

IMPACT  
Company



# 2022 Natural Resources Report



**Digital and Electric:**  
for a sustainable and resilient future

[se.com](https://se.com)

Life Is On

**Schneider**  
Electric

# Being efficient with resources

## In this report

A changemaker for sustainability	2	3	Lead with transparency: provide environmental data to customers	14
1 Minimize the Group's impacts and dependencies on nature	4	4	Manufacturing products sustainably	16
2 The Group's commitment to product sustainability	8	5	Product use phase and end-of-life	23

## Context and the Group's commitment

Ecosystem services provided by nature such as food, clean water, medicine, and shelter are essential for humanity to thrive. Nevertheless, growing human activity puts an increasing pressure on the planet, using and consuming more resources than Earth can renew. The threat to our natural ecosystems is now greater than ever.

The world is facing a twin crisis of climate change and nature loss, which are inextricably linked and require a unified effort to be addressed. On the one hand, climate change is the third driver of biodiversity loss (IPBES 2019), and is projected to become the first in the years to come, unless we achieve the objectives of the Paris Agreement. On the other hand, nature has historically provided carbon sinks to help balance the growing carbon emissions created by human activity. These sinks are now disappearing rapidly, due to deforestation.

Schneider Electric's long-term commitment is to be efficient with resources, by behaving responsibly and making the most of technology, including digital technology to preserve our planet. Concretely, its strategy is to minimize the lifecycle environmental footprint of its products and solutions, while maximizing the environmental benefits they can bring. This strategy has three pillars: first, to be efficient with resources and responsibly source materials, second to protect, and restore biodiversity and third to innovate with circularity as the end game.

With Schneider Sustainability Impact and its concrete programs, the Group is constantly innovating, so its offers contribute to a more circular economy, in industrial processes, product design, and business model. In 2022, the proportion of sustainable packaging doubled, from 21% to 45%, and the Group joined The Copper Mark and Responsible Steel to accelerate responsible material sourcing for metals.

**“2022 was a challenging year for supply chains with continuous disruptions. We have taken further actions to strengthen resilience for the short, medium, and long term – making significant capacity investments, accelerating regionalization, and simplifying flows. With our strategic supply chain partners, we are building additional resilience, improving energy efficiency, reducing carbon emissions, advancing circularity, and preserving local biodiversity.”**

Mourad Tamoud, Chief Supply Chain Officer



## Progress of our Resources commitments

Schneider Sustainability	#	2021–2025 programs	Baseline <sup>(1)</sup>	2022 progress <sup>(2)</sup>	2025 Target
Impact (SSI)	4.	Increase green material content in our products	2020: 7%	<div style="width: 18%;"></div> 18%	50%
	5.	Primary and secondary packaging free from single-use plastic, using recycled cardboard	2020: 13%	<div style="width: 45%;"></div> 45%	100%
Essentials (SSE)	5.	Improve energy efficiency in our sites	2019: 0%	<div style="width: 7.8%;"></div> 7.8%	15%
	6.	Grow our product revenues covered with Green Premium™	2020: 77%	<div style="width: 80%;"></div> 80%	80%
	7.	Switch our corporate vehicle fleet to electric vehicles	2020: 1%	<div style="width: 13.8%;"></div> 13.8%	33%
	8.	Deploy local biodiversity conservation and restoration programs in our sites	2020: 0%	<div style="width: 17.6%;"></div> 17.6%	100%
	9.	Give a second life to waste in “Waste-to-Resource” sites	2020: 120	<div style="width: 105%;"></div> 127	200
	10.	Avoid primary resource consumption through “take-back at end-of-use” since 2017 (metric tons)	2020: 157,588	<div style="width: 165%;"></div> 261,128	420,000
	11.	Deploy a water conservation strategy and action plan for sites in water-stressed areas	2020: 0%	<div style="width: 48%;"></div> 48%	100%

These programs contribute to UN SDGs



(1) The baseline year is indicated in front of each SSI baseline performance.  
 (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 #+1 and SSE #12 in 2022), in accordance with ISAE 3000 assurance standard (for more information, please refer to the 2022 Universal Registration Document). In addition, SSI #8 received a “reasonable” assurance level in 2022. Please refer to the 2022 Universal Registration Document for the methodological presentation of each indicator. The 2022 performance is also discussed in more detail in each section of Chapter 2 of the 2022 Universal Registration Document.

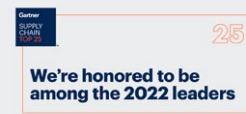
## 2022 Highlights



Schneider Electric’s Wisser range for homes is packaged with 100% materials free from single-use plastic and recycled cardboard.



Schneider Electric became a partner of Responsible Steel and The Copper Mark to accelerate the sourcing of Green Materials.



Schneider Electric ranked 2nd in The Gartner Supply Chain Top 25 and was listed in the top five for the third consecutive year.

## Long-term roadmap

### 2030

- No net biodiversity loss in Schneider Electric direct operations by 2030
- 100% deforestation-free wood in our operations and supply chain by 2030
- Double energy productivity vs. 2005 (EP100)
- Shift 100% of Company fleet to electric vehicles (EV100)
- 100% waste recovery by 2030

# 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 critical partner to our customers, suppliers, investors, NGOs and other stakeholders using our services and products to accelerate their own energy efficiency and sustainability transition. Our purpose drives us in “empowering all to make the most of our energy and resources, bridging progress and sustainability for all”. Schneider Electric is an Impact Company.



At Schneider Electric, we pride ourselves in being an Impact Company because sustainability does not only inform what we do, it drives corporate decision making. This entails a responsibility to share learnings and keep raising the bar.

We are an Impact Company convinced that to do good, we need to do well, and vice-versa. To deliver sustainability impact, we must combine solid profitability with leading practice on all environmental, social, and governance (ESG) dimensions. At the same time, this positive impact supports the long-term resilience of the Company as we attract new customers, investors, and talents.

Our sustainability and business impacts converge to act for a climate positive and socially equitable world, while delivering solutions to our customers for sustainability and efficiency.

We bring everyone along in our ecosystem, from employees to supply chain partners, customers, as well as local communities and institutions. Building on a foundation of trust, our unique operating model with a multi-hub approach is set up to impact at both global and local levels. From a meaningful purpose, our culture builds on strong people and leadership values empowering all Schneider Electric people to make a great company.

## 1. Do well to do good and vice versa



### Performance

The foundation for doing good



### Business

Part of the solution



### All ESG

Dimensions

## 2. Bring everyone along



### Model & culture

Set up for global and local impact



### All stakeholders

in your ecosystem

## An Impact model recognized in external ratings



Platinum medal recognizing top 1% performance among 100,000+ companies.



The only company in its sector listed as A List 12 years in a row.

### A Global 100 Most Sustainable Corporation

Schneider has been featured on Corporate Knights’ Global 100 list of sustainability leaders every year since 2012, ranking #4 in 2022.



Terra Carta Seal obtained in 2022, the guiding mandate for the Sustainable Markets Initiative.

### Member of Dow Jones Sustainability Indices

Powered by the S&P Global CSA

#1 among industry peers, scoring 90 out of 100 in the latest S&P Global Corporate Sustainability Assessment.



See our recognitions on the Awards page at [www.se.com](http://www.se.com)

## Our 2025 sustainability commitments

With less than 10 years left to reach the 17 United Nations Sustainable Development Goals (SDGs), Schneider Electric has accelerated its impact and is making new, bold commitments to drive meaningful impact within the framework of its business activity. Schneider Electric's 6 long-term commitments are to:

### Act for a **climate-positive** world

by continuously investing in and developing innovative solutions that deliver immediate and lasting decarbonization in line with our carbon pledge.



### Be efficient with **resources**

by behaving responsibly and making the most of digital technology to preserve our planet.



### Live up to our principles of **trust**

by upholding ourselves and all around us to high social, governance, and ethical standards.



### Create **equal** opportunities

by ensuring all employees are uniquely valued in an inclusive environment to develop and contribute their best



### Harness the power of all **generations**

by fostering learning, upskilling, and development for each generation, paving the way for the next.



### Empower **local** communities

by promoting local initiatives and enabling individuals and partners to make sustainability a reality for all.



## Our unique transformation tool

Since 2005, Schneider Electric measures and demonstrates its progress against sustainability goals with a unique transformation dashboard called Schneider Sustainability Impact (SSI).

The SSI is the translation of our six long-term commitments into a selection of 11 highly transformative and innovative programs executing our 2021 – 2025 sustainability strategy. It has been designed to focus on the most material issues, leveraging internal and external stakeholders feedback.

Every quarter, the SSI provides, on a scoring scale of 10, an overall measure of all the programs' progress, which is shared with all our stakeholders together with financial results.

At the end of the year, 64,000 employees of the Group are rewarded for the progress achieved as the SSI constitutes 20% of their short-term incentive plans' collective share (STIP).

To ensure robustness, the SSI's performance and monitoring systems are audited annually by an independent third party and obtain a "moderate" assurance, in accordance with ISAE 3000 assurance standard, except for SSI #+1. In 2022, the Group obtained a "reasonable" assurance for SSI #8 and will progressively cover all externally assured KPIs with this new level of assurance.

2021 – 2025  
**SCHNEIDER SUSTAINABILITY IMPACT**

- 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

Being efficient with resources

# 1 Minimize the Group’s impacts and dependencies on nature

## 1.1 Context

A sustainable future for people and economies will only be possible if nature, climate, and people are addressed in an integrated way. Climate change is among the main drivers of biodiversity loss, while nature is part of the climate solutions. If the limit of warming of 1.5°C becomes impossible to reach, climate change will likely become the dominant cause of biodiversity loss in the coming decades. WWF “Living Report 2022” points out that rising temperatures are already driving mass mortality events, as well as the first extinctions of entire species. Every degree of warming is expected to increase these losses and the impact they have on people.

An analysis of 163 industry sectors and their supply chains found that over half of the world’s Gross Domestic Product (GDP) - US\$44 trillion of economic value generation - is moderately or highly dependent on nature and its services. Pollination, water quality and disease control are three examples of the services an ecosystem can provide. As nature loses its capacity to provide such services, the economy could be significantly disrupted. This report found that many industries have significant “hidden dependencies” on nature in their supply chain and may be more at risk of disruption than expected.

## 1.2 Risks and opportunities

When considering this “climate-nature nexus”, Schneider Electric recognizes the inability to mitigate – or adapt to – the impacts of climate change without protecting, restoring, and enhancing our global stocks of nature. The Group used the Taskforce on Nature-related Financial Disclosures (TNFD) framework to conduct a double materiality assessment: impacts and dependencies; risks and opportunities related to nature. The double materiality approach looks at the two-way interaction with nature: how nature impacts a company and its operations, but also how the operations of a company impact nature.

Schneider assessed impacts and dependencies on the four realms of nature defined by TNFD (land, ocean, freshwater, and atmosphere), and five main drivers of nature change: climate change, resource exploitation, land and sea use change, pollution and invasive alien species.

### Risks

As a discrete manufacturing industry, Schneider Electric’s physical footprint from its operations and value chain may impact nature’s capital, local and global ecosystems.

To measure its impact on nature, Schneider Electric has conducted an end-to-end biodiversity footprint assessment, quantifying biodiversity-related risks and identifying opportunities for reducing these risks across its value chain, with a global and scientific approach. The Group’s biodiversity footprint shows that most of its impacts are indirectly caused by its carbon emissions, and that dependencies come mainly from the use of resources in manufacturing, and logistics.

## Opportunities

Schneider Electric is convinced that the circular economy can help create a win-win-win-win ecosystem:

- good for the planet, because it reduces the use of virgin resources;
- good for customers, because it enables lower total cost of ownership, or increased lifespan of assets;
- good for business resilience because it improves customer intimacy and stickiness as well as overall stakeholder attractiveness;
- good for collaborators because it provides a meaningful purpose.

Schneider Electric has a fantastic opportunity to enable more repair, retrofit, and recycling services, provided the product categories concerned are adequately maintained, and serviced by qualified and certified experts.

The regionalization of environmental regulations is creating complexity for companies across the value chain and requires enhanced product traceability. Schneider’s worldwide approach of environmental product stewardship directives fed by a local network of experts enables the group to adjust promptly to future requirements, providing Schneider with the opportunity to strengthen its relationships with its suppliers, and to provide its customers with the robust product life cycle information they demand.

## 1.3 The Group’s commitment

Schneider Electric reduces its GHG emissions by engaging and transforming its value chain to be efficient with resources, increasing recycling and responsible behaviors towards raw materials, plastics and wood used. Finally, Schneider acts locally, engaging employees and partners to implement local biodiversity conservation and restoration programs. Site managers and biodiversity leaders define their site’s biodiversity program. Guidelines define the rules applicable for the Schneider Sustainability Essentials target and share best practices across sites for continuous improvement.

### Schneider Electric’s commitment to act4nature international

1. Quantify and regularly publish the assessment of the Group’s impacts on biodiversity;
2. Commit to reduce Schneider’s impacts and align biodiversity objectives with science;
3. Develop solutions and technologies that contribute to the preservation of biodiversity;
4. Engage and transform the value chain;
5. Act locally, engaging employees and partners.



Consult Schneider’s commitments to Act4Nature international on [www.se.com](http://www.se.com)

### 1.4 Biodiversity footprint measurement

The quantification of the Group’s impacts on biodiversity is an essential first step to understand its impacts and dependencies on nature and take appropriate action. In 2020, Schneider Electric became the first company to publish the end-to-end Biodiversity Footprint Assessment (BFA) of its activities, using the Global Biodiversity Score (GBS) tool developed by Caisse des Dépôts et Consignations (CDC) Biodiversité. By sharing its experience with other companies and publishing the results transparently, the Group aims to demonstrate that measuring biodiversity footprints is a key first step in helping companies define relevant and impactful biodiversity strategies, across their entire value chain.

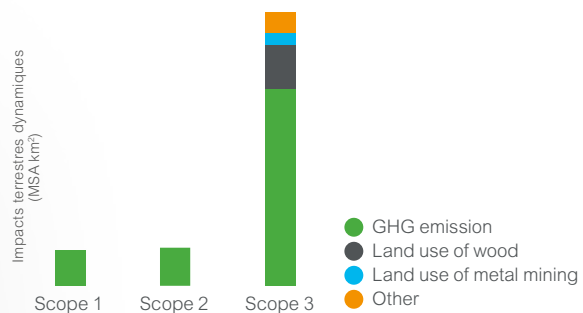
The GBS gives detailed and modular results which can be split by input line (for example, by raw materials such as metal, plastic, or timber); by pressures on biodiversity (such as land use, climate change, fragmentation, or encroachment); or it can be presented by scopes in Mean Species Abundance per square kilometer (MSA.km²). Synthetic, easy to understand and widely available, this metric has the potential to become the international standard.

The results of Schneider’s BFA are presented hereafter illustrating the Group’s dynamic terrestrial impact, with details by pressure. The pie chart highlights the weight of greenhouse gas (GHG) emissions, which represent almost 70% of Schneider Electric’s pressure on biodiversity. Land use accounts for almost 30% of “cradle-to-gate” impacts.

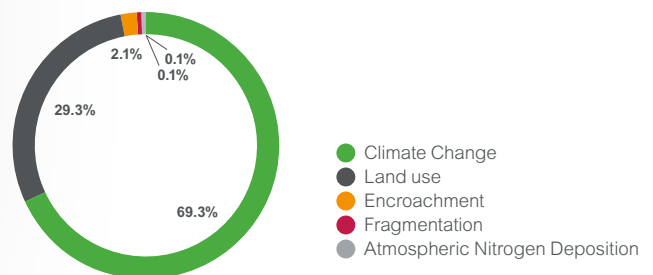
The BFA allowed Schneider Electric to identify the main levers of action to reduce its biodiversity footprint across its value chain:

- **Reduce GHG emissions** in the Group’s own operations and in the supply chain. Climate change is one of the major pressures on biodiversity globally and is the Group’s main impact on biodiversity (close to 70%). Therefore, Schneider’s Net-Zero Commitment will have a significant impact on reducing the Group’s pressure on biodiversity.
- **Reduce the “land use” due to the extraction of raw materials.** The main driver of land use is the extraction of wood and metals. Wood is mainly used for packaging purposes (cardboard, pallets, boxes); metals are the core of the Group’s products (silver, copper, steel, aluminum...). Greater transparency and access to data on end-to-end supply chain is key to understand how to minimize the Group’s impacts and dependencies on nature. Nevertheless, whether on climate or nature, data quality should not get in the way of necessary immediate action. Schneider made several commitments :
  - Source 100% deforestation-free wood by 2030;
  - Source 50% “green materials” in its products by 2025 (SSI #4);
  - Use 100% of sustainable primary and secondary packaging by 2025 (SSI #5).

#### Schneider Electric’s biodiversity industrial footprint by scope (in MSA.km²)



#### Cradle-to-gate terrestrial dynamic pressures on biodiversity



Assessing biodiversity footprint, the occasion to accelerate corporate biodiversity strategy

Schneider Electric performs the first ever end-to-end biodiversity footprint assessment with the Global Biodiversity Score (GBS), a tool developed by CDC Biodiversité

September 2020

Read more about Schneider Electric’s commitment to biodiversity on [www.se.com](http://www.se.com)

### Being efficient with resources

#### 1.5 Actions to minimize the Group's impact on biodiversity

##### Deforestation-free wood by 2030

In June 2022, Schneider Electric made the commitment to be deforestation-free by 2030. Deforestation is currently running at a rate of 10 football fields a minute in the areas most critical for carbon storage and biodiversity. Last year, primary tropical forests the size of the Netherlands were destroyed. There is no path to net-zero that does not address deforestation and supports nature-based solutions.

To date, the deforestation-free wood program runs largely through the SSI #5 (100% of our primary and secondary packaging is free from single-use plastic and uses recycled cardboard), which addresses the large majority of wood consumption by Schneider Electric. In parallel, streams of work are being created to address the complementary topics, such as technical wood or marketing materials.

##### Use the Group's voice for mandatory disclosure on nature

In October 2022, Business for Nature launched the United Nations Biodiversity Conference of Parties (COP15) advocacy campaign (#MakeItMandatory) to call on governments to mandate assessment and disclosure on impacts and dependencies on biodiversity for businesses and financial institutions above a certain size across the 196 member states of the UN Convention on Biological Diversity (CBD). Schneider signed the campaign, joining more than 330 companies calling on Heads of State and Governments to include in COP15 agreement Target 15, mandatory requirements for all large and transnational businesses and financial institutions to assess and disclose their impacts and dependencies on biodiversity, by 2030. During the COP15 Biodiversity, Schneider supported an ambitious Target 15, shared its actions to date and ambitions relating to nature, and learned from others public and private sector actors. Leading businesses already recognize the multifaceted benefits and opportunities that come with investing in nature, and the risks that come from inaction, and are working towards assessing and disclosing their impacts. COP15 also showed how Schneider and others are already accelerating efforts to restore ecosystems, including anticipating and avoiding asset stranding, circumventing value chain disruptions and protecting vital habitats through responsible sourcing.

#### 1.6 Governance

Because Schneider Electric builds products that can help people and businesses decarbonize and digitize, environmental sustainability is core to every step of the cradle-to-cradle product lifecycle. The Group works hard to minimize the environmental impact of how it designs, manufactures, delivers, and maintains its products. The Group engages with partners and suppliers on the materials it uses, and integrates strict social and environmental accountability standards that address considerations around business ethics, human rights, and environmental impact.

The Group's environmental performance is delivered with the involvement of its strategy, R&D, manufacturing, procurement, finance, human resources, transportation, sales, marketing and services teams. This environmental performance is core to the customer value proposition, and is reported and discussed during leadership meetings of concerned entities, including the Global Supply Chain, the Decarbonization Committee, the Low-carbon product design Committee, the Board Audit & Risks Committee, the Board of Directors, the Executive Committee, Human Resources & the CSR Committee, and with the ExCom Function Committee.

The environmental transformations are driven by a global network of over 600 managers and experts responsible for the environmental management of sites, countries, product design, and marketing. The network of leaders driving environmental transformations consists of the following:

- **For the design and development of new offers:** Sustainable Offers managers and leaders in each business are in charge of integrating key environmental considerations into the development of new products and producing expected environmental information for customers.
- **For the management of industrial, logistics, and large tertiary sites:** Safety, Environment, and Real Estate Vice-Presidents are nominated in each region, with dedicated teams. They are responsible for implementing the Group's policies across all sites in their geographical remit. In each region, directors coordinate teams across a group of sites (clusters), as well as on site. These environmental and safety leaders are in charge of reporting on performance as well as executing environmental progress plans in the field.
- **For logistics:** The Logistics Senior Vice-President and his/her teams within the Global Supply Chain department are in charge of measuring and reducing CO<sub>2</sub> emissions from freight at Group level.



- **For countries and commercial entities:** Environment and safety champions are appointed in each country and are responsible for local reporting actions where necessary; monitoring regulations, taxes, and national opportunities as applicable (e.g., national transcriptions of the Waste from Electrical and Electronic Equipment (WEEE) in relation to end-of-life product management, and monitoring national substance regulations such as RoHS China); the proactive management of local environmental initiatives; and finally, relations with local stakeholders.
- **Edison experts:** a process recognizes individuals who have a specific expertise that the Group is eager to maintain and grow. There are 10 specific domains in which Edison experts are identified, one of them being environment. Each year, an Environment Edison expert is expected to dedicate 10% to 20% of his/her time to lead a global initiative related to his/her expertise, such as the development of an e-learning course, a new standard, or an innovation.

Various governance bodies enable those communities to meet every month or quarter to ensure consistent adoption of environmental policies and standards throughout the Group. This network has access to a wide range of resources including standards, policies, best practices, benchmarks, and guidelines, all of which are shared on the dedicated intranet site and databases.

## Group Operations' Environment policy

Schneider Electric's operational environment strategy aligns with its broader sustainability strategy. Under this strategy, the Group's ambition is to operate sustainably within the limits of the planet and reconcile beneficial global economic growth and progress with the need for environmental preservation and regeneration.

Within its global environment policy, Schneider sets operational goals that emphasize the steps necessary to help advance towards its ambition. These goals are:

- Continuously improve the environment management system and meet compliance obligations;
- Continue protecting the environment, preventing pollution, limiting emissions, and promoting biodiversity;
- Decouple our supply chain from natural resource consumption.

Targets enabling those goals are defined in the Group's Schneider Sustainability Impact (SSI) and Schneider Sustainability Essentials (SSE) scorecards. Relevant SSI and SSE targets are SSI #5, SSE #8, SSE #9, and SSE #11.



Being efficient with resources

## 2 The Group’s commitment to product sustainability

At Schneider Electric, every product or solution fulfils strict environmental performance. The Group has embraced a circular approach throughout the lifecycle of its products, and aims to design products with minimal material footprint and maximal lifetime value. Implementing a circular model that minimizes waste requires interventions up and down the value chain – innovative design, materials, service business models, reuse and redistribution processes, collection, and more.

### 2.1 Design with circularity in mind

Circularity is a key enabler and lever to climate change mitigation and biodiversity preservation. With circularity in mind, the Group can maximize the value retention of everything it produces through the products’ lifetime.

To embed circular principles in its products and offers, the Group adopted EcoDesign Way™, a process developed to understand and manage the environmental impact throughout the lifecycle of products, and to coordinate efforts across the value chain.

Any circular journey starts with the design phase, designing new business models, products and systems that use less resources, reduce the CO<sub>2</sub> emissions and keep materials in use. Schneider’s designers embed circular design, integrate recycled and bio-based materials, and aim to design durable, repairable and upgradable products that can be either repaired on-site while they’re being used, retrofitted on-site or taken back to the Group’s ECOFIT™ and repair centers.

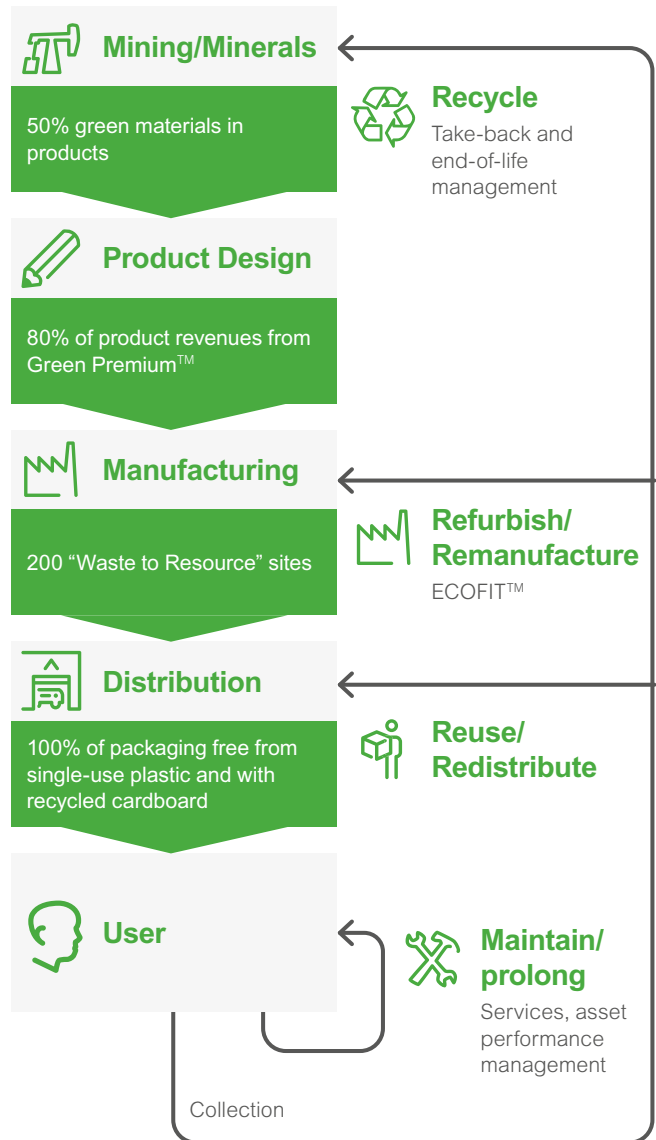
The designers benefit from Ecodesign tools, playbooks and trainings that are regularly updated, easily available on the Group intranet. From the corporate level to the design squads, several teams define the Ecodesign and circularity strategy, develop materials to support the designers’ upskilling and deployment of the circular design, and contribute actively to the development of standards at European and international level regarding circularity and material efficiency. This ensures that the internal practices are aligned with the latest standards and that the Group’s expertise is well incorporated in the standardization landscape.

Finally, the circular design actions are valued through the Green Premium™ program, communicating the environmental performance of Schneider’s offers, with transparency, on aspects relating to durability, reparability, recycled content or recyclability.

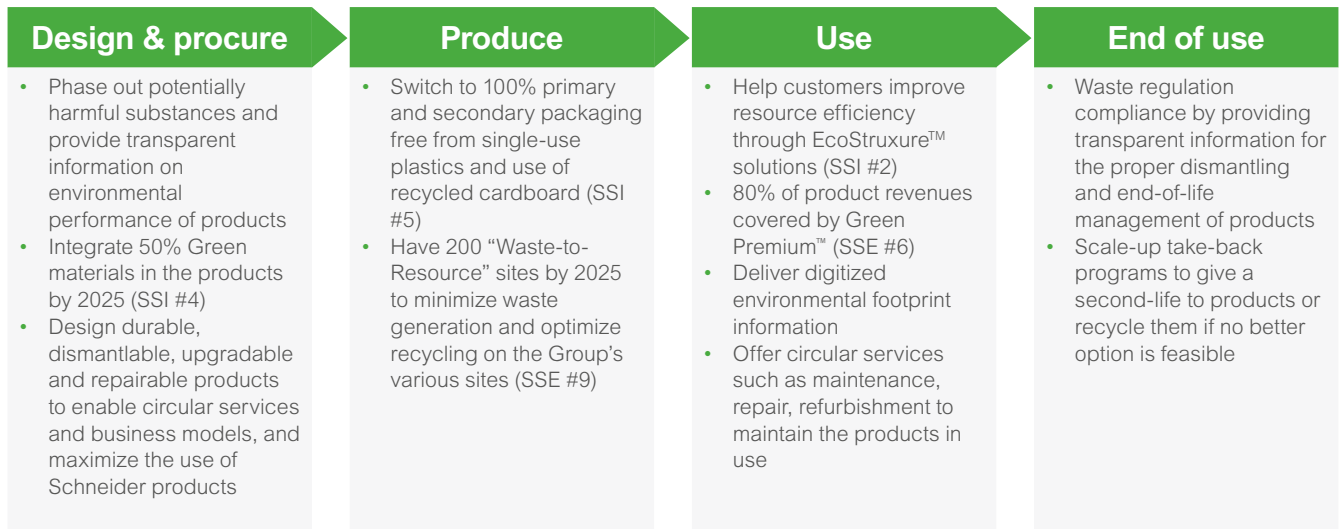
### 2.2 Ecodesign approach

Ecodesign is the design of products or services that aims to minimize the environmental impact throughout a product’s lifecycle.

In 2015, to respond to customers’ growing demand for products with a smaller environmental footprint, and to embed circular principles in its products and offers, Schneider Electric adopted EcoDesignWay™, a process to understand and manage the environmental impact throughout the lifecycle of products, and to coordinate efforts across the value chain. In each phase of the product lifecycle, ecodesign principles are defined and followed.



Schneider Electric end-to-end ecodesign approach



In 2022, the Group revamped its ecodesign strategy on two levels.

**Ecodesign in business strategy:**

- Each business unit defined its sustainability targets and roadmap to reflect operationally the resources required to achieve a decarbonization plan. The Human Resources department performed a thorough assessment to ensure each business unit was correctly staffed to foster ecodesign. It includes roles and responsibility descriptions and upskilling plans.
- Environmental attributes (green materials, circular performance, low-carbon) were included systematically in R&D prioritization. The inclusion of a carbon price in R&D projects has also been tested. The objective is to include a carbon price in all R&D investment decisions in 2023.

**Ecodesign in projects:**

- The Group has continued to rely on the EcoDesign Way™ process to incorporate ecodesign principles into every project. EcoDesign Way is a project scorecard that provides an exhaustive list of ecodesign performance attributes, fully aligned with the Green Premium™ program.
- Apart from the EcoDesign Way Scorecard, environmental footprint tools such as Simplified Life Cycle Analysis (LCA) have been tested. In 2023, Schneider aims to develop a web-based ecodesign calculator to enable easier and faster environmental footprint by project teams, and help identify the most relevant ecodesign features.
- Group Ecodesign experts have working with the Offer Excellence Academy to define an ecodesign training path to ensure all resources are available for the R&D community to raise awareness, train and upskill their teams. The training modules of the ecodesign training path will progressively be available in 2023.

**2.3 Substances management to eliminate hazardous substances**

Schneider Electric continues to remove hazardous chemicals from its products, processes, and supply chain, to minimize the potential harm for the environment and people health. The Group has tackled this issue for many years as part of its environmental programs reducing and managing its waste, emissions- and water-related risks, including pollution. It constantly substitutes substances or substance groups listed among the declarable and regulated substances in its products, whenever this is technically possible. The recent development of the new medium voltage switchgears without SF<sub>6</sub> (one of the most impacting greenhouse gases) is an illustrating example.

The Group operates in different jurisdictions with evolving regulations on environmental, health, safety, and product compliance. The regionalization of environmental regulations (e.g. California Prop 65, China RoHS, UAE RoHS) creates complexity, with thousands of suppliers. Therefore, Schneider has put in place a strong governance, relying on a worldwide approach of environmental product stewardship directives fed by a regional and local environmental steward network. Because substance presence identification and traceability is key, the Group is investing in robust digital systems to preform and report the environmental compliance of its wide portfolio of products, across several hundreds of thousands of commercial references.

**RoHS and REACH**

Schneider Electric has adopted, for many years, a proactive implementation of the RoHS European Directive. This means the Group strives to have products compliant with RoHS and REACH substances restriction even if it is not in the legal or geographical scope of the directive. This includes all Schneider's offers, its local or independent name brands, manufactured in its plants or only labelled.

### Being efficient with resources

Schneider is committed to fulfill its legal obligation and pursues the product compliance coverage to the largest possible extent making business sense. It continues to work to reduce the number of products under the RoHS directive exemptions, and it continues to reduce the number of global exceptions to REACH and RoHS. 79% of products globally (83% of revenue) are compliant with RoHS restrictions, among which 36% without directive exemptions.

Research programs are carried out to find alternative solutions to the presence of lead in some metallic alloys, brominated flame retardants in PCBs, cobalt in surface treatments, to anticipate future possible restrictions. Per- and polyfluoroalkyl substances (PFAS) is a wide family of substances that are targeted by both Europe and the United States of America in coming regulations. A first identification action was carried out in order to map the different usages both in the Group's products and manufacturing processes. The concept of "essential use" will be associated to the regulation and Schneider must identify which of its applications are in line with this concept (which is not yet fully defined by the legislator) and where substitutions will be required.

In Europe, the Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and the Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS) directive are engaged in a refit process. Schneider actively participates in the public consultations through the professional organizations (FIEEC, Orgalim, Digital Europe), making some key proposals to improve efficiency and limit the administrative burden.

#### Compliance system

A strong data management system is key to ensure product compliance and anticipate substitution actions. Internal IT processes are continuously adjusted with the goal of taking a more proactive and safe approach to the use of materials and substances, and to more efficiently fulfill the declaration requirements such as those of the European Substances of Concern In Products (SCIP) database through direct link or IEC 62474/IPC1752 structured data exchange formats.

In addition to IT tools, supplier compliance data collection is continuously improved with a new workflow and a wider scope of requests, pushing for full material disclosure information.

#### WEEE

Related to RoHS is WEEE, which stands for Waste from Electrical and Electronic Equipment (also known as "e-waste"). It refers to regulations, typically passed at a country or state level, aimed at promoting the reuse and recycling of electrical and electronic equipment and thereby reducing resource consumption and the amount of e-waste going to landfill. Requirements of WEEE regulations include, among others, financing the collection, treatment, recovery, and environmentally sound disposal of WEEE. With the rapidly expanding use of electrical and electronic products globally and the resulting growth in e-waste, more and more jurisdictions are enacting WEEE regulations.

The European Union (EU) WEEE Directive, is implemented through national regulations in all European Economic Area (EEA) countries including all EU member states, Norway, Liechtenstein, and Iceland. Schneider closely monitors developing WEEE legislation and complies with the EU WEEE Directive and EEA national regulations, as applicable.

Requirements of the EU WEEE Directive 2002/96/EC and national regulations generally include, among others, the following:

- financing the collection, treatment, recovery and environmentally sound disposal of WEEE resulting from products on the corresponding market which have reached their end of useful life ;
- labeling products with a crossed-out wheelee bin symbol to help minimize WEEE disposal as unsorted municipal waste and facilitate its separate collection. All applicable Schneider Electric products in the European markets need to comply with WEEE regulation and carry the "Wheelee Bin" sticker.

### 2.4 Reach 50% of green materials in products by 2025

#### Risk relating to sourcing materials

The acceleration of electrification globally is increasing competition to access some critical raw materials. For example, renewable power generation is shifting dependency of the energy sector from fossil fuels to mineral resources. The electric vehicles industry is expected to increase the demand for lithium 50-fold by 2040 and the demand for cobalt and graphite 30-fold, according to the International Energy Agency (IEA).

Evolving economic trend, global overexploitation, and limited access can result in shortages of natural resources within the Group's operations and its value chain. This can result in business disruptions and rising costs in both the short- and long-term, and additional challenges to secure supply for sustainable transformation programs (green materials, substances substitution, sustainable packaging).

#### Risk monitoring and management

Risks are taken into account in the STRIVE initiative of the Group's Global Supply Chain and covered by the Property Damage and Business Interruption program at site level.

The Group approaches access to resources at different time horizons, to ensure supply resilience both now and in the future. The Group is:

- building short-term resilience in securing supply and protecting operations against price volatility with real time alerts to notify and activate action plans;
- de-risking its portfolio with technological solutions and circular business models;
- shaping the future with long-term material resilience and sustainability with disruptive actions.

To address uncertainty in long-term resource disruption, Schneider has added resource parameters in product EcoDesign and defined substitution strategies for critical resources. R&D actions are in place, focusing on materials with main strategic functions accompanied by communication channels to escalate and alert.

### Green materials in the Group’s products

Schneider has committed to increase green materials in its products to 50% by 2025, as part of its Schneider Sustainability Impact program (SSI #4). With that commitment, the Group aims to:

- Be a change agent to accelerate the transformation toward a low-carbon and circular economy of the material industry;
- Reduce Scope 3 upstream emissions, in line with the Group’s Net-Zero Commitment;
- Differentiate Schneider’s products by using low CO<sub>2</sub>, circular, and safer materials.

According to Schneider, a green material has a lower environmental and social footprint, meaning low greenhouse gas emission, high recycled content, and no negative impact on people and the planet.

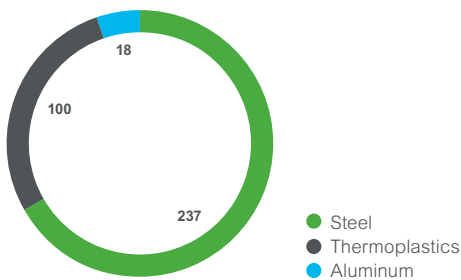
Therefore, performance could be achieved, either through selecting material and/or supplier with a proven lower environmental footprint (e.g. proof of a material produced out of a 100% recycled content), or strengthening the traceability of sustainable initiatives in the value chain.

While the first action is particularly relevant for thermoplastics materials, the second action is a priority for metal commodities where visibility of the environmental impact and technology-origin of procured metals is low.

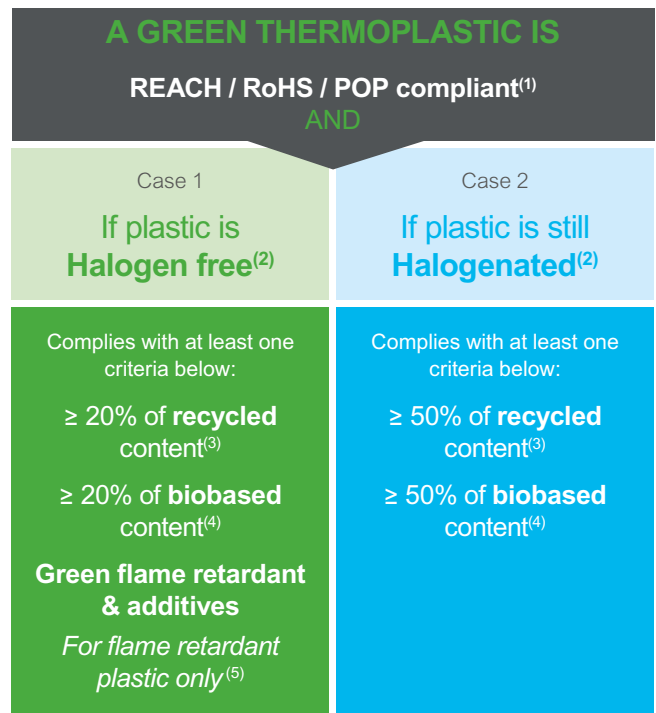
The lower environmental footprint attributes are defined for each commodity in scope, as the environmental performance of metal cannot be based on the same attributes as plastic. In 2022, the scope of green materials focused on three types of commodities covering around a third of purchased materials in volume:

- Thermoplastics (including both direct and indirect procurement). Thermoplastics are qualified as “green” when the supplier provides evidence of a minimum recycled content, biobased content (the minimum threshold depends on whether the compound is halogenated or not) or is using a green flame retardant.
- Steel (direct purchases). Steel is qualified as “green” when the supplier provides evidence that the mill of origin is an Electric Arc Furnace (EAF) or has a Green certificate such as the ones delivered by Responsible Steel.
- Aluminum (direct purchases). Aluminum is qualified as “green” when the supplier provides evidence that the product carbon footprint is below 8 tonnes of CO<sub>2</sub> per tonne of aluminum, is using a minimum of 90% of recycled content in its product or that the mill of origin has a Green certificate such as the ones delivered by the Aluminium Stewardship Initiative.

### Volume and distribution of “green materials” (in kt)



### Definitions of “green thermoplastics” and “green metals”



- (1) Persistent Organic Pollutants (POP) / Latest versions
- (2) According to IEC 63355
- (3) According to ISO 14021 & EN 45557
- (4) According to EN 16785 or ASTM D6866
- (5) According to GreenScreen used in TCO Certification



- (1) E.g. Responsible Steel
- (2) According to Aluminium Stewardship Initiative (ASI)
- (3) According to EU green taxonomy
- (4) E.g. Aluminium Stewardship Initiative (ASI)

## Being efficient with resources

The inclusion of other commodities like copper, thermoset, and indirect steel will be reassessed in the next phases, as the program matures and the transparency of supply chains improves. In 2022, Schneider Electric businesses strengthened their green materials implementation targets and roadmap to accelerate the demand for greener alternatives from suppliers.

### Partnerships to accelerate the sourcing of green materials

In 2022, Schneider Electric accelerated its engagement with suppliers regarding their sustainable transformation by building stronger connections and by securing the first volume of certified green steel.

In 2022, Schneider purchased 700 tons of Bluemint® Steel, a high-quality flat steel with reduced carbon intensity, from ThyssenKrupp. Purchasing Bluemint® Steel comes with a third party certificate to ensure CO<sub>2</sub> is directly reduced at the ThyssenKrupp Duisburg production site. Opting for such branded products helps Schneider to reduce its Scope 3 upstream emissions, enhance traceability in the steel supply chain and strengthen trust with suppliers. The Group is working to further develop this alternative and to leverage environmental benefits at offer level.

Schneider also contributed as official partners to industry-wide associations and certification schemes. For example, the Group participated in Responsible Steel working groups, the world's first global scheme for responsibly sourced and produced steel. The Group supported the definition and publication of the latest ResponsibleSteel™ International Standard V2.0, launched in September 2022, and incorporating additional requirements on GHG emissions and the sourcing of input materials. ResponsibleSteel™ International Standard defines 13 principles covering environmental, social and governance issues.

In 2022, Schneider became an official partner of The Copper Mark, which aims to accelerate responsible material sourcing for metals. Joining The Copper Mark will help the Group to improve the environmental and social aspects of the copper value chain. Schneider is looking forward to engaging further in pursuit of responsible materials sourcing goals together with The Copper Mark, and encourages its suppliers to participate in The Copper Mark Assurance Process, and aim collectively at responsible copper production.

Ultimately, Schneider aims to include all types of products, which is why definitions for copper and thermosets were prepared and tested with its suppliers in 2022.



## Resources

### SSI #4



## Increase green material content in our products to 50%

The Merten Ocean Plastic family of products was recognised in 2022 by the CES of Las Vegas as a 2022 Innovation Award honoree in the Sustainability Category. To develop this range from postconsumer recycled plastic, the Group partnered with DSM, a Netherlands-based company, converting fishing net waste into high-grade technical plastic that can be used in electrical devices. DSM collaborates with several local communities in India to recover and collect discarded fishing nets, providing a significant benefit to the local economy and environment. The abandoned fishing nets are then cut up, cleaned, extruded, and inspected for quality before being sent to DSM for processing into Akulon Repurposed compound.

The carbon footprint of this new compound is 82% lower than the traditional virgin material used in similar products, reducing the potential impact on global warming, air acidification, and photochemical ozone formation in its manufacturing process.



## 2.5 Sustainable Packaging


Packaging is the first visible asset seen by customers and is associated with major environmental challenges such as resource depletion, waste generation, and marine pollution. Schneider Electric sustainable packaging program aims to foster innovative packaging solutions to ensure a safe and frustration-free packaging experience with a reduced impact on the environment.

Globally, a growing number of regulations require the development of packaging alternatives, with a focus on recyclability. To comply with these regulations and avoid current or upcoming polluter-pays packaging taxes, innovation and partnership with suppliers are key. Schneider suppliers are required to comply with applicable laws and regulations, including compliance with the European Union's Directive on Packaging and Packaging Waste (1994/62/EC), as amended by 2018/852/EU and CEN packaging standards (EN 13427:2005), as well as the US Toxics in Packaging legislation.

Schneider is working with its suppliers to ensure adequate supply of sustainable packaging materials.

By 2025, Schneider Electric is committed to reach:

- 100% of primary and secondary packaging with recycled cardboard. Cardboard is considered as recycled when it includes at least 70% of recycled fiber by weight, if legally accepted. Exception may be approved to avoid any compromise in product protection, safety or quality standard. Temporary exemption is made for North America, where an average of 50% of recycled fiber by weight is required to be considered as recycled.
- 100% of primary and secondary packaging free from single-use plastic. At Schneider, the definition of Single Use Plastics (SUP) is based on the European Plastic Pact : "A single-use plastic product means a product that is made wholly or partly from plastic and that is not conceived, designed or placed on the market to accomplish, within its life span, multiple trips or rotations by being returned to a producer for refill or reused for the same purpose for which it was conceived."

 Source: Directive 2019/904/EC of 5 June 2019 on the reduction of the impact of certain plastic products on the environment.

In 2022, Schneider's packaging teams worked to:

- establish partnerships with key suppliers to secure alternative packaging options;
- build up traceability in the supply chain by collecting suppliers' declarations and certificates for recycled cardboard;
- update the sustainable packaging guideline and associated tools to facilitate sustainable packaging adoption in projects.

In 2023, the teams will work on:

- accelerating SUP phase-out program to ensure new and legacy products switch to more sustainable packaging options;
- strengthening procurement systems to better track single-use plastic packaging.

## Resources

### SSI #5





## 100% of our primary and secondary packaging is free from single-use plastic and uses recycled cardboard

Our Wiser range products are packaged with 100% materials free from single-use plastic and using recycled cardboard.



**2020 Baseline**

13%

**2022 Progress**

45%

**2025 target**

100%

Being efficient with resources

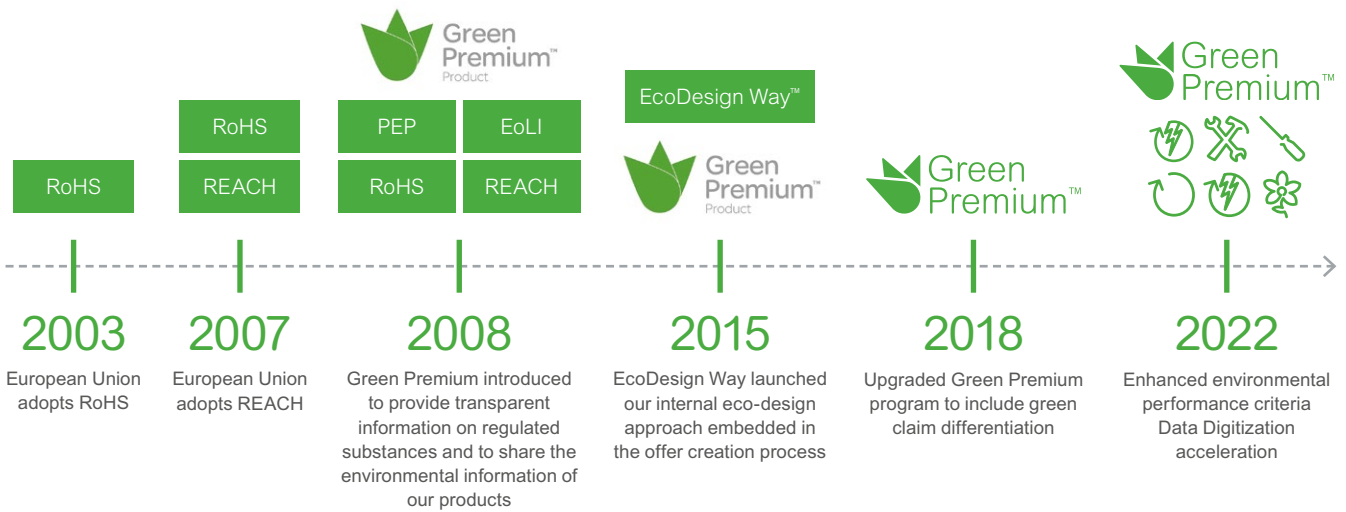
# 3 Lead with transparency: provide environmental data to customers

## 3.1 Green Premium™

Schneider Electric launched in 2008 its Green Premium™ program to transparently communicate the environmental value of a product to customers, with both qualitative and quantitative data. The Green Premium label means that a product follows the EcoDesign principles, and :

- is compliant with RoHS and REACH regulations;
- has an estimated lifecycle assessment impact (LCA);
- has clear end-of-life instructions.

In 2015, the Green Premium label added other environmental criteria. For example, the Green Premium label signals circularity business models, such as “take-back” programs. An example of a take back program is for customers who have purchased one of the Uninterruptable Power Supplies (UPS) to have access to complementary recycling when the battery in the product reaches its end of useful life. In 2022, this service collected more than 15,000 tonnes of batteries globally for recycling.



In 2022, Schneider has redefined the program to encompass three pillars: Trust, Transparency, and Performance.

- **Trust** means Schneider continues to be transparent with customers, providing RoHS and REACH substance information and going beyond regulations by applying the same rules regardless of the geographies. That is and will remain the core of the Green Premium™ program.
- **Transparency** is the commitment from Schneider to disclose in a digital way the environmental impacts of its products, their end-of-life treatment, as well as any environment-related attributes meaningful for customers. This is crucial in the Group's strategy, as the first step for improvement is measurement and quantification.

- **Performance** is Schneider's commitment to deliver products with reduced environmental impact. Performance can take several forms:
  - use of lower impact materials such as recycled plastics;
  - enhanced product recyclability to reduce waste, and loss of critical raw materials;
  - energy efficient products with at least 10% of improved energy efficiency with respect to the market average or to previous generations;
  - improved durability and the ability to function as required under defined conditions of use, maintenance, and repair, until a final limiting state is reached (which should be at least 5% higher than market average);
  - SF<sub>6</sub>-free products;
  - easy repair of product parts.

### Trust

Minimal use of hazardous substances in, and beyond, compliance with regulations (RoHS, REACH).

### Transparency

- Digital environment disclosure (PEP)
- Circularity profiles to provide guidance on responsible product end-of-life treatments
- Transparent environment attributes (ie. Mercury-/Lead-/PVC-free, sustainable packaging)


### Performance

- Lower impact materials
- Energy efficiency
- SF<sub>6</sub>-free
- Recyclability
- Durability
- Reparability





In 2022, Schneider revamped the pages of its online catalogue to make all environmental information more easily available to customers, so that they can quickly identify Green Premium products and can choose the product they want according to environmental features.

 Consult digital conformity declarations, Product Environmental Profiles (PEP) and End-of-Life Instructions, on product pages, on the mySchneider mobile app, and on the “Check a Product” website at <https://checkaproduct.se.com>

**Resources**

**SSE #6**







**80% of product revenues covered by Green Premium™**

In 2022, Schneider Electric received an increasing number of customer inquiries requesting detailed information regarding the material content and environmental impacts of its products. In response, the Industrial Automation Environmental Experts of the Group generated more than 75 new Product Environmental Profile (PEP) documents. This has enabled the certification of a larger number of products through the Green Premium™ program to deliver even more transparent information.

2020 Baseline	2022 Progress	2025 target
77%	<div style="width: 100%; height: 15px; background-color: #4CAF50;"></div> 80%	80%

### 3.2 Product Environmental Profiles

A greater number of customers, regulators, and standards bodies request quality and detailed environmental data. Many building standards and local regulations demand or promote offers providing Environmental Product Declarations.

An environmental footprint is a product or solution-related measurement that provides quantitative information based on Life Cycle Assessment (LCA, according to ISO 14040-44 standard). It enables the assessment of multiple environmental impact indicators, including the carbon footprint, for all product or solution lifecycle stages. The scope of this assessment is also referred to as “cradle-to-grave”. Environmental footprint is a mandatory requirement in the Green Premium™ program.

Schneider Electric relies on Product Environmental Profiles (PEP) to fulfill this requirement. A PEP is defined as a product-oriented “summarized” version of a full LCA. It relies on Product Category Rules (PCR) or Product Specific Rules (PSR).

At Schneider, there are two types of PEP available:

- **Certified** – a type III Environmental Declaration in compliance with ISO 14025. The certified PEP is externally reviewed by an accredited verifier and published by a program operator according to the rules provided by this operator (for example, PEP Ecopassport).
- **Internal** – the internal PEP follows the exact same rules as the certified one. However, an internal PEP is reviewed internally and therefore cannot be registered through an independent program operator. A process of accreditation for internal verifiers guarantees the adequate level of internal PEP verifications. Verifiers check PEPs from lines of business other than their own, thus ensuring independence. Internal PEPs comply with the ISO 14021 self-completed declaration.

In 2022, more than 2,000 valid PEP were publicly available online, covering all of Schneider’s product lines, and 87% of product lines are covered by an ISO 14025 type III declaration.

#### PEP Ecopassport PCRed4

In 2021, Schneider Electric made a major contribution to the development of the new Product Category Rules of the PEP Ecopassport association (PCRed4 issued in September 2021), which are:

- Compliance with the EN 50693:2019 standard: Product category rules for lifecycle assessments of electronic and electrical products and systems – currently being mirrored in the IEC/TC111 Working Group 15 (IEC 63366);
- Full alignment with the EN 15804+A2 standard: Sustainability of construction works – Environmental product declarations – Core rules for the product category of construction products;
- Integration of key elements of the EU Product Environmental Footprint (PEF), such as mandatory impact indicators, end-of-life formulae, and quality ranking;
- Alignment with ISO 14067:2018: Greenhouse gases – Carbon footprint of products – Requirements and guidelines for quantification, integrating the latest requirements of the French regulatory texts from RE2020.

The application of PCRed4 enables electrical and electronic equipment manufacturers to produce product environmental declarations in accordance with the best-known international standards, thus fostering cross-region and cross-industry recognition. Schneider aims to use this new PCR document to influence and strengthen the environmental footprint practices of the sector through standardization (TC111 Working Group, ZVEI initiative) and regulations (Sustainable Product Initiative of the European Commission, Green Taxonomy).

In 2022, Schneider updated its LCA tools in order to include new requirements from the PEP Ecopassport PCRed4. From 2023 onwards, all PEPs published by the Group will be compliant with the PCRed4.

By relying on the PEP Ecopassport PCRed4 methodology and the acceleration of environmental impact data digitization, Schneider strives to provide quantified environmental footprint information systematically and seamlessly to customers to differentiate its sustainable offers, and therefore, be a change agent towards a low-carbon and circular economy.

## Being efficient with resources

# 4 Manufacturing products sustainably

In addition to the ever-increasing offer of digital solutions such as its various EcoStruxure™ software, consulting and advisory services, and field services teams, Schneider Electric still relies on traditional manufacturing to produce its wide range of energy-saving products.

In order to continue manufacturing into the future to help its customers deliver on their sustainability and business objectives, while simultaneously preserving the environment and its limited resources, the Group is committed to minimizing its impact on natural resources and operating with sustainability principles at its core.

The Group aims to progressively move towards closed-loop systems in its operations and with its partners in order to prolong the life and use of the resources it depends on.

### Schneider Electric real estate footprint

Schneider Electric's real estate footprint is made of approximately 1,000 sites in total, across six continents, with a total occupied floor area of approximately 5 million square meters. Around two thirds of this surface is occupied by large industrial facilities for manufacturing and logistics purposes. The remainder consists of office buildings, that vary in size and characteristics. Overall, Schneider's largest 100 sites account for about 50% of the Group's footprint and its largest 200 sites account for approximately 80%. For this reason, the KPIs in the following sections are built around those 200 largest sites, ie those with the most material impacts.

### 4.1 Risks and opportunities within manufacturing operations

Environmental risks related to manufacturing include soil, water, and air contamination. For instance, the release of hazardous substances can be harmful for fauna, flora, and human health. It can also disrupt continuity of operations and tarnish reputation. In addition to that, with factories and distribution centers spread across dozens of countries and different national environmental regulatory frameworks, risks of non-compliance exist. These risks include effluent management, handling of waste, and greenhouse gas-related expectations.

A proactive approach towards site and property environmental risks and compliance helps preserve the continuity of operations, reduce reputational and legal risks, and avoid expensive remediation steps.

Resource and energy efficiency not only delivers financial savings, but also limits the Group's exposure to commodity-price volatility and shortage risks. Electrification megatrends are increasing competition to access some raw materials, creating shortage risks for Schneider Electric. The risk extends to the reliability of the energy on which a facility relies to maintain production.

The Group's CO<sub>2</sub> emissions contribute to climate change and may also incur additional costs as carbon taxes become implemented worldwide. Facilities and industrial assets themselves are also at risk of acute and chronic climate events which can disrupt the supply chain and endanger lives.

The Group believes environmental performance is a powerful tool to innovate towards a more efficient and resilient supply chain and generate bottom-line savings. By using its own EcoStruxure™ architecture to achieve this ambition, the Group also showcases carbon efficient architectures to its customers.

Environmental regulatory compliance, environmental management systems, and engagement programs with key stakeholders are the foundation of Schneider Electric's environmental risk management, prevention, and continuous improvement program for current, former, and prospective operations.

### Compliance with environmental regulations

Historical environmental liabilities are managed at a regional level to ensure that local expertise, regulatory knowledge, and cultural awareness are applied. Using external consultants, known environmental issues are thoroughly investigated, and, if appropriate, remediated or otherwise managed through engineered or institutional controls to reduce potential risks to non-significant levels and in compliance with local regulations. Environmental risks and provisions are reviewed with local and corporate finance, as well as legal functions.

During 2022, no new material environmental impacts were identified. See page 193 of the 2022 Universal Registration Document for more information. Furthermore, no Schneider Electric sites are Seveso-classified.

### Environment management systems

Schneider has put in place an Integrated Management System (IMS) which allows for standardized, streamlined, and collaborative deployment of its various management systems. The IMS covers the Group's plants, distribution centers, and large offices, and hosts ISO 14001, ISO 50001, ISO 9001, and ISO 45001 compliance management systems. Each site is audited periodically, either externally by Bureau Veritas (every three years), or internally. In particular, the relevant management system for the environment is ISO 14001.

ISO 14001 certification allows Schneider Electric to define and maintain robust environment governance on its sites, supporting continuous improvement to deliver environmental performance. The Group certifies all industrial and logistics sites with more than 50 employees and all large tertiary sites with more than 500 employees, within two years of their acquisition or creation.

243 sites were certified ISO 14001 as of the end of 2022, representing approximately 76% of the Group scope based on the share of site surfaces, 82% of the Group scope in terms of energy consumption, and over 83% of the Group scope in terms of water usage, waste generation, and Volatile Organic Compounds (VOC) emissions.

The Group's environmental reporting scope and targets are based on all ISO 14001 sites. Environment reporting metrics are shown in the table on page 269 of the 2022 Universal Registration Document, and include energy consumption, Scopes 1 & 2 CO<sub>2</sub> emissions, waste generation, water usage, and VOC emissions.

With the Sustainability, Environment and Real Estate (SERE) network working hand in hand with the Customer Satisfaction & Quality (CS&Q) network, a robust governance is in place to mitigate environmental risks and drive continuous improvement.

The internal Energy and Environment Policies supported by the Global Environment Directives on legal compliance, event reporting and alerts, and environmental liabilities provide clear expectations, scope and accountability rules, enabling the harmonization of environment and energy governance across regions and activities.

Each site is assessed under more than 240 indicators consolidated under the Environmental, Health and Safety Assessment (EHSA) and published to all Global Supply Chain sites in a global EHSA dashboard. Sites are also benchmarked based on best available techniques documented and shared within SERE and CS&Q networks.



## Engagement programs

Environmental risk management and prevention require more than just the appointment of technical environment experts. Robust governance with key stakeholders across the entire organization is critical to achieve and maintain success in the numerous areas surrounding environmental risk and prevention.

The Group has therefore established the following engagement programs:

- The Company-wide Look at Environmental Assessment and Risk Review program (CLEARR), which focuses on historical and current potential environmental site risks, surveys new and existing selected manufacturing sites each year.
- Thorough environmental due diligence reviews of mergers, acquisitions, and disposals, at any site where chemicals are or have been used. Any environmental risks or liabilities identified are addressed through proper risk management activities.
- Third-party services assess the risk profiles of key sites in relation to certain external risks such as fires, earthquakes, floods, and other natural disasters. This process is combined with the business continuity planning efforts to gauge related risks and anticipate possible steps which would be required.
- Risks and mitigation actions are presented to the Board Audit & Risks Committee.

## Resilience materials program

The Group approaches the access to resources at different time horizons, to ensure materials supply resilience both now and in the future. The Group is:

- building short-term resilience in securing supply and protecting operations against price volatility with real-time alerts to notify and activate action plans;
- de-risking its portfolio with technological solutions and circular business models;
- shaping the future with long-term material resilience and sustainability with disruptive actions.

To ensure materials sourcing resiliency, Schneider has added resource parameters in product EcoDesign and defined substitution strategies for critical resources. R&D actions are in place, focusing on materials with main strategic functions accompanied by communication channels to escalate and alert.

## Being efficient with resources

### 4.2 Waste-to-Resources

Schneider Electric is committed to mitigating the potential adverse impacts of hazardous waste on environment and health. Two main levers have been identified through the “Waste-to-Resource” program. First, all sites generating hazardous waste ensure visibility of handling and end-of-life treatment paths. They must also seek to add value to waste where possible (through material or energy recovery) while neutralizing its hazardous nature. Secondly, top hazardous waste-generating sites should work to reduce the volumes of waste generated in the first place, notably by implementing “Best Available Techniques” (BAT) in their industrial processes. Such BAT processes lead to superior performance from a resource efficiency perspective, and/or chemical substances use, and/or emission reductions.

In 2022, global challenges with supply chains, material shortages, and increased visibility towards waste pollution such as ocean plastics have confirmed that Schneider is heading in the right direction with its circularity strategy.

In its previous 2018-2020 program, “Towards Zero Waste to Landfill”, the Group placed strong emphasis on diverting waste from landfill through alternative solutions.

In its new program called “Waste-to-Resource” (SSE #9), Schneider Electric takes its waste recovery program even further: sites must now achieve 99% recovery for all waste not classified as hazardous and still achieve 100% hazardous waste recovery using the best available handling/treatment options locally. Additionally, to promote and emphasize the importance of circular economy, “Waste-to-Resource” sites are not allowed to use waste-to-energy solutions for more than 10% of their waste. This provides an opportunity for sites to work collaboratively within their internal supply chains, and alongside external suppliers and waste management providers, to find innovative reduce, reuse, and recycle solutions.

In 2022, the Group did successfully add 19 new Waste-to-Resource sites in 2022, but removed 18 sites that were Waste-to-Resource in 2021, of which half were either closed, sold, or transferred to third parties for business reasons. The other half, while collectively achieving a commendable 98.7% recovery with only 5.2% waste to energy, still missed the very challenging 99% recovery target.

In 2023, the Group will pursue its Waste-to-Resource efforts to more sites, thereby strengthening its culture of circular economy across its operations.

Schneider generated around 131,000 tons of waste in 2022, most of it being solid waste. Continuous improvement plans have been deployed to manage this waste, in line with the ISO 14001 certification. Despite the challenges with the Waste-to-Resource program, the Group still managed to improve from 96% to 96.3% recovery of reported waste, and from 91% to 91.3% recycling rate without energy recovery in 2022 compared to 2021. The recovery ratio has increased from 81% to 96.3% since 2009, thanks to site-by-site waste management action plans.

By 2025, the ambition is to reduce hazardous waste intensity by 30% against the 2017 baseline. In 2022, hazardous waste generation intensity was 0.24 tonnes/million EUR of revenue, which represents an evolution of -44% versus 2017.

# 96.3%

waste recovery in 2022

**Target:**  
**100% by 2030**

Resources

SSE #9



200 “Waste-to-Resource” sites

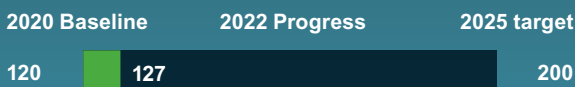
The SEPSL plant located in Bangalore, India is a manufacturing site that produces cabinet enclosures. Sheet metal is a mandatory raw material in this production process. While the site takes action to reduce scrap metal where possible, there is still some remaining scrap in the process. Instead of simply recycling or selling the scrap, the site has undertaken a circular economy project to reuse the scrap metal internally.

The site analyzed opportunities to reuse the scrap and discovered there were wooden pallets being used for in-house material movement and storage, but that these pallets would routinely need replacement, and there were issues with shortages of the needed pallets. By fabricating pallets from the scrap metal, the site was able to increase the longevity of the pallets’ lifespan, decrease the reliance on wooden pallets, eliminate shortages issues, and reduce the metal waste linked to the production process.

This project has saved the site 220 wooden pallets to date and resulted in more than €36,000 savings annually. Moving forward, the site continues looking for ways to implement circular economy practices and reduce the waste generated.



Before and after of the Circular Economy project in SEPSL Bangalore India site



4.3 Water withdrawal, discharge, and stress

Schneider Electric regularly assesses water-related risks. The Group conducted a materiality analysis, with both internal and external stakeholders. In 2022 a specialized consultancy was mandated to map its corporate water footprint across the value chain, covering water consumption, scarcity, eutrophication, ecotoxicity, and acidification. The assessment showed that direct water use and indirect energy water use in facilities amounts for less than 1% of Schneider Electric’s overall water footprint. This is explained by the nature of most of Schneider’s industrial processes (manual and automatic assembly), which have limited water use.

The impact on water quality is considered minimal as well; the highest impact on water quality indicators comes from the use of products and upstream purchases categories. In 2022, water management and performance information were disclosed in the CDP Water Security program, and Schneider was awarded a B rating.

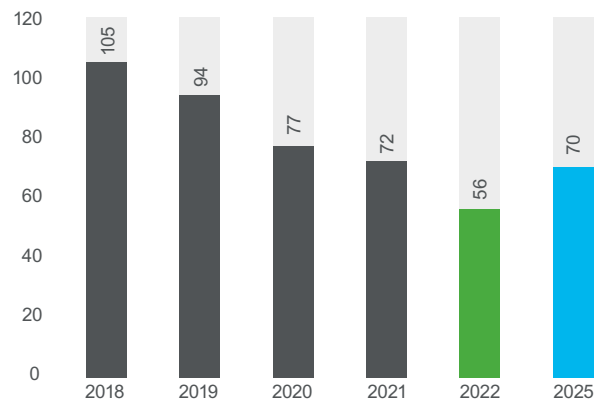
Water withdrawal

The Group measures water withdrawals per source, with details on water withdrawn from the public network, groundwater, surface water (for example lakes and rivers), and other sources of water (including rain and recycled water).

Water is primarily used for cooling and sanitary purposes and, at a few selected sites, for processes such as surface treatment. Water drawn for the sole purpose of cooling is immediately released without alteration and is also monitored separately.

Schneider Electric aims to reduce water intensity (in m<sup>3</sup> of water withdrawn per euro of turnover) by 35% in 2025 versus 2017, with a focus on sites with high water withdrawal and within water-stressed areas. In 2022, water withdrawal intensity was 56 m<sup>3</sup> per million euro of revenue, an evolution of -48% against the 2017 baseline.

Annual water withdrawal intensity (m<sup>3</sup>/million €)



● Water intensity  
● Target

## Being efficient with resources

### Water discharge

The majority of water discharged by Schneider Electric is sent to a third party for treatment without requiring additional prior treatment in Schneider's facility. Whenever water is used for industrial processes requiring additional internal treatment (e.g. surface treatments), resulting water discharges are subject to appropriate treatments to reduce pollutant potential and subject to a monitoring plan. All sites with such water usage have designated water quality and treatment experts to ensure all local regulations are followed regarding water discharge.

For example, at the Isle Espagnac plant (Poitou-Charentes, France), water is used as part of a chrome plating process and systematically treated before being discharged in sewers with adequate water quality as set by the local water discharge convention, which is monitored by an independent laboratory accredited by the local public administration. In addition, the site is investing EUR 1.7 million between 2022 and 2024 to transform its operations and discharge no water thanks to a closed water loop approach. This means that the site will no longer discharge water in sewers, with estimated savings of at least 2,000,000 liters per year and 330 tonnes of CO<sub>2</sub> per year as the site will ship less filtered waste to incineration/landfill.

### Water stress

Schneider Electric is also committed to minimizing its impact on water. The Group fully realizes the importance of water to local communities, especially those that are located in water-stressed areas. The Group therefore monitors the water stress level of all ISO 14001 sites using the World Resources Institute's (WRI) Aqueduct Water Risk Atlas. Using the baseline water stress methodology, the Group considers sites classified as "high" or "extremely high" to be a water-stressed site, regardless of the amount of water withdrawn. 85 sites have been identified under this methodology, accounting for about 44% of total water withdrawals, including factories, distribution centers, and large offices, with water usages such as process-based, HVAC, sanitary/canteen, and irrigation. The Group has set the target that 100% of its sites in water-stressed areas have a water conservation strategy and related action plan by 2025 (SSE #11). In 2022, the Group achieved 48% of its 2025 target.

**-48%**

water intensity in 2022 compared to 2017

**Target:**  
**-35% by 2025**

### Resource

## SSE #11



## 100% of sites in water-stressed areas have a water conservation strategy and action plan

The E&A Vadodara plant in India has a plating operation which represents a significant amount of the site's water withdrawal. The site is located in a water-stressed area, so it is especially important to be efficient with water at the site. Hence, the site's effluent treatment plant (ETP) was designed to recycle & reuse wastewater. Three major actions were implemented to optimize the process:

1. Segregation of input effluent to ETP (generating source).
2. Improve the existing treatment process.
3. Develop a new system to recycle and reuse of treated ETP water to make it suitable for the plating process.

The existing ETP treatment system was improved by converting two sand filters to one sand and one carbon filter and installing a new five-micron bag filter in the existing cartridge to improve treated water quality. A two-stage reverse osmosis system was also installed along with a special process to avoid chemical accumulation and biological growth on repeated water use in the closed loop.

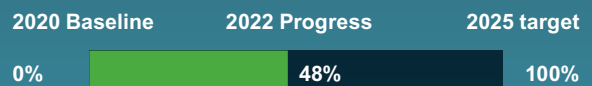
These actions and improvements resulted in the following impacts:

- 80% recycling of treated wastewater to reuse in the plating process
- 60% reduction in the freshwater intake for the plating process

The site continues working to improve efficiency and has a target to achieve an 80% reduction of the freshwater intake in the future.



Effluent treatment plant at Vadodara site in India



## 4.4 Pollution mitigation

### Conditions of use and release into the soil

Schneider Electric's sites are mainly located in urban or industrial areas. None of the Group's businesses involve extraction or land farming. In 2022, Schneider's manufacturing sites conducted their annual review of pollution risks as part of the ISO 14001 monitoring. No spills or discharges causing soil pollution occurred in 2022.

Hazardous materials are stored, handled, and used in compliance with regulations and with appropriate pollution protection mechanisms. As part of the "Waste-to-Resource" program, additional focus is placed on hazardous waste, with efforts to eliminate, substitute, or improve treatment.

### Discharge into the water and the air

Because Schneider is mainly an assembler, its discharge into the air and water is very limited. The Group's manufacturing sites are carefully monitored, as part of the ISO 14001 certification. Discharges are tracked locally as required by the current legislation. No spills or discharges causing water or air pollution occurred in 2022.

Emissions of NO<sub>x</sub> (Nitrogen oxides), SO<sub>x</sub> (Sulphur oxides) and particles into the air are monitored at site level in accordance with applicable legal requirements, with monitoring of these emissions verified via ISO 14001 audits.

Schneider is committed to preventing air pollution and adverse health impacts from Volatile Organic Compounds (VOC) emissions, and for this reason, the Group works to reduce VOC emissions from industrial activities by 10% every three years. VOC emissions, which are primarily linked to production, decreased from 29 kg/million EUR in 2017 to 9 kg/million EUR in 2022 (-69%). The Group engages with each of its industrial sites that contribute the most to VOC emissions, and which together account for over 90% of the Group's VOC emissions. For these sites, environment, health and safety, and industrialization teams, come together and actively collaborate to ensure conditions of use are strictly adhered to, and health and environmental risks are known and mitigated. Those top VOC-emitting sites also investigate opportunities to reduce and phase-out concerned chemicals from industrial processes wherever possible.

Finally, chlorofluorocarbon (CFC) and Hydrochlorofluorocarbon (HCFC) emissions are monitored locally, in accordance with applicable regulations. These emissions are mainly due to the operation of air conditioning systems and are not directly linked to Schneider's industrial activities.

### Noise, odors, and light

All Schneider's sites comply with local regulations on noise and odor. Given the nature of its activities and distribution model, the Group does not have any significant external light pollution.

## 4.5 Biodiversity actions at sites

With the objective of gaining an overview on biodiversity priority sites, informing risk management, and addressing potential biodiversity impacts, the Group ran a multi-site report with the Integrated Biodiversity Assessment Tool (IBAT). Developed through a partnership with Bird Life International, Conservation International, International Union for Conservation of Nature (IUCN) and United Nations Environment World Conservation Monitoring Centre (UNEP-WCMC), IBAT collects and enhances the underlying datasets and maintains that scientific information.

The IBAT report enables users to assess the biodiversity-related features of multiple operational sites for risk management and strategy setting. In particular, the report is relevant for Global Reporting Initiative (GRI) standard GRI 304: Biodiversity.

For each operational site, the report provides the counts of protected areas and Key Biodiversity Areas (KBAs) within a 1-kilometer radius.

The results of the "IBAT multi-site Report, 2021" include all Schneider sites and show that, within a 1-kilometer radius:

- 21% of its sites are in proximity of a protected area as defined by the IUCN, of which:
  - 8% are in category 1a, 1b and 2 (just 6 sites are in proximity of a category-1-protected area);
  - 29% are in category 3 or 4;
  - 31% are in category 5 or 6;
  - 32% are not applicable, not assigned or not reported.

Among the sites in proximity of a protected area, 33% are either industrial sites (characterized by discrete industrial processes such as assembly lines) or distribution centers (warehouses and logistics); the remaining 66% are office buildings.

- 3% of the Group's sites are in proximity of a key biodiversity area (defined by IBAT as either "Alliance for Zero Extinction (AZE)" or "Important Bird and Biodiversity Areas (IBAs)).

All the results are made available to sites, so that they can better understand the local threat to biodiversity and restoration potential. Sites use these results at their discretion to drive the local biodiversity actions previously described.



Find IBAT Multi-site Report generated under license 26614-25299 from the Integrated Biodiversity Assessment Tool on 15 December 2021 on [www.ibat-alliance.org](http://www.ibat-alliance.org)

## Being efficient with resources

The Group has committed to increase its biodiversity site actions and raise the awareness of employees. Site activities such as energy consumption, water withdrawal, building infrastructure, food, landscaping, waste generation, light, sound and other forms of pollution, exert a pressure on biodiversity that can be reduced. For example, manicured, non-native landscaping could potentially increase water withdrawal and promote invasive species that don't support native wildlife.

The objective is to achieve 100% of sites with a local biodiversity conservation and restoration program by 2025 (SSE #8). To meet this target, Schneider sites have to define and deploy a biodiversity program consisting in the elimination of single-use plastics (relating to office use) and at least one local action with significant ecological impact, structured governance and stakeholder involvement.

The scope of the single-use plastics ban for the biodiversity program is "consumer" plastics (e.g. cups, cutlery, gifts/souvenirs, etc.). "Industrial" plastics (e.g. primary/secondary packaging, products) are covered in Schneider Electric's SSI #4 and SSI #5 programs.

The program was launched in 2021 and many sites have already started on their journey, understanding the complexities of biodiversity, assessing their impact and identifying the right local stakeholders to engage in a preservation or restoration program. The program requires a complete elimination of single-use plastics, and the adoption of impactful biodiversity actions. As projected, there has been a slow ramp-up in terms of global performance. Nevertheless, the new governance structure adopting in 2022, allowed to accelerate the deployment of the program. The current governance is based on nominated country biodiversity leaders who lead and animate a group of sites biodiversity leaders that follow the daily operation of the biodiversity actions. This renewed structure has allowed the Group to accelerate from no reported progress in 2021 to 18% in 2022.

**Resources**

**SSE #8**






**100% of sites with local biodiversity conservation and restoration programs**

Schneider Electric is engaged to act at local level. Every site will engage in at least one action pursuing an ecological impact with social benefits.

For example, in Grenoble (France), three sites (IntenCity, Technopole and Electropole) have been labeled "Wildlife Shelter" by a national NGO working on wildlife protection and restoration (Ligue de Protection des Oiseaux). To be granted this label, the sites have committed to a transformation journey with the NGO, where they understand how to optimize the management of their green areas to welcome and restore local biodiversity, notably with reasoned mowing, and a ban of pesticide usage. With the support of biology experts, the sites are in the process of creating hibernaculum and ponds to allow for a favorable environment to endemic species.

2020 Baseline	2022 Progress	2025 target
0%	<div style="display: flex; align-items: center; justify-content: center;"> <div style="width: 17.6%; height: 15px; background-color: #76b82a; margin-right: 5px;"></div> <span>17.6%</span> </div>	100%

# 65

sites banned single-use plastics in 2022.

**Target:**  
**400 sites by 2025**



## 5 Product use phase and end-of-life

Schneider Electric aims to maximize the environmental performance of its products. To achieve such ambition, the Group develops services and business models to extend the useful life of its products, and when no option is possible, take back the product, assess whether a second-life is possible, and ultimately ensure the product or components are recycled.

This section presents the Group’s actions to keep products in use and increase their recyclability at the end-of-life, through:

- services for maintenance and repair;
- business models to take products back and give them a second life;
- the maximization of the products’ recyclability at the end-of-life.

### 5.1 Services for maintenance, repairability and circularity – EcoCare & ECOFIT™

Schneider Electric Services experts and partners are dedicated to extend the lifespan of assets and systems while making customers’ operations safe, efficient, and resilient every day.

With EcoStruxure’s digital capabilities, innovation, and expertise across multiple technologies, the Group advises, modernizes, monitors, and maintains the health of its customers’ energy and automation assets and systems around the clock and the globe.

Throughout the lifecycle of the installed base, Schneider Electric Services’ expertise answers customers’ needs by:

- providing EcoCare recurring services to monitor and maintain the installed base during its use;
- providing access to spare parts and repair services;
- advising and triggering optimization recommendations to increase safety, reliability, and efficiency;
- digitizing and modernizing the assets to increase life and prolong reliable operations;
- supporting the handling of end-of-life through recovery services (for example, for batteries, SF<sub>6</sub>, and modernized equipment)

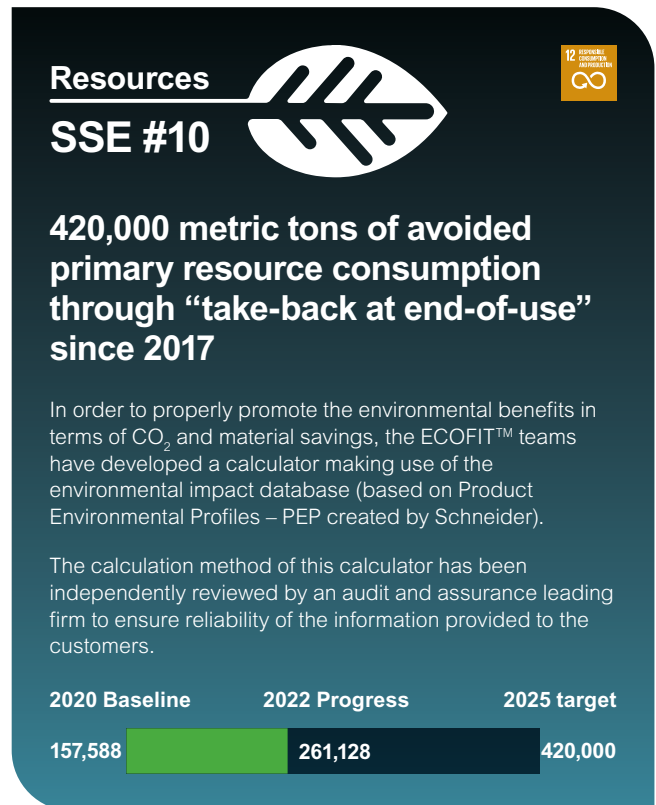
These historical activities are critical to address the “maintain and prolong” loop of circularity, no matter the customer typology or sector of activity.

#### Retrofit of equipments with ECOFIT™

Schneider quantifies its circular economy efforts (repair, reuse, refurbish, and recycle) and targets to avoid 420,000 metric tons of primary resource consumption through “take-back at end-of-use” by 2025, cumulatively since 2017 (SSE #10). This program enables savings in waste, material, energy consumption, CO<sub>2</sub> emissions, and/or water.

Activities in this program will be extended in line with the Group’s increasing focus on circularity business models, and currently include:

- Take-back and recycling of batteries;
- Volume of devices refurbished and repaired in our repair centers (such as UPS or drives);
- Volume of medium voltage, low voltage and transformers refurbished or recycled in our ECOFIT™ Centers.



Modernizing and upgrading low voltage and medium voltage switchgear equipment does not necessarily mean demolishing the existing infrastructure. Schneider’s retrofit modernization combined with proper switchgear maintenance can help clients to improve the reliability of their installation. They can choose to replace the existing electrical installation with new equipment or can pinpoint where they will benefit from retrofitting existing equipments, modernizing, and upgrading those equipments for pre-equipped sensors, which are more cost-effective, enabling innovative service plans with 24/7 remote monitoring, and reducing operational downtime of the customer, compared to buying new equipment.

### Being efficient with resources

The ECOFIT™ service can, for a customer's system 20 to 40 years old, retrofit equipments in a very short time to the latest technologies and get them connected for real-time monitoring. The equipments that cannot be retrofitted can be taken-back to be reused, rebuilt and sold as second-hand products.

This approach makes ECOFIT™ service an end-to-end value proposition to customers, avoiding up to 90% waste.

#### 5.2 Circular business models

Schneider Electric creates shared value for its customers through circular capabilities such as local models of reuse, retrofit, repair, refurbish, and take-back, and by unleashing the potential of IoT, connecting and digitizing products (predictive maintenance, performance optimization, leasing, pay-per-use, performance contracting).

Most of Schneider's new products are digital, connectable, ensure full product lifecycle management and predictive maintenance, and guarantee optimum performance, hence enabling the Group to move towards customer-intimate models like subscription, performance contracting, and leasing.

The first focus, before considering end-of-life, is to prolong the lifespan of products. These solutions, using up to 60% less materials than using brand new equipment, enable pull-through and constant payback, increase customer stickiness, and build long-term relationships.

There are opportunities to leverage the circular economies, both externally with customers and internally in operations. Schneider's value propositions have long delivered resource efficiency, enabling customers to "do more with less".

The risks that Schneider Electric has identified are around the perception of "one size fits all" for circularity, as well as the temptation to see it through a waste or recycling lens, and the focus on developing the related guidelines, governance, and standards based on this perception.

- **Product durability versus shorter-term waste loops:** All resources are not equal in their thermal, mechanical, or electromagnetic profiles. For the industrial sector, the biggest impact of the circular economy will come from the promotion of repairability, upgradability, "retrofitability", extension of lifespan, and of related "product second- and third-life services". Schneider's products are highly technical in nature with a long lifespan and are highly unlikely to end up as ocean plastic waste. Yet a risk that the emerging regulations may be too "resource/waste-centric" can be identified. To meet quality and safety expectations, and adhere to stringent electric and electronic equipment standards, recycled materials are sometimes not available in either quantity and/or quality. The Group actively advocates sector-specific approaches.

- **Ensuring the safety of people and assets through qualified and certified services.** In fact, while promoting services to extend the products' lifespan, Schneider grows the ranks of certified experts on its products (through thousands of Field Services Representatives). Leveraging the circular economy, there is a fantastic opportunity to enable more repair, retrofit, and recycling services, on condition that concerned product categories are adequately maintained and serviced by qualified and certified experts.

#### Second life distribution center

Since 2019, Schneider has developed additional capabilities to address more circularity loops, to ensure a maximized second life for its products.

These capabilities include:

- **repack:** repackaging of Schneider products when packaging has been damaged.
- **give a second chance:** sorting, selecting, redistributing never-energized Schneider products which cannot be sold anymore.
- **refurbish and remanufacture:** developing refurbishment and remanufacturing capabilities for relevant products to deliver on manufacturer-level circularity and provide state of the art second life solutions across selected markets.
- **recycle:** dismantling of products to recover and resell the valuable materials.

In 2022, Schneider significantly increased its offer of circular products to serve the growing demand for circular products, doubling the number of references available up to 6,400. In 2023, the Group expects to add more than 3,000 new references to its offer.

To achieve that, new refurbishment capabilities have been developed on the industrial sites, increased take-back from various sources. Spare parts production has also been expanded to enable the repair of new references.

In 2023, Schneider Electric will continue to grow circular industrial capabilities to support business innovation and differentiating offers to customers:

- more repack and reuse;
- more refurbish;
- easier access to take-back and second life solutions.

### Case study: Remanufactured MasterPacT MTZ

One great example of a circular product is the remanufactured MasterPacT MTZ. For the first time, Schneider has developed production lines, quality test, engineering expertise to collect, disassemble, and remanufacture MasterPacT MTZ. To offer the same guarantee as the new, these remanufactured breakers are assembled in the same production lines as the original new products. The Group is proud to announce that each remanufactured MasterPacT MTZ sold helps to cut by 45% the CO<sub>2</sub> emissions and requires 45% less resources. With this new product, Schneider strongly reinforces the link between sustainability and business, also ensuring business continuity, customers' trust, and the development of the Group's circular economy journey. In 2022, 71.5 tonnes of CO<sub>2</sub> emissions were avoided thanks to the remanufactured MasterPacT MTZ sales.



## 5.3 Managing the end-of-life of products

### End-of-life regulations

Schneider Electric has deployed a process that ensures a safe treatment and recycling of its products at the end of their lifecycle.

In compliance with the Waste Electric and Electronic Equipment (WEEE) directive, Schneider implements product identification and selection actions, establishing recycling streams, and pricing the taxes to be applied following the regulations of each country where the Group's products are sold.

For products falling within the scope of the WEEE directive, a circularity profile including detailed end-of-life instructions is systematically provided through the "Check A Product" public website.

### Enhance recycling

Schneider's unique approach for the modernization of aging equipment, minimizing waste and maximizing safety, efficiency, and resiliency, avoids up to 90% of waste by upgrading customers' equipment with the latest technologies using sensors and connectivity to optimize uptime and extend the assets' lifespan replacing the core components. This approach also enables the take-back of products, to reuse, rebuild, resell and recycle them when no other option is possible.

## Case study: Azalys, Suez Hélyséo – Carrières-sous-Poissy, France

Azalys Suez site in Carrières-sous-Poissy (France) is a household waste to energy facility, managing 125,000 metric tons of waste and producing 50 gigawatts/hour of electricity each year.

The goals of the project were to add capacity to the electrical installation replace outdated equipment without a lengthy interruption to service, and to enable predictive maintenance. This involved installing state-of-the-art RM6 and SM6 switchgears in place of FluoKit units, which were later recycled. In addition, starting in 2022, recovered FluoKit equipment by Schneider are reused as part of the circularity offers: providing prolonged service life and spare parts to customers.

Developing a win-win solution through circularity models is good for the Group's customers and the environment, and is the avenue Schneider Electric continues to innovate and accelerate in this area.





Life Is On



#### Schneider Electric SE

Headquarters:

35, rue Joseph Monier - CS 30323

F-92506 Rueil-Malmaison Cedex (France)

Tel.: +33 (0) 1 41 29 70 00

Fax: +33 (0) 1 41 29 71 00

Incorporated in France,

governed by a board of directors with a

share capital of EUR 2,284,371,684

Registered in Nanterre, R.C.S. 542 048 574

Siret no.; 542 048 574 01791

[se.com](https://se.com)