study was conducted in 2018, as part of the fight against energy poverty, to draw up an innovative methodology to assess the social impact of missions. This methodology is placed at the disposal of project sponsors. CLER, the Energy Transition Network, has used this methodology.



4 Developing access to education and employment all over the world

4.1 Risks and opportunities

Education is an essential catalyst for the youth inclusion in the social and environmental challenges. In 2021, for the second year in a row the COVID-19 pandemic has heavily impacted education systems and left millions of children and youth out of school. The youth unemployment rate is growing worldwide and there is an urgent need to create a better transition between education and access to employment, and to develop the tools to provide continuous education even in time of crisis.

Technical and Vocational Education and Training (TVET) play a vital role in national sustainable development for countries, it fosters employment and entrepreneurship, and promotes economic development. In order to have better impact and ensure life-long competencies, the TVET systems need partnership between the private and public sectors, and higher investments.

4.2 Group policy

Schneider Electric and the Schneider Electric Foundation are committed to include all generations in the energy transition. For more than 10 years the Training & Entrepreneurship program has been supporting the development of TVET. Training in the energy field is a key that offers an inclusive answer to several challenges of the United Nations Sustainable Development Goals (SDGs). TVET plays two major roles regarding social and economic development. The first role is to provide training and career opportunities for people, in particular, those who are not in education, employment or training. The second role is to help build a generation of skilled manpower, which are needed at all levels of the economies. Furthermore, TVET can also be a valuable tool for sustainable development, as it allows the development of environmentally sound skills, critical for shifting toward a more sustainable economic model.

The program has a specific focus on impacting people not in education, employment, or training, the youth, refugees, women in vulnerable situations, and marginalized groups of people. The actions are always implemented in partnership with local players and/or national or international non-profit organizations (NGOs, governments, etc.) and with Schneider Electric's local subsidiary.

Thanks to the ecosystem of partners, the program has supported the training of more than 300,000 people across Asia, South America, Africa, and Middle East since 2010. More than 5,000 trainers and 4,000 entrepreneurs have also been supported. The COVID-19 pandemic has heavily impacted education and increased inequalities. We are committed to go further and faster by reaching one million people trained by 2025, 10,000 entrepreneurs supported, and 10,000 trainers trained. From now on, the program will also operate in OECD countries.

4.3 Governance

The Training & Entrepreneurship program follows the rules and governance of the Schneider Electric Foundation and *Fondation de France*.

To increase effectiveness in following up the partnerships and achieve the 2025 ambition, the program organizes every six months zone meetings with the zone President, the Foundation representatives, and the Training & Entrepreneurship program leaders. Each zone has a defined ambition up to 2025 and a pipeline of projects that is reviewed. Corrective actions are implemented if necessary.

The program is led by zone representatives and in-country leaders that exchange on a daily basis. One global co-ordinator sets regular meetings to support the zone representatives and guarantee the progress of the program in each zone.

The program is part of the Schneider Sustainability Impact. Every quarter, the zone representatives report on a central tool the impact of the program, and data are reviewed by an external auditor. With rare exceptions, all projects-initiated benefit from monitoring by employees of Schneider Electric entities operating in the countries concerned.

4.4 Actions supporting trainees and trainers' skills development

The key challenge of training in the energy sector is to provide the youth with the knowledge and skills to be able to carry out a trade in a safe and responsible way, providing them and their families with the means for satisfactory subsistence. It will also give them the ability, should they wish, to sell and maintain energy solutions and to create their own small business in time. Furthermore, they are a vital and indispensable element for all responsible and sustainable rural electrification policies.

Schneider Electric's strategy, backed by its Foundation, under the aegis of *Fondation de France*, for training people in the energy sector, includes three key priorities:

- Basic training over a few months, which is free and accessible to many people and adapted as much as possible to the local situation. These training courses lead to the issuing of a certificate of competence by Schneider Electric;
- Single or multi-year trainings leading to qualifications, in partnership with local Ministries of Education, or even under bilateral agreements; and
- The training of trainers to support the effective and quality roll-out of training down the line.

The Training & Entrepreneurship program also provides valuable support to trainers involved in projects at its partners training centers. The aim is to help trainers thoroughly grasp the training approach and materials, enabling them to efficiently convey full and relevant knowledge to the students in short and long-term courses. Training of trainers ensures effective long-term transmission of quality, up-to-date knowledge finely tuned to the characteristics of today's energy markets in the host country.

Training of trainers is supported by the VolunteerIn association via missions at the partners training centers:

"I helped to create an entire training module using a pragmatic and realistic approach. I feel like I've contributed to a better future for a lot of young people in Vietnam." Nathalie Nguyen, Manager, Customer Digital Experience Mission in 2019 as part of the IECD Seeds of Hope Program in VietnamIn 2021. Due to the COVID-19 pandemic on sites missions were stopped, but via digital tools contact was kept with the training centers.

4.5 Actions supporting women integration in the energy trades

Since the beginning of the Training & Entrepreneurship program, female participation in the energy trainings has remained low. Indeed, the energy sector is still a male dominated environment, and young women are sometimes discouraged by social norms and even by their family to venture down this path. Moreover, for Schneider Electric and its Foundation, it is essential to include women in all stage of the energy value chain. Most programs today only include women in non-technical, such as selling solar products, and non-essential activities.

Schneider Electric Foundation's Training & Entrepreneurship Program supports local organizations specializing in skills development and women empowerment, which are two critical factors in achieving a sustainable change. These organizations create inclusive ecosystems offering training, mentoring, and funding to enable women to work in the energy sector and become entrepreneurs. Schneider Electric and its partners also raise awareness among local communities, promoting best practices and encouraging a bottom-up approach to gender equality. Through these initiatives, the Training & Entrepreneurship Program seeks to play a dual role, championing economic inclusion and gender equality.

In 2017, in Ivory Coast, Schneider Electric and the Foundation, Mastercard Foundation, and International Rescue Committee have partnered to support 1,250 unemployed youth to acquire long-term competencies and start their own activity in electricity and solar energy; 60% of the total beneficiaries are women. In 2021, USAID joined force through their "Women's Global Development and Prosperity Initiative" with the three existing partners, to expand the program targeting women and support two new training centers in Abidjan and Ferké.

In 2021, during the Generation Equality Forum, Schneider Electric and its Foundation took commitments under the Economic Justice and Rights Coalition. On one hand, to support the training of 5,000 women in the energy trades and their self-employment or access to jobs by the end of 2022. On the other hand, to launch two new international initiatives around women training and empowerment in the energy field.

4.6 Actions towards entrepreneurs

Encouraged by the achievements of its training courses, the Training & Entrepreneurship program is going further by providing informal entrepreneurs and those trained in the electricity sector with support in setting up their own businesses. Employment markets in emerging economies are characterized by high proportions of informal sectors, underemployment and people holding multiple jobs to make ends meet. In addition to specific skills training, entrepreneurs need business startup support and access to funding, both being key factors in the creation of long-lasting businesses.

Since 2017, 52 technical laboratories in electricity and energy management have been upgraded in Pakistan's Punjab province. 6,200 youths have been trained and 1,890 have become entrepreneurs. This project was financed by Schneider Electric and implemented in Pakistan by Muslim Hands Pakistan (as the lead agency) in partnership with the Technical Education and Vocational Training Authority (TEVTA) Punjab, and Punjab Vocational Training Council (PVTC), to improve and expand vocational training in Pakistan's dynamic energy sector.

4.7 Actions towards digital trainings

The digitization program strategy is to provide the current partners with online tools to deliver their training programs while also supporting new online programs. The online programs will allow to both study theory and practice related to the energy content and will deliver a certificate.

Schneider Electric and its Foundation have the objective to develop digital training to complement the training offer in energy and automation. Theoretical courses but also practical courses will be covered to deliver comprehensive training curriculum, that can be followed online only or through blended learning (a mix of in-class and online training).

To start this journey, in 2021 Schneider has collaborated with SENAR, an Augmented Reality platform development company, to develop digital twins of Schneider's didactic equipment. Until now, three practical simulator exercises are ready and are being tested in Indonesia.

The three simulators are about:

- Study bench for grounding schemes
- Motor starting
- Microgrid for isolated areas

Schneider Electric also has an in-house simulator-based training tool, the Augmented Operator Advisor (AOA), which is typically used to train customers in Industry 4.0. It has a builder feature which allows teams to build their own exercises and disperse them among learners. It is currently being tested with trainers in France to create practical exercises for vocational training.

4.8 Testimonies of people trained

In 2021, Schneider Electric continued to promote Tomorrow Rising, a five-episode docuseries made up of concrete testimonies. It presented the stories of four students who are building tomorrow's energy world each in their own way:

- Yéyé is the narrator and her ambition is to become a respected engineer. The documentary follows her from the beginning of her training in Lagos, Nigeria, to her diploma;
- Pierre, in Senegal, has been trained to be a teacher and is now fighting to improve the future of youth in his country;
- For Vitor, in Brazil, Schneider's training has been a genuine lifeline helping him build a career in electricity;
- Lastly, in India, Gurdeep, an ambitious young entrepreneur installs solar panels and employs young people, like him, benefiting from Schneider Electric training.

Resources

SSI #11





Train 1 million people in energy management

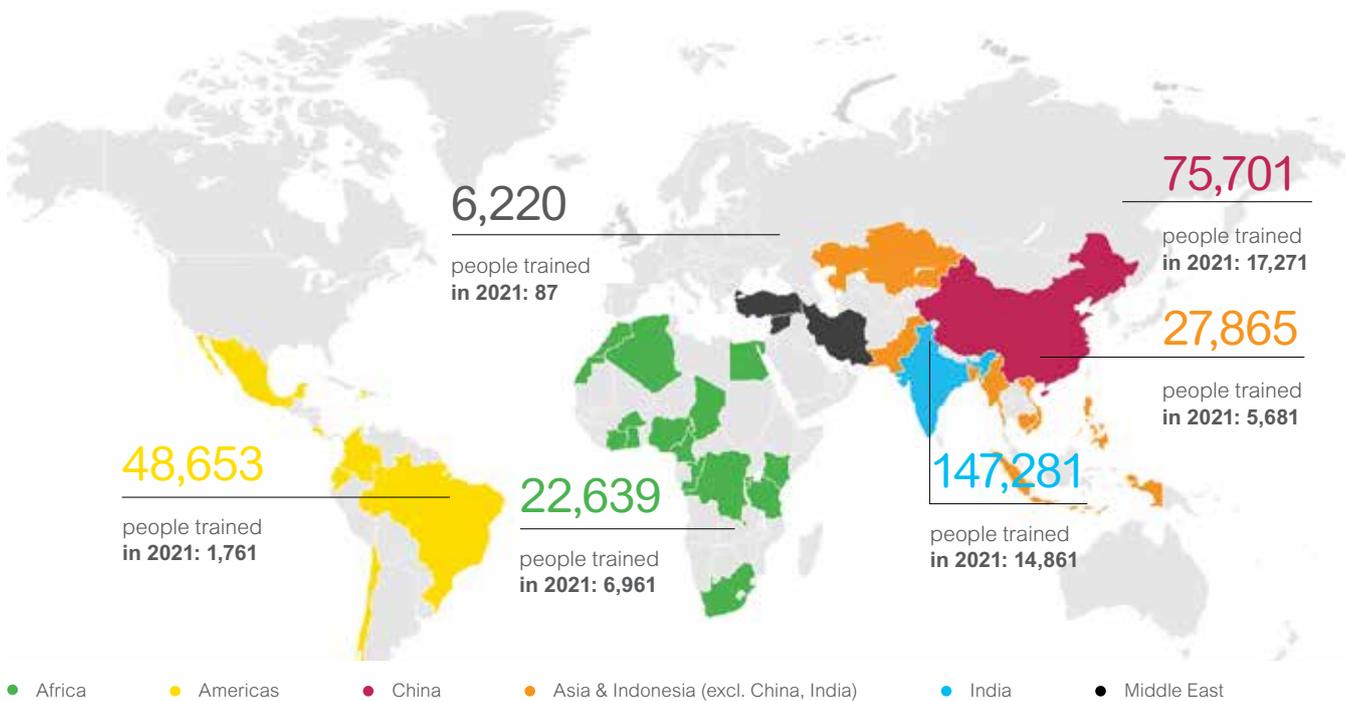
In 2021, a partnership with Ministry of Labor and Vocational Training of Cambodia was established through its subsidiary college, NTTI. The partnership aims to build 1 center of excellence and upgrade 21 schools across the nation, which will train 290 teachers and 7,300 students.

Baseline	2021 Progress	2025 target
281,737	<div style="display: flex; align-items: center; justify-content: center;"> <div style="width: 100%; height: 15px; background: linear-gradient(to right, #000 0%, #000 50%, #ccc 50%, #ccc 100%);"></div> 328,359 </div>	1M

Training & Entrepreneurship program key figures and 2025 targets



Breakdown of people trained by geography since 2009



4.9 Impact assessment of training actions

In 2019, the Schneider Electric Foundation launched a global initiative to assess the social impact of training actions in the energy sector. With its partner KiMSO, the Group built a guidebook intended to support its local partners in assessing, in a standardized way, the social impact of their training activities. The pilot phase was carried in several centers. The roll-out program was shelved because of the health crisis, leading to the temporary closure of many centers. KiMSO is a social impact assessment consulting firm that helps charities, NGOs, and Foundations to understand, measure and value their impact on key stakeholders.

The project covers both social impact assessment and results chain analysis.

Social impact consists of the direct or indirect, intended or unintended, effects of an organization's actions on its stakeholders (i.e., beneficiaries, users, volunteers, partners) and on society in general.

Social impact assessment refers to the process of monitoring, analyzing, and managing those social consequences, which can be both positive and negative. This is an evaluative process aiming at answering the following key question: what changes thanks to us?

Results chain analysis establishes causal relationships from the resources used to conduct a program to the long-term effects following the end of the program. It sets out a logical and plausible outline of how a sequence of inputs and outputs interacts with individuals' behavior and conditions to generate outcomes.

4.10 Action towards employability in France

Wherever it operates, Schneider Electric makes a strong commitment to community partners and civil society through positioning itself in a way that is indispensable for a global enterprise that wants to keep in touch with the labor markets of its industrial locations. In France, numerous projects, broken down into four challenges: youth, planet, poverty, and territory, demonstrate Schneider Electric's desire to be engaged, notably in the area of employability, and to contribute fully to local economic development. Based on their successes, some of them are planned to be deployed broadly in the frame of the long-term commitments in the Schneider Sustainability Impact; called "Empower local communities".

4.10.1 Schneider Electric School

In 1929, Schneider Electric founded its own school – Paul-Louis Merlin – in Grenoble, to address the difficulty of recruiting skilled labor in the energy industry and help young people in precarious situations to access promising jobs. Today, it still focuses on vocational training in Schneider Electric areas of expertise, with innovative training approaches and close alignment with actual industry practices.

Students leave with qualifications enabling them to continue in higher education or take employment in innovation-rich energy-sector fields such as renewable energies, home automation, and smart buildings, as well as energy management.

In 2019, to reinforce the link with the Group, the school changed its name to École Schneider Electric and a new vocational training has been added in the frame of the creation of its CFA (*Centre de Formation d'Apprentis*).

In July 2021, to meet the ever-increasing need for skills in the energy and electrical sectors, and in a context where there is growing concern about the professional future of young people, the CFA has taken a new step forward and expanded its range of training courses both geographically and in terms of content by forging new partnerships. In addition to the current BTS "Fluids Energies Home Automation" and the *Licence professionnelle* "Connected Buildings and Intelligent Energy Management" courses, which are currently offered by the CFA, there are:

- The BTS CRSA (Design and Production of Automatic Systems) with the Vaucanson High School in Grenoble (France);
- The vocational baccalaureate MELEC (Electrical Trades and Connected Environments) with the Lycée Pablo Neruda in Saint-Martin-d'Hères (France);
- The BTS FED Home Automation and Communicating Buildings, extended to a new geographical area, with the Lycée Maximilien-Perret in Alfortville (France).



4.10.2 Social integration of disadvantaged young adults

Diversity of backgrounds, cultures, profiles, and experience is always a source of wealth, sharing new ideas and innovation. In priority urban areas, there is a huge amount of talent that is eager to grow. Recognizing this, Schneider Electric believes that companies have a role to play. It is their duty to act, particularly in the heart of the markets in which they operate.

Convinced of the need to better support young people entering the workforce, Schneider Electric is involved in different ways: training, work/study programs for young adults from underprivileged backgrounds entering the workforce, partnerships with schools and associations, financial support for young students, and participation in technical or general training courses. Such is the scope of the initiatives implemented by Schneider Electric. These actions complement the partnerships established within the framework of the Schneider Electric Foundation.

The unemployment of young people, especially those living in priority employment neighborhoods, is unacceptable and efficient actions have been put in place to reduce this scourge, regardless of the economic, social, or industrial situation.

Schneider Electric is involved in three major programs. Two of them are sponsored by the French Government: paQte (priority neighborhoods under the City Policy, QPV) and the “*La France, une chance. Les Entreprises s’engagent*” program. The third program, “*Le Collectif pour une Économie plus Inclusive,*” is sponsored by companies.

This group was initiated by the CEO of Danone at the end of 2018. Schneider Electric joined the group and has developed the “inclusion focus” in France in 10 cities (Aubervilliers, Strasbourg, Rouen, Marseille, Lyon, Bordeaux, Nantes, Lille, Toulouse, and Grenoble). Within this framework and in conjunction with state employment stakeholders (the French Public Employment Service, Youth Employment Centers, and Maison de l’Emploi), it organized neighborhood-oriented forums, e-forums during the pandemic, and coaching sessions for the youth.

Lastly, there is the “100 opportunities – 100 jobs” system, which takes in more than 1,000 young people primarily from priority neighborhoods (as defined in the City Policy/QPV) and helps them to find long-term employment or training. Today it represents a collective of 1,500 companies located in 45 territorial areas. The relationship between all the local companies builds a melting pot that becomes the network for young people who have no network, in order to support them and structure their future project. It is a real public/private partnership that brings two worlds together for work.

The “100 opportunities – 100 jobs” system was implemented for the first time in Chalon-sur-Saône in 2005, and by the end of 2021 more than 8,600 young people had been involved, with 68% achieving positive exits, fixed-term contracts or interim contracts longer than six months, permanent contracts, or a qualification or diploma training.

Schneider Electric works to help inhabitants of the disadvantaged neighborhoods identified in the City Policy (QPV) and is naturally in line with the PaQte (Pact with Neighborhoods for all Companies) with respect to the four pillars of Raise Awareness, Train, Recruit, and Buy.

Schneider Electric in France includes integration clauses in contracts to encourage suppliers to become committed to an approach of vocational integration of persons who are outside the job circuit. Schneider Electric in France challenges employment agencies to put in place temporary occupational integration contracts (CIPI) and interim open-ended employment contracts (CDI-I), which accompany the unemployed toward long-term employment and encourage temporary work that integrates people.

Finally, Schneider Electric has partnered with many other structures or associations: *École de la Deuxième Chance, les Entreprises pour la Cité, FACE, Télémaque, Fondation de la 2^{ème} Chance, EPA, La Cravate Solidaire, Emmaüs Connect la Varappe*, etc., and has made a commitment to double the number of its apprentices, interns, and doctoral students.

4.10.3 Spirit of entrepreneurship for collaborators

For more than 27 years, Schneider Electric in France has supported employee projects to create businesses or business takeovers through *Schneider Initiatives Entrepreneurs* (SIE), through a dedicated structure (*Pass Créations*) demonstrating the Group’s commitment to its local labor markets: promoting actions to support local economic development and proposing and supporting volunteer employees in reliable career paths that are external to the Group. It comes resolutely within the development of a spirit of entrepreneurship.

SIE provides support for Schneider Electric employees at all stages of business creation, as well as afterward, with a follow-up period of three years. Sustainability rates at three years remain above 85%.

SIE’s dedicated team of seasoned managers and young work/study participants are responsible for reviewing the financial, legal, technical, and commercial aspects of business creation or company purchase projects to ensure they are viable and sustainable.

Since 2010, 1,009 projects have been supported, and 537 of them have resulted in the creation or takeover of a business: these include electricians, bakers, organic trades, consultants, asset managers, and florists, creating more than 637 jobs (employees recruited by the founders to support company growth).

The SIE structure is represented directly or indirectly in local business networks and enhances the quality of services offered through partnerships with associations such as *Réseaux Entreprendre, France Initiative*, and other local structures.

Thanks to SIE's expertise in entrepreneurship, it is regularly called upon to develop training courses in this field. SIE is highly active in the promotion of spin-offs (business creation and takeover support for employees), in particular through the *DIESE* association made up of other major groups.

Since 2008, SEI teams have showcased and rewarded the six most creative projects for company creation or takeover by employees of the Group through the *Vivez l'Aventure* competition. This competition and the prize-giving bring together many managers from the Group as well as political and economic figures. This event is an opportunity to reaffirm the important role this scheme plays in the Group's values and strategy.

The SIE teams manage many actions to contribute to local economic development, for example:

- Specific missions within the fabric of the local SMEs (small and medium enterprises) carried out by Schneider Electric senior experts or missions in the framework of skills-based sponsorship (*Alizé system*);
- *Pass Compétences*, which allows experienced managers to take long-term assignments with SMEs. These experts invest in structuring and strategic development projects for SMEs;
- Support for organizations dedicated to the creation of activities and companies (*Réseau Entreprendre, France Initiative, etc.*);
- Supports employees who want a career path external to the Group within the framework of a skills-based sponsorship system called *Pass Associations*. It enables employees to work on defining projects with partner associations or NGOs for one or two years. It encompasses all types of professions, and there are some 30 effective assignments each year. These specific systems are valued and taken into account in human resources processes and management in France.



Life Is On



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Incorporated in France,
governed by a board of directors with a share
capital of EUR 2,276,133,768
Registered in Nanterre, R.C.S. 542 048 574
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