GROWTH

Schneider Electric
First Quarter 2023 Revenues – April 27, 2023

Strong start to the year with Q1 2023 Revenues up +16% organic

FY 2023 Target upgraded

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Disclaimer

All forward-looking statements are Schneider Electric management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. For a detailed description of these factors and uncertainties, please refer to the section "Risk Factors" in our Universal Registration Document (which is available on www.se.com). Schneider Electric undertakes no obligation to publicly update or revise any of these forward-looking statements.

This presentation includes information pertaining to our markets and our competitive positions therein. Such information is based on market data and our actual revenues in those markets for the relevant periods. We obtained this market information from various third-party sources (industry publications, surveys and forecasts) and our own internal estimates. We have not independently verified these third-party sources and cannot guarantee their accuracy or completeness and our internal surveys and estimates have not been verified by independent experts or other independent sources.

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Strong growth in Q1 2023

€8.5bn +16%

Group Q1 2023 revenues org.

Energy Management

Energy **Efficiency**

+18%

Q1 org. sales growth

€6.5 billion

€2.0 billion

Industrial Automation

Process **Efficiency**

+10%

Q1 org. sales growth

End-Markets

Buildings	Data Center	Infrastructure	Industry

DIGITAL for efficiency + **ELECTRIC** for decarbonization = **SUSTAINABLE** Smart & Green

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Long-term strategic growth drivers supporting strong core business

MORE PRODUCTS

+11%

Q1 organic growth

- Energy Management up double-digit, while Industrial Automation grew high single-digit
- Slow start to the year in China
- Progressive improvement in supply chain allowing good backlog execution
- Positive contribution from volume, with price as the significant driver (mostly carryover)
- Focus on expanding digital footprint through innovation

MORE SOFTWARE & SERVICES

+12%

Q1 organic growth

- Software & Digital Services up +10% org.
  - AVEVA subscription transition on track; strong acceleration in ARR growth up +16%[1]
  - EM software up double-digit with strong performance in eCAD offer
  - Digital Services up strong double-digit with growth in EcoStruxure Advisors
- Field Services up +14% org.
  - IA saw good recovery in services related to large projects
  - EM saw strong growth across segments supported by prior investment

MORE SUSTAINABLE

Double-digit

Q1 organic growth

- Sustainability Business[2] up double-digit vs. high base of comparison
- Sustainability consulting continuing to lead the growth
- North America main contributor with traction for efficiency programs
- Strong growth in Western Europe with multiple customer wins

1. *At constant currency, adjusted for Russia impacts*
2. *Sustainability consulting and services offers are split between Digital and Field Services*

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Good start towards meeting full-year sustainability impact targets

2021-2025
SCHNEIDER
SUSTAINABILITY
IMPACT

	Q1	Q2	Q3	Q4	2023 Target
Score[1]	5.25				6.00

CLIMATE

458M [2]

SSI #2 - Help our customers save and avoid 800 million tonnes of CO_2 emissions

As part of Q1 efforts, the new Schneider Home range delivers energy independence through an integrated home energy management solution that automates energy production, storage, measurement and control, making homes efficient, resilient and sustainable

EQUAL

41M [3]

SSI #9 - Provide access to green electricity to 50M people

More than 40 million people have now gained access to safe, reliable and clean electricity. Recent projects in Kenya have enabled over 14,000 people to work or study after nightfall with lighting solutions

GENERATIONS

438k [3]

SSI #11 - Train 1 million people in energy management

First programs started in the Philippines and Argentina to empower young people and create the skilled workforce required to meet the future energy needs

Say on Climate

Offering shareholders the opportunity to express their views on Schneider Electric's Climate strategy during the next Annual General Meeting of May 4th, 2023.

1. 2021 baseline 3/10, 2025 target 10/10 2. Cumulated since 2018 3. Cumulated since 2009

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Strong finish to the Fiscal Year at AVEVA

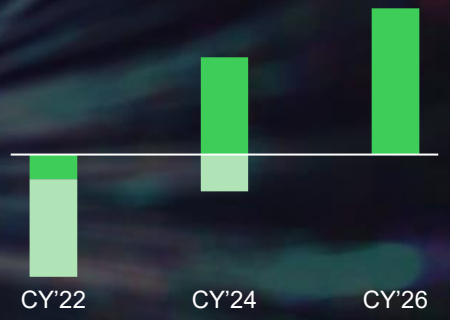
Acceleration in recurring revenues

- Strong acceleration in Annualized Recurring Revenue (ARR), up **+16%**[1] at 31 March
- Recurring Revenues represent **73%** of total sales for the 12 months ended 31 March
- SaaS revenues growing strongly – mix tracking ahead of plan
- Margin profile consistent with previous indication

Driven by multiple new customer wins across sectors

Transition to subscription on-track

- Indicative revenue growth profile



- Headwinds on adj. EBITA margin from transition expected to broadly follow the same profile

Transition impact
Revenue growth

CY: calendar year

1. *At constant currency, adjusted for Russia impacts*

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Key customer successes in recent months

John F. Kennedy International Airport

Holistic approach to design, construct, and operate microgrid of JFK's largest international terminal, with largest rooftop solar array in NYC and grid-independent operation, providing sustainable, resilient, locally generated and cost-predictable energy

EcoStruxure™ AlphaStruxure
Microgrid

Sydbank

EcoStruxure™ Building Operation, including multi-year service contracts, to help Sydbank achieve sustainable bank goals by upgrading software and hardware for its building management system with a high level of cybersecurity and flexibility to expand and incorporate more software solutions

EcoStruxure™
Building

MOLSON COORS beverage company

EcoStruxure™ automation solution with ProLeiT's brewmaxx. Covering the complete cellar area from wort reception, fermentation, yeast area and filtration to package release.

The solution integrates seamlessly with MES and ERP, provides end-to-end traceability and supports objectives for sustainability, quality and efficiency

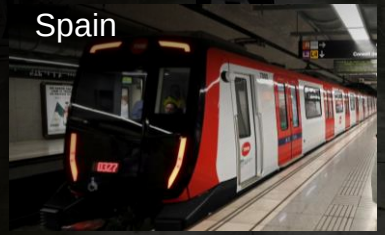
EcoStruxure™ ProLeiT
Plant

M

EcoStruxure™ controls, AVEVA and ETAP software solution to manage the energy and the facilities of the subway stations, through advanced data analysis and operational intelligence

End-to-end operational visibility across facilities to improve safety and operational efficiency

EcoStruxure™ AVEVA etap
Power



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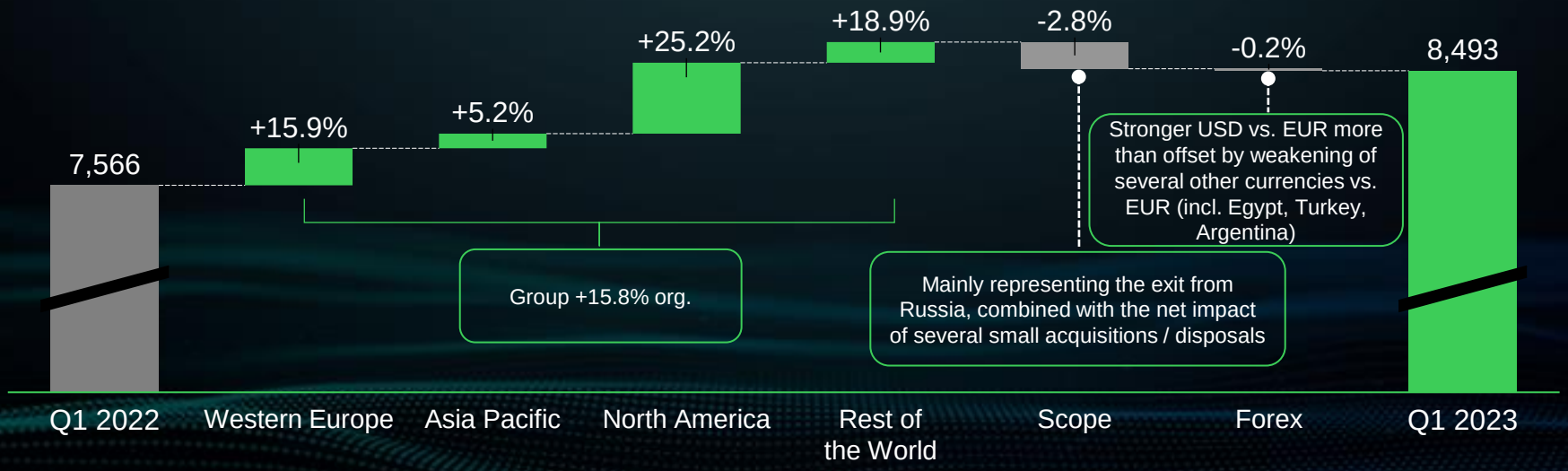
Q1 2023 up +16% organic

Analysis of Change in Group Revenues (in €m)



Based on current rates, the FX impact on FY 2023 revenues is estimated to be between -€1.25 billion to -€1.35 billion

The FX impact at current rates on adjusted EBITA margin for FY 2023 could be around -70bps

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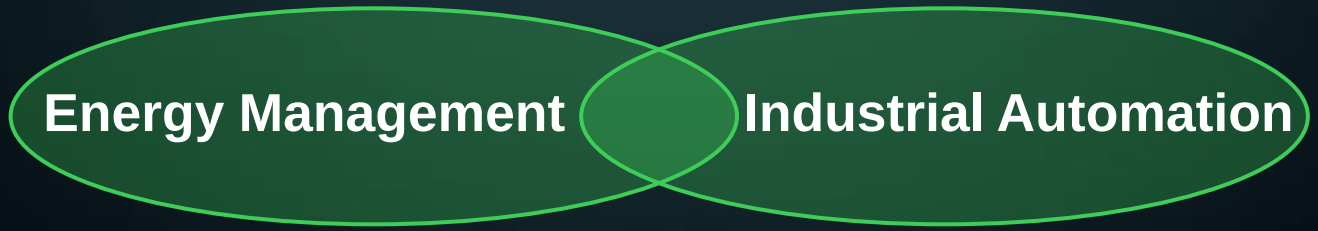
Q1 Business performance highlights by end-market



End Markets

Buildings	Data Center	Infrastructure	Industry
• Continued strength in non-resi, with good dynamics including in technical buildings, warehousing, hotels, retail and commercial • Demand underpinned by Renovation trends and decarbonization commitments • Resi sales growth supported by supply chain easing and backlog execution • Resi demand moderating from highs, as expected	• Sales up double-digit for Data Center & Networks • Strong double-digit growth in Data Center segment with all elements of Group offers contributing • Distributed IT growth slightly down, linked to consumer and IT spend • Good overall demand in DC&N reflecting broad geographic footprint and breadth of offer • Data Center demand strong and broad-based, Distributed IT demand remains under pressure	• Strong demand from Electric Utilities with grid investment a priority in many countries • Well positioned to service demand with complete offer • Strong demand in Transportation across ports, airports and rail • Strong demand in WWW driven by focus on sustainability and circularity	• Good activity for both EM and IA across multiple discrete automation segments • End-user demand strong, up sequentially as supply chain eases • Demand in Process & Hybrid for offers of both business supported by good activity in MMM and CPG - E&C stable at high level with automation demand increasing

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Energy Management – Q1 org. growth performance by geography

Split of Q1 2023 revenue by geography:

W. Europe	N. America	Asia Pac.	Rest of the World
25%	37%	27%	11%

North America +29%

- Up strong double-digit in U.S., Canada and Mexico
- Strong sales growth across end-markets in the U.S., including Resi, while demand moderated from previously elevated levels
- Strong sales growth in Non-resi, Infra and Data Center, though consumer-facing Distributed IT remains under pressure
- Canada strong across end-markets though Resi grew less strongly than in U.S.
- Strong growth in Mexico across end-markets, both product and systems seeing strong growth

Western Europe +18%

- Up double-digit in France, U.K., Germany, Italy and Spain & several other countries across the region
- Growth led by Italy with strength across end-markets. France benefitting from infrastructure investments, with strong project pipeline
- Data Center, Industry and Infrastructure well oriented across region, contributing to growth. Good growth in Non-Resi supported by renovation trends
- Growth in Residential supported by backlog execution – France/Italy growing strongly, Germany flat, Nordics weaker
- Strong growth in Field Services across the region

Rest of the World +19%

- Middle East up double-digit, with strong growth in Turkey and project execution in Saudi Arabia; U.A.E impacted in consumer-linked segments
- Up double-digit in South America led by Argentina which benefited from price actions; Brazil faced supply challenges & weaker Resi markets
- Africa up double-digit, with strong project execution in multiple countries
- Central & Eastern Europe up double-digit

Asia Pacific +5%

- China down slightly as anticipated with impact from COVID-19 at start of year
- Growth in China strong in multiple segments; incl. transportation, renewables, electronics & healthcare. Continued softness in Buildings, mainly Resi
- India up double-digit with strong growth across end-markets
- Australia flat against double-digit base of comparison, with weakness in Resi
- Double-digit growth in many countries across rest of the region

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Industrial Automation – Q1 org. growth performance by geography

Split of Q1 2023 revenue by geography:

W. Europe	N. America	Asia Pac.	Rest of the World
30%	23%	32%	15%

North America +10%

- Up double-digit in U.S. and Mexico, while Canada slightly down
- US up high-single digit in software and double-digit in both Discrete and Process & Hybrid
- Within Discrete, Warehousing and Logistics segments performed strongly; in Process & Hybrid strong traction across E&C, WWW and Power
- Growth in Mexico led by software
- In Canada, discrete automation around flat, with software down

Western Europe +11%

- Germany, Spain and Italy all up strong double-digit with good performance in both Discrete and Process & Hybrid, supported by easing in supply chain
- France saw similar underlying performance but grew mid-single digit impacted by timing in software
- U.K. up low-single digit
- Across the region, Material Handling and Packaging segments supported Discrete demand, while in Process & Hybrid, E&C, WWW and Paper & Pulp were strong
- Good growth in Services, while Software impacted by subscription transition

Rest of the World +18%

- Middle East up double-digit - strong growth in Discrete markets in Turkey & Process & Hybrid markets in Gulf region
- Africa up double-digit with strength across both Discrete and Process & Hybrid
- Double digit growth in South America, strong in discrete markets, notably in Argentina, supported by price
- Central & Eastern Europe grew double-digit

Asia Pacific +4%

- China down mid-single digit impacted by COVID-19 at start of the year, supply chain easing but continues to impact growth
- India up in excess of +20% on strong double-digit base of comparison with strength in discrete and software
- Japan and South Korea both up strong double-digit in discrete automation supported by backlog execution and with double-digit growth in software
- Australia impacted by timing on software contract renewals

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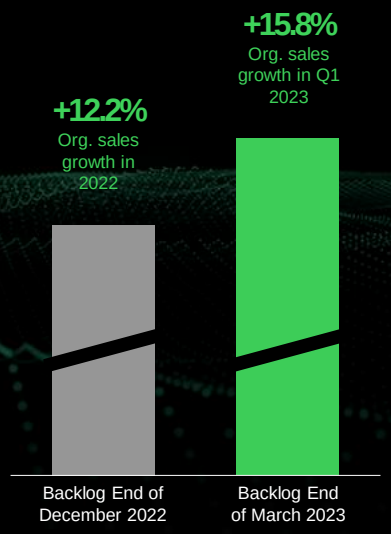
Demand remains strong in Q1 supporting continued backlog creation

	Q1 2023 vs Q1 2022[1]	Q1 2023 vs Q4 2022[1]
Data Center	++	+
Machine Solutions / OEM	-	++
Residential Buildings	-	++
CPG	+	- -
MMM	+	++
Utilities	+	++
Energies & Chemicals	=	-
Transportation	+ +	++
WWW	+	++

A continuation of strong market demand:

- Record high backlog level at the end of Q1
- With backlog creation in Q1 while sales grew +15.8% organic



1. *Based on non-GAAP orders in selected segments*

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Expected trends in coming months

Demand environment

- A continuation of strong and dynamic market demand, supported by secular trends of electrification, digitization and sustainability
- Continued demand moderation from elevated levels in consumer-linked segments (Residential buildings, Distributed IT)

Geographical trends

- U.S. expected to contribute strongly to growth through a combination of strong demand, industrial reshoring and backlog execution. China to rebound from slow start to the year with progressive recovery in market demand and lower base of comparison in Q2
- Government incentives across the world centered around digitization, energy transition, decarbonization and improved energy efficiency to support growth

Supply chain

- Backlog execution to support growth
- Supply constraints expected to progressively ease; improving supply environment should support stronger underlying industrial productivity in 2023

Inflation

- Some deceleration of inflationary pressure, though pockets of inflation expected to remain

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2023 Target Upgraded

The Group upgrades its 2023 financial target as follows:

2023 Adjusted EBITA growth of between +16% and +21% organic

(previously between +12% and +16% organic)

The target would be achieved through a combination of organic revenue growth and margin improvement, currently expected to be:

- Revenue growth of **+10% to +13% organic** (previously +9% to +11% organic)
- Adjusted EBITA margin up **+100bps to +130bps organic** (previously +50bps to +80bps organic)

This implies Adjusted EBITA margin of **around 17.6%** to **17.9% (**including scope based on transactions completed to-date and FX based on current estimation).

Further notes on 2023 FX & Scope available in slide 18

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Q&A

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Investor Relations ready to engage

27 April	Q1 2023 Revenues
4 May	Shareholders' Meeting
6 June	BNP Paribas Exane 25th CEO Conference (Paris)
9 June	JPM European Capital Goods CEO Conference (U.K.)
27 July	2023 Half Year Results
6 September	Morgan Stanley Industrial CEOs Unplugged Conference (U.K.)
13 September	Kepler Cheuvreux Autumn conference (Paris)
26 October	Q3 2023 Revenues

Investor Relations contacts

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Andrew Gamwell – andrew.gamwell@se.com

To schedule an interaction with Schneider Electric, please contact lorna.scrimshaw@se.com

Capital Markets Day
November 9, 2023
(details to follow)

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Appendix

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2023 additional notes

- **Foreign Exchange impact:** Based on current rates, the FX impact on FY 2023 revenues is estimated to be between -€1.25 billion to -€1.35 billion. The FX impact at current rates on adjusted EBITA margin for FY 2023 could be around -70bps

- **Scope:** Around -€750 million on 2023 revenues and around -30bps on 2023 adjusted EBITA margin, based on transactions completed to-date, particularly impacted by the exit from Russia

- **Financial costs:** Net finance costs are expected to be higher by up to €200 million in 2023 when compared to 2022, primarily due to the additional debt related to the AVEVA transaction

- **Tax rate:** The ETR is expected to be in a 23-25% range in 2023

- **Restructuring:** The Group expects restructuring costs to decrease towards target of around €100 million per year

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Our distinctive DNA is externally recognized in Q1 2023

MEANINGFUL

Fortune's
2023 World's Most Admired Company

TRANSFORMACJI ENERGETYCZNEJ LIDER

Corporate Knights & As You Sow's
Carbon Clean 200 list

2023 WORLD'S MOST ETHICAL COMPANIES® ETHISPHERE 12-TIME HONOREE ™

FTSE4Good

PLATINUM Top 1% 2023 ecovadis Sustainability Rating

INCLUSIVE

Bloomberg Gender-Equality Index 2023

Schneider Electric Top 100 Globally for gender equality in 2023 EQUILEAP

Brandon Hall Group HCM Excellence Award LEARNING AND DEVELOPMENT BRONZE 2022

A60 WINNER 2023

glassdoor BEST PLACES TO WORK 2023

EMPOWERED

OMDIA Innovation Awards ShowStoppers CES 2023 CATEGORY WINNER

AUSTRALIAN DESIGN AWARDS 2023 BETTER FUTURE SILVER

FROST & SULLIVAN 2022 BEST PRACTICES AWARD LATIN AMERICAN MEDIUM-VOLTAGE SWITCHGEAR PRODUCT LEADERSHIP AWARD

2023 Brand Finance® Awards TOP 500 BRAND IN THE WORLD

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2021 – 2025 SCHNEIDER SUSTAINABILITY IMPACT

Q1 2023 Results

	Q1	Q2	Q3	Q4	2023 Target
Score[1]	5.25				6.00

		Baseline	Q1 2023	2025 Target
CLIMATE	1. Grow Schneider Impact revenues*[2]	70%	74%	80%
	2. Help our customers save and avoid millions of tonnes of CO_2 emissions[3]	263M	458M	800M
	3. Reduce CO_2 emissions from top 1,000 suppliers' operations	0%	13%	50%
RESOURCES	4. Increase green material content in our products	7%	20%	50%
	5. Primary and secondary packaging free from single-use plastic, using recycled cardboard	13%	52%	100%
TRUST	6. Strategic suppliers who provide decent work to their employees[4]	1%	2%	100%
	7. Level of confidence of our employees to report unethical conduct[5]	81%	+1pts	+10pts
EQUAL	8. Increase gender diversity in hiring (50%), front-line management (40%) and leadership teams (30%)	41/23/24	42/27/28	50/40/30
	9. Provide access to green electricity to 50M people[6]	30M	+11.6M	50M
GENERATIONS	10. Double hiring opportunities for interns, apprentices and fresh graduates[2]	4,939	x1.57	x2.00
	11. Train people in energy management[6]	281,737	438,198	1M
LOCAL	+1. Country and Zone Presidents with local commitments that impact their communities	0%	100%	100%

*Per Schneider Electric definition and methodology

[1] 2021 baseline 3/10, 2025 target 10/10 [2] 2019 baseline [3] cumulated since 2018 [4] 2022 baseline [5] 2021 baseline [6] cumulated since 2009

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