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 Annual 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.
## Energy Transition

<table>
<thead>
<tr>
<th>Electrification</th>
<th>Decentralization</th>
<th>Decarbonization</th>
<th>Digitization</th>
</tr>
</thead>
<tbody>
<tr>
<td>x3</td>
<td>50/50</td>
<td>95%</td>
<td>30%</td>
</tr>
</tbody>
</table>

- **Electrification**
  - Electricity consumption between 2020-2035 from pervasive adoption of Information & communications technology (ICT)
  - Schneider Electric estimate

- **Decentralization**
  - Wind, solar, and storage will generate 50% of global electricity by 2050
  - BNEF, New Energy Outlook, 2018

- **Decarbonization**
  - 95% of 2-degree carbon budget would be consumed come 2040 by existing infrastructures
  - IEA, World Energy Outlook 2018

- **Digitization**
  - Energy cost savings on average, up to 85% cost saving potential from customer digital transformation projects
  - Schneider Electric digital transformation benefits report, 2019
## Process efficiency

### Industry 4.0

<table>
<thead>
<tr>
<th>IIoT</th>
<th>Big Data</th>
<th>Digital Twin</th>
<th>AI</th>
<th>5G</th>
</tr>
</thead>
<tbody>
<tr>
<td>x8</td>
<td>x5</td>
<td>75%</td>
<td>x6</td>
<td>35%</td>
</tr>
</tbody>
</table>

- **IIoT**: The total number of connected IoT devices will be 8 times as many as connected people by 2025.
- **Big Data**: 80Bn+ GB in 2017, 400Bn+ GB in 2021.
- **Digital Twin**: 75% of Organizations Implementing IoT Already Use Digital Twins or Plan to Within a Year.
- **AI**: Worldwide spending on cognitive and AI systems 2017 – 2022.
- **5G**: 5G will contribute $2Tr+ to the global economy between 2019-2034, c35% of which will go to the manufacturing and utilities sector.

Our unique positioning:
Energy and automation digital solutions for efficiency and sustainability

Energy Transition

Energy Efficiency
Up to ~65%
(Average 30%)

Productivity
Up to -50%
CapEx (integration)

Reliability & Safety
Up to 50%
Fewer incidents

Sustainability
Aiming at 0
Carbon emissions

Serving 4 end-markets:
Buildings
Data Centers
Infrastructure
Industry
We provide energy and automation digital solutions for efficiency and sustainability.
Our Journey

Build

Integrate

Scale

2003-13

2008-18

2016 onwards
Build (2003-2013)
Synergetic portfolio of Energy Management, Automation and Software
Integration (2008-2018)

Integration of acquired assets during the build phase

Relentlessly building our digital capability and our common platform, EcoStruxure™:

- Transparent Factory
- First Ethernet on industry shop floor
- First use of open protocols in factories
- Plug-and-play control architecture
- First-generation EcoStruxure™
- EcoStruxure boosted by cloud and digital services
- End-to-end IoT-enabled platform
- Majority ownership of AVEVA
- Step change in Software capability + Schneider Electric Exchange

First step: Easy to connect products
- 1997

Edge control platforms
- 2008

Efficient IoT platform

Complete portfolio of Software + Marketplace
- Today

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Focus

Revenue divested €1.5Bn (2014-18)
Under review €1.5-2.0Bn (by 2021)
Triple Integration
for more Efficiency
Integration for more efficiency

Energy + Automation = Significant value with concrete evidence thanks to cross selling

- Resource efficiency
- Cost reductions
- Carbon footprint improvement
- Simplification

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Integration for more efficiency

Cloud
- Software Advisors
- Digital Services

End Point
- Augmented Reality
- Digital Assistants
- Connected Products

EcoStruxure™
- Building
- Data Center
- Industry
- Infrastructure
- Apps, Analytics & Services
- Edge Control
- Connected Products
Integration for more efficiency

Integrated software all along the lifecycle

**CapEx**

**Project phase**

**Design**

- EcoDial
- Data Center
- Pro II
- DYNSIM
- Science Center
- IGE + XAO
- SimSci

**Build**

- EcoReal
- Reference architectures
- AVEVA
- E3D
- AVEVA NET & ENGAGE
- AVEVA ERM, AVEVA ProCon
- OTS

**OpEx**

**Operation phase**

**Operate**

- Power Monitoring and SCADA
- Facility, building fire and security expert
- MES, Historian, APC, Citect SCADA, Spiral

**Maintain**

- Asset, Power, Facility, Building,
- Workplace, Resource, Microgrid, IT advisors
- Asset performance management
- PRiSM, Optimizer+ IntelaTrac
- Wonderware, Avantis.PRO
Triple integration delivering strong results powering and digitizing the economy

<table>
<thead>
<tr>
<th>Energy efficiency</th>
<th>Operational efficiency</th>
<th>Reliability</th>
<th>Safety</th>
<th>Sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost savings average</td>
<td>CapEx: Engineering Efficiency up to</td>
<td>Equipment availability increase up to</td>
<td>Workforce safety improvements up to</td>
<td>CO₂ footprint reduction up to</td>
</tr>
<tr>
<td>~30%</td>
<td>60%</td>
<td>50%</td>
<td>~20%</td>
<td>50%</td>
</tr>
<tr>
<td>OpEx: Maintenance costs reduction up to</td>
<td>75%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
From Site-by-site to Integrated Company Management
Integrated: Sales

• One approach to customer with strong synergies
• One distribution network
• One CRM and PRM
• Key account management
Integrated: Supply Chain

One Schneider Production System (SPS)

Leveraging global scale

One purchasing organization

One Schneider Electric quality system

Attractiveness to talent

Scale for digitization
Integrated: Digital

One EcoStruxure

One Cloud

One Exchange

One IT
Integrated: Marketing

One Innovation World Tour

One Unified Brand Portfolio

One Country Commercial & Marketing Blueprint

One PRM & CRM

One Digital Customer Experience

One Customer Care
Multi-local for Agility
We have prepared for a multi-local world

Powerful revenue growth with geographic diversification and rebalance

- +193%
- +40%
- +20%

Headcount rebalanced to reflect our global mix
- + growth at half the pace of our top line
- + more flexible cost base

Note: headcount data shows average number of employees over the course of each year shown which includes contractors.

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% of revenue by geography 2018

- North America: 28%
- Western Europe: 27%
- Asia Pacific: 29%
- Rest of the world: 16%

% of total employees by geography 2018

- North America: 22%
- Western Europe: 27%
- Asia Pacific: 31%
- Rest of the world: 20%
Multi-hub for multi-local

*Local electrical standards
Multi-hub, global & connected leadership

Executive Committee members
Board diversity

North America: 3
Europe: 5
France: 4
Asia: 2

Board members spread across all geographies

Average age of directors: 58
Female directors\(^1\): 46\%
Independent Directors (83\%): 10
Employee directors: 2
Directors: 14

\(^1\) To the exclusion of the employees' representative.
Sustainability
Our Purpose and Way
We empower all to do more with less, ensuring Life Is On everywhere, for everyone, at every moment.
## Climate
- **25%** increase in removal of CO₂ from our products and services.
- **10 million metric tons** avoided CO₂ on our value chain.
- **80%** renewable electricity.
- **10%** CO₂ efficiency in transportation.

## Circular Economy
- **75%** of sales labeled zero waste to landfill under our new Green Premium™ program.
- **200 sites** of our facilities have implemented zero waste to landfill.
- **100,000 metric tons** of avoided primary resource consumption.
- **100%** recycled packaging.

## Health & Equity
- **100%** of countries have fully deployed their Family Leave policy.
- **1 medical incident per million hours worked**.
- **95%** of employees covered in the gender pay equity commitment.
- **90%** of white-collar workers have an individual development plan.
- **70%** scored in our Employee Engagement Index.
- **100%** of workers received 12 hours of learning in the year.

## Ethics
- **100%** of sales, procurement, and finance employees trained every year on anti-corruption.
- **300 suppliers** under Human Rights & Environment Vigilance received specific on-site assessment.
- **5 pts/100** increase in average score of ISO 26000 assessment for our strategic suppliers.

## Development
- **400K** underprivileged people trained in energy management.
- **12K** volunteering days thanks to our global platform.
- **x4 turnover of our Access to Energy program.**
### Climate
- **25%** increase in raw material sustainability
- **23%** decrease in carbon footprint
- **10 million metric tons** of avoided CO2 on our customers’ end and through our offers
- **80%** renewable electricity
- **10%** CO2 efficiency in transportation

### Circular Economy
- **75%** of sales labeled zero waste to landfill
- **200 sites** under our new Green Premium™ program
- **100,000 metric tons** of avoided primary resource consumption
- **48%** recycled packaging

### Health & Equity
- **100%** of countries have fully deployed our Family Leave policy
- **1 medical incident per million hours worked**
- **95%** of employees covered in the gender pay equity commitment
- **75%** of white-collar workers have an individual development plan
- **90%** of employees have access to a comprehensive Well-being at Work program
- **70%** scored in our Employee Engagement Index
- **100%** of workers received 12 hours of learning in the year

### Ethics
- **300 suppliers** under Human Rights & Environment vigilance received specific on-site assessment
- **100%** of sales, procurement, and finance employees trained every year on anti-corruption
- **165** increase in average score of ISO 26000 assessment for our strategic suppliers

### Development
- **400K** underprivileged people trained in energy management
- **x4** turnover of our Access to Energy program
- **12K** volunteering days thanks to our global platform

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Great people make a great company

Meaningful
Inclusive
Empowered
Open community & ecosystem

<table>
<thead>
<tr>
<th>Network of Partners</th>
<th>Schneider Electric Exchange</th>
</tr>
</thead>
<tbody>
<tr>
<td>480,000 sites deployed</td>
<td>45,000+ registered users</td>
</tr>
<tr>
<td>Over 20,000 system developers and integrators</td>
<td>200 apps developed</td>
</tr>
<tr>
<td>3,000 electricity companies</td>
<td>23 communities</td>
</tr>
<tr>
<td>Over 650,000 service providers and partners</td>
<td></td>
</tr>
</tbody>
</table>
Strategic Technology Partners

Microsoft  IBM  accenture  Capgemini  Salesforce

Innovation at the Edge

100+ Invested companies  40+ start-up partnership  JV AlphaStruxure with Carlyle Group
Strategy that delivers Performance
Consistent strong operational performance

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th></th>
<th>2018</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>€9bn</td>
<td>+3x</td>
<td>€26bn</td>
<td>+3x</td>
</tr>
<tr>
<td>Adjusted EBITA</td>
<td>€1bn</td>
<td>+4x</td>
<td>€4bn</td>
<td>+4x</td>
</tr>
<tr>
<td>EPS</td>
<td>€0.97</td>
<td>+4x</td>
<td>€4.16</td>
<td>+4x</td>
</tr>
<tr>
<td>Market Cap</td>
<td>€10bn</td>
<td>+4x</td>
<td>€38bn</td>
<td>+4x</td>
</tr>
<tr>
<td>Enterprise Value</td>
<td>€11bn</td>
<td>+4x</td>
<td>€46bn</td>
<td>+4x</td>
</tr>
</tbody>
</table>
Delivering strong returns for shareholders

- 570% TSR
- 238% TSR
- c.330% of relative outperformance vs index

Source: Factset, priced at market close 21st June 2019
A simple strategy that works & positions us for macro factors
Balanced, agile and resilient

Business Exposure
- 1998: 82%, 18%
- 2008: 72%, 28%
- 2018: 58%, 42%

People Footprint
- 1998: 58%, 42%
- 2018: 27%, 73%

Less Cyclic
- 2008: >50%
- 2018: ~40%

Growth in Software & Services
- 2008: 8%
- 2018: 16%
- Future: ~20%

Flexible Cost Base in 2018
- 30%
- 70%
Our priorities for the next 3 years built upon strong foundations

What we achieved in 2016-2018

- More products, more software, more services
- Significant MV margin improvement
- Built a strong platform with AVEVA in Industrial Automation Software

Organic revenue growth: +3% on average
Adj. EBITA margin: +140 bps
Portfolio optimization (€1.5Bn since 2014)
Simplification and efficiency

What we target to achieve in 2019-2021

- More products, more software, more services
- Further scale our digital offers
- Continue to work on efficiency: focus on the core and organization efficiency

Organic revenue growth: +3%-6% through cycle
Adj. EBITA margin: +200 bps (pre-FX)
Portfolio optimization (€1.5Bn to €2Bn)
Further simplification and efficiency
We empower all to do more with less, ensuring Life Is On everywhere, for everyone, at every moment.