Consolidated Financial Statements
For the year ended December 31, 2024

Life Is On | Schneider Electric

1. Consolidated statement of income

(in millions of euros except for earnings per share)	Note	Full Year 2024	Full Year 2023
Revenue	**3**	**38,153**	**35,902**
Cost of sales		(21,885)	(20,890)
Gross profit		**16,268**	**15,012**
Research and development	4	(1,308)	(1,168)
Selling, general and administrative expenses		(7,877)	(7,432)
Adjusted EBITA *	**3**	**7,083**	**6,412**
Other operating income and expenses	6	(87)	98
Restructuring costs		(141)	(147)
EBITA **		**6,855**	**6,363**
Amortization and impairment of purchase accounting intangibles	5	(406)	(430)
Operating income		**6,449**	**5,933**
Interest income		174	79
Interest expense		(435)	(387)
Finance costs, net		**(261)**	**(308)**
Other financial income and expenses	7	(148)	(222)
Net financial income/(loss)		**(409)**	**(530)**
Profit from continuing operations before income tax		**6,040**	**5,403**
Income tax expense	8	(1,398)	(1,285)
Share of profit/(loss) of associates	12	17	51
Impairment of investments in associates	12	(220)	-
PROFIT FOR THE YEAR		**4,439**	**4,169**
attributable to owners of the parent		*4,269*	*4,003*
attributable to non-controlling interests		*170*	*166*
Basic earnings (attributable to owners of the parent) per share (in euros per share)	19	7.61	7.15
Diluted earnings (attributable to owners of the parent) per share (in euros per share)	19	7.53	7.07

** Adjusted EBITA (Earnings Before Interest, Taxes, Amortization of Purchase Accounting Intangibles): Operating profit before amortization and impairment of purchase accounting intangible assets, before goodwill impairment, other operating income and expenses and restructuring costs.*

*** EBITA (Earnings Before Interest, Taxes and Amortization of Purchase Accounting Intangibles): Operating profit before amortization and impairment of purchase accounting intangible assets and before goodwill impairment.*

The accompanying notes are an integral part of the consolidated financial statements.

Other comprehensive income

(in millions of euros)	Note	Full Year 2024	Full Year 2023
Profit for the year		**4,439**	**4,169**
Other comprehensive income:			
Translation adjustment		1,426	(1,034)
Revaluation of assets and liabilities due to hyperinflation		44	31
Net gains/(losses) on hedging		(29)	(46)
Income tax effect of cash flow hedges	19	6	6
Gains and losses recorded in equity with recycling		**1,447**	**(1,043)**
Net gains/(losses) on financial assets		26	20
Income tax effect of gains/(losses) on financial assets	19	(7)	(6)
Actuarial gains/(losses) on defined benefit plans	20	(39)	(119)
Income tax effect of actuarial gains/(losses) on defined benefit plans	19	18	69
Gains and losses recorded in equity with no recycling		**(2)**	**(36)**
Other comprehensive income for the year, net of tax		**1,445**	**(1,079)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**5,884**	**3,090**
attributable to owners of the parent		*5,695*	*2,950*
attributable to non-controlling interests		*189*	*140*

The accompanying notes are an integral part of the consolidated financial statements.

2. Consolidated statement of cash flows

(in millions of euros)	Note	Full Year 2024	Full Year 2023
Profit for the year		**4,439**	**4,169**
Share of (profit)/losses of associates		(17)	(51)
Income and expenses with no effect on cash flow:			
Depreciation of property, plant and equipment	11	822	743
Amortization of intangible assets other than goodwill	10	716	717
Impairment losses on non-current assets		251	60
Increase/(decrease) in provisions	21	93	87
Losses/(gains) on disposals of business and assets		(115)	(252)
Difference between tax paid and tax expense		(81)	(164)
Other non-cash adjustments		200	220
Net cash provided by operating activities		**6,308**	**5,529**
Decrease/(increase) in accounts receivable		(199)	62
Decrease/(increase) in inventories and work in progress		(834)	(382)
(Decrease)/increase in accounts payable		439	493
Decrease/(increase) in other current assets and liabilities		(134)	205
Change in working capital requirement		**(728)**	**378**
TOTAL I - CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		**5,580**	**5,907**
Purchases of property, plant and equipment	11	(950)	(914)
Proceeds from disposals of property, plant and equipment		55	52
Purchases of intangible assets	10	(469)	(451)
Net cash used by investment in operating assets		**(1,364)**	**(1,313)**
Acquisitions and disposals of businesses, net of cash acquired & disposed	2	(452)	611
Other long-term investments		(91)	(89)
Increase in long-term pension assets	20	(80)	(257)
Sub-total		**(623)**	**265**
TOTAL II - CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		**(1,987)**	**(1,048)**
Issuance of bonds	22	3,466	3,509
Repayment of bonds	22	(1,384)	(1,299)
Sale/(purchase) of treasury shares		(322)	(703)
Increase/(decrease) in other financial debt		(1,338)	939
OCEANEs issuance and repayment (equity component)		(66)	65
Increase/(decrease) of share capital	19	252	219
Transaction with non-controlling interests*	2	(183)	(4,702)
Dividends paid to Schneider Electric's shareholders	19	(1,963)	(1,767)
Dividends paid to non-controlling interests		(86)	(84)
TOTAL III - CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		**(1,624)**	**(3,823)**
TOTAL IV - NET FOREIGN EXCHANGE DIFFERENCE		**189**	**(240)**
TOTAL V - IMPACT OF RECLASSIFICATION OF ITEMS HELD FOR SALE		**-**	**(4)**
INCREASE/(DECREASE) IN NET CASH AND CASH EQUIVALENTS: I + II + III + IV + V		**2,158**	**792**
Net cash and cash equivalents, beginning of the year	18	4,654	3,863
Increase/(decrease) in cash and cash equivalents		2,158	792
NET CASH AND CASH EQUIVALENTS, END OF THE YEAR	**18**	**6,812**	**4,654**

The accompanying notes are an integral part of the consolidated financial statements.

**In 2023, transactions with non-controlling interests mainly related to the purchase of AVEVA's non-controlling interests.*

3. Consolidated balance sheet

Assets

(in millions of euros)	Note	Dec. 31, 2024	Dec. 31, 2023
NON-CURRENT ASSETS:			
Goodwill, net	9	26,281	24,664
Intangible assets, net	10	6,280	5,837
Property, plant and equipment, net	11	4,884	4,209
Investments in associates and joint ventures	12	1,111	1,206
Non-current financial assets	13	1,601	1,245
Deferred tax assets	14	1,794	1,636
TOTAL NON-CURRENT ASSETS		**41,951**	**38,797**
CURRENT ASSETS:			
Inventories and work in progress	15	5,411	4,519
Trade and other operating receivables	16	9,364	8,388
Other receivables and prepaid expenses	17	2,330	2,290
Cash and cash equivalents	18	6,887	4,696
TOTAL CURRENT ASSETS		**23,992**	**19,893**
Assets held for sale	2	-	209
TOTAL ASSETS		**65,943**	**58,899**

The accompanying notes are an integral part of the consolidated financial statements.

Liabilities

(in millions of euros)	Note	Dec. 31, 2024	Dec. 31, 2023
EQUITY:	**19**		
Share capital		2,303	2,291
Additional paid in capital		3,354	2,872
Retained earnings		23,677	21,593
Translation reserve		1,155	(294)
Equity attributable to owners of the parent		**30,489**	**26,462**
Non-controlling interests		791	706
TOTAL EQUITY		**31,280**	**27,168**
NON-CURRENT LIABILITIES:			
Pensions and other post-employment benefit obligations	20	1,098	1,069
Other non-current provisions	21	1,251	959
Non-current financial liabilities	22	10,910	11,592
Non-current purchase commitments over non-controlling interests	22	19	50
Deferred tax liabilities	14	810	703
Other non-current liabilities		1,006	848
TOTAL NON-CURRENT LIABILITIES		**15,094**	**15,221**
CURRENT LIABILITIES:			
Trade and other operating payables		8,893	7,596
Accrued taxes and payroll costs		4,015	4,013
Current provisions	21	1,052	1,061
Other current liabilities		1,504	1,379
Current financial liabilities	22	3,921	2,341
Current purchase commitments over non-controlling interests	22	184	80
TOTAL CURRENT LIABILITIES		**19,569**	**16,470**
Liabilities held for sale	2	-	40
TOTAL EQUITY AND LIABILITIES		**65,943**	**58,899**

The accompanying notes are an integral part of the consolidated financial statements.

4. Consolidated statement of changes in equity

(in millions of euros)	Number of shares (thousands)	Capital	Additional paid-in capital	Retained earnings	Trans-lation reserve	Equity attributable to owners of the parent	Non-controlling interests	Total
Dec. 31, 2022	**571,093**	**2,284**	**2,660**	**19,812**	**683**	**25,439**	**655**	**26,094**
Profit for the year	-	-	-	4,003		**4,003**	166	**4,169**
Other comprehensive income	-	-	-	(76)	(977)	**(1,053)**	(26)	**(1,079)**
Comprehensive income for the year	-	-	-	**3,927**	**(977)**	**2,950**	**140**	**3,090**
Capital increase	1,743	7	212	-	-	**219**	-	**219**
OCEANEs issuance	-	-	-	65	-	**65**	-	**65**
Dividends	-	-	-	(1,767)	-	**(1,767)**	(84)	**(1,851)**
Purchase of treasury shares	-	-	-	(703)	-	**(703)**	-	**(703)**
Share-based compensation expense	-	-	-	196	-	**196**	-	**196**
IAS 29 Hyperinflation	-	-	-	68	-	**68**	-	**68**
Other	-	-	-	(5)	-	**(5)**	(5)	**(10)**
Dec. 31, 2023	**572,836**	**2,291**	**2,872**	**21,593**	**(294)**	**26,462**	**706**	**27,168**
Profit for the year	-	-	-	4,269		**4,269**	170	**4,439**
Other comprehensive income	-	-	-	(23)	1,449	**1,426**	19	**1,445**
Comprehensive income for the year	-	-	-	**4,246**	**1,449**	**5,695**	**189**	**5,884**
Capital increase	1,410	6	246	-	-	**252**	-	**252**
OCEANEs issuance, conversion and repurchase	1,386	6	237	(88)	-	**155**	-	**155**
Dividends	-	-	-	(1,963)	-	**(1,963)**	(86)	**(2,049)**
Purchase of treasury shares	-	-	-	(322)	-	**(322)**	-	**(322)**
Share-based compensation expense	-	-	-	234	-	**234**	-	**234**
IAS 29 Hyperinflation	-	-	-	(13)	-	**(13)**		**(13)**
Other	-	-	-	(11)	-	**(11)**	(18)	**(29)**
Dec. 31, 2024	**575,632**	**2,303**	**3,354**	**23,677**	**1,155**	**30,489**	**791**	**31,280**

The accompanying notes are an integral part of the consolidated financial statements.

5. Notes to the consolidated financial statements

Contents

All amounts are in millions of euros unless otherwise indicated.

The following notes are an integral part of the consolidated financial statements.

The Schneider Electric Group's consolidated financial statements for the financial year ended December 31, 2024 were authorized for issue by the Board of Directors on February 19, 2025. They will be submitted to shareholders for approval at the Annual General Meeting of May 7, 2025.

The Group's main businesses are described in Chapter 1 of the Universal Registration Document.

NOTE 1 Summary of accounting policies

1.1- Accounting standards

The consolidated financial statements have been prepared in compliance with the international accounting standards (IFRS) as adopted by the European Union as of December 31, 2024. The same accounting methods were used as for the consolidated financial statements for the year ended December 31, 2023.

The IFRS standards and interpretations as adopted by the European Union are available at the following website: https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/company-reporting/financial-reporting

Standards, interpretations and amendments endorsed by the European Union whose application is mandatory as of January 1, 2024

The following standards and interpretations that were applicable during the period did not have a material impact on the consolidated financial statements as of December 31, 2024:

- Amendments to IAS 1 - *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current; Deferral of Effective Date; Non-current Liabilities with Covenants*;
- Amendments to IFRS 16 - *Leases: Lease Liability in a Sale and Leaseback*;
- Amendments to IAS 7 - *Statement of Cash Flows* and IFRS 7 - *Financial Instruments: Disclosures* on supplier finance arrangements.

Standards, interpretations and amendments unendorsed by the European Union as of December 31, 2024 or whose application is not mandatory as of January 1, 2024

- IFRS 18 - *Presentation and Disclosure in Financial Statements*;
- Amendments to IFRS 7 - *Financial Instruments: Disclosures* and IFRS 9 - *Financial Instruments* on the Classification and Measurement of Financial Instruments;
- Amendments to IFRS 7 - *Financial Instruments: Disclosures* and IFRS 9 - *Financial Instruments* for *Contracts Referencing Nature-dependent Electricity*;
- Amendments to IAS 21 - *The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*;
- Annual Improvements to IFRS Standards Volume 11;

The Group is currently assessing the potential effect on the Group's consolidated financial statements of the standards not yet applicable as of December 31, 2024. At this stage of analysis, the Group does not expect any material impact on its consolidated financial statements.

Climate-related matters

The potential impacts of climate-related matters on the measurement of the Group's assets and liabilities, as well as on significant judgements and estimates, have been analyzed from multiple perspectives: climate transition risks and opportunities, physical risks, and Schneider Electric's net-zero Commitment. The Group is committed to be "net-zero ready" in its operation (scope 1 and 2) by 2030 and net-zero across the whole value chain by 2050. Those objectives are concretely integrated in the Group's Sustainability strategy through the Schneider Sustainability Impact (SSI) and Schneider Sustainability Essentials (SSE) programs that are externally reported respectively on a quarterly and annual basis.

To achieve its emission reduction objectives and meet the net-zero commitment taken, the Group has defined a comprehensive roadmap and key actions to enable the decarbonization of both its own operations and its value chain, having direct implications on its processes, sites decarbonization, R&D and investment priorities:

- Significant investments on both industrial processes (e.g., electrification) and real estate portfolio (e.g., Electric Vehicles chargers instalment) planned to decarbonize operations by 2030 (scopes 1 & 2) in line with company-wide energy climate targets (150 Zero-CO_2 sites by 2025, double energy productivity by 2030, 100% of electricity from renewables by 2030, shift 100% of corporate vehicle fleet to electric vehicles by 2030). Specifically on manufacturing and distribution centers, the Group has defined a priority list and invests progressively on electric and efficient systems (e.g., heat pumps, micro grids, solar panels, thermal insulation) to achieve net-zero ready operations by 2030.
- Implementation of a process to follow carbon footprint evolution at an early stage of new product development to reduce the footprint of future generations of products. The Group committed on a step up in R&D in coming years, from a circa 5% of Group revenues dedicated to strategic R&D investment pre-covid to a future circa 7%, with a strong focus on sustainability. In total, around EUR 13 billion have been invested by the Group in R&D between 2017 and 2024 (refer to Note 4 for more details about the year 2024).

The actual and potential financial links and effects of the Group's external commitments and specific climate risks identified, are detailed as follows:

- At Schneider Electric, climate risks to operations and supply chain are addressed with a comprehensive supply chain resilience and adaptation program, aiming at identifying climate risks, quantifying the value at risk under different climate scenarios, and reducing the Group's vulnerability. Schneider Electric is working with multiple actors on its value chain to adapt to climate change and increase its resilience. The Group invests in protecting sites exposed to extreme weather events by implementing engineered and built environment adaptation solutions. It also detects potential risks using real-time predictive weather analysis to alert at-risk sites, enabling them to proactively activate their business continuity plans. This approach helps contain the potential impact of these risks and defines necessary remediation and control measures. The Group is not a capital-intensive company, majority of its sites are leased and not owned, and the individual residual value of its tangible assets in the most at-risk locations is not material. The Group has a low dependence on water in its production processes. Additionally, the multi hub position of the Group with agile capacity to relocate its production in case of climate disaster is a way to significantly mitigate risks and potential effects. No material impact has been identified, notably on evaluation and useful life of tangible assets or in the impairment tests performed at Group level. From 2023, the Group has worked on quantifying investments and additional costs, as well as opportunities, to achieve long-term net-zero carbon commitments, taking into consideration several scenarios to integrate them into the Group's impairment tests. Schneider Electric is well-positioned to capitalize on the global push for electrification and the net-zero commitments of other companies. The alignment between the Group's sustainability commitments, its transformation, and its financial statements was further strengthened in 2024 with the implementation of the Corporate Sustainability Reporting Directive (CSRD). The Group has not identified any risk of impairment as of December 31, 2024.

- The Schneider Sustainability Impact (SSI), which encompasses several climate objectives, serves as a factor in the annual short-term variable compensation. Over 100,000 employees, including Corporate Officer, are eligible, with the weight varying up to 20%, depending on the type of plan. Also, criteria related to climate targets on scopes 1, 2, and upstream scope 3 have been introduced in 2024 in the long-term incentive plan granted to more than 4,000 employees, including the Corporate Officer (25% weight). These criteria replace the previous Schneider Sustainability External and Relative Index (SSERI). This amendment has been designed to align executive remuneration with the Group's commitment in terms of climate transition and Schneider Electric's sustainable value creation over the long-term.
- To further tie climate-related issues to financial planning, Schneider Electric has linked in 2022 its bank fundings with the SSI performance with the signature of a KPIs linked facility.

1.2- Basis of presentation

The financial statements have been prepared on a historical cost basis, except for the following:

- derivative instruments and certain financial assets, measured at fair value;
- assets held for sale - measured at the lower of carrying amount and fair value less costs to sell;
- defined benefit pension plans - plan assets measured at fair value.

Financial liabilities are measured using the amortized cost model. The book value of hedged assets and liabilities, under fair-value hedge, corresponds to their fair value, for the part corresponding to the hedged risk.

1.3- Use of estimates and assumptions

The preparation of financial statements requires the Group management and subsidiaries to make estimates and assumptions that are reflected in the amounts of assets and liabilities reported in the consolidated balance sheet, revenues and expenses in the statement of income and the commitments created during the reporting period. Actual results may differ.

These assumptions and estimates mainly concern:

- the measurement of the recoverable amount of goodwill, property, plant and equipment and intangible assets (Note 1.8 and 1.9) and the measurement of impairment losses (Note 1.11);
- the measurement of the recoverable amount of non-current financial assets (Note 1.12 and 13);
- the realizable value of inventories and work in progress (Note 1.13);
- the recoverable amount of trade and other operating receivables (Note 1.14);
- the valuation of share-based payments (Note 1.20);
- the calculation of provisions or risk contingencies (Note 1.21);
- the measurement of pension and other post-employment benefit obligations (Note 1.19 and Note 20);
- the recoverability of deferred tax assets (Note 14);
- the measurement of provisions covering uncertainties over income tax treatment (Note 1.21);
- the estimation of the margin at completion for Construction contracts (Note 1.24);
- the assumptions retained to evaluate the lease liability (IFRS 16): lease term and discount rate (Note 1.10).

1.4- Consolidation principles

Subsidiaries, over which the Group exercises exclusive control, either directly or indirectly, are fully consolidated.

The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Accounting policies of subsidiaries, joint-venture and associates have been changed when necessary to ensure consistency with the policies adopted by the Group.

Group investments in entities controlled jointly with a limited number of partners, such as joint ventures and companies over which the Group has significant influence ("associates") are accounted for by the equity method. Significant influence is presumed to exist when more than 20% of voting rights are held by the Group.

Under equity method, the net assets and net result of a company are recognized pro rata to the interest held by the Group in the share capital.

On acquisition of an investment in a joint venture or an associate, goodwill relating to the joint venture or the associate is included in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceed its interest in the entity, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Companies acquired or sold during the year are included in or removed from the consolidated financial statements as of the date when effective control is acquired or relinquished.

Any acquisition or disposal of an interest in a subsidiary that doesn't change the control is considered as a shareholder transaction and must be recognized directly in equity.

A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized in a separate reserve within equity attributable to owners.

Intra-group transactions and balances are eliminated.

The list of consolidated main subsidiaries, joint ventures and associates can be found in Note 29.

The reporting date for all companies included in the scope of consolidation is December 31, with the exception of certain immaterial associates accounted for by the equity method. For the latter however, financial statements up to September 30 of the financial year have been used (maximum difference of three months in line with the standards).

1.5- Business combinations

Business combinations are accounted for using the acquisition method, in accordance with IFRS 3 - *Business Combinations*. Acquisition costs are presented under "Other operating income and expenses" in the statement of income.

All acquired assets, liabilities and contingent liabilities are recognized at their fair value at the acquisition date, the fair value can be adjusted during a measurement period that can last for up to 12 months from the date of acquisition.

The differential between the cost of acquisition excluding acquisition expenses and the Group's share in the fair value of assets and liabilities at the date of acquisition is recognized in goodwill. When the cost of acquisition is lower than the fair value of the identified assets and liabilities acquired, the badwill is immediately recognized in the statement of income.

Goodwill is allocated to Cash-Generating Units (CGUs) or groups of cash-generating units that benefit from business combination synergies.

Goodwill is not amortized but tested for impairment at least annually and whenever there is an indication that it may be impaired (see Note 1.11 below). Any impairment losses are recognized under "Amortization and impairment of purchase accounting intangible".

The full goodwill method is applied at Group level, therefore, non-controlling interests are valued at fair value.

In accordance with IAS 32, put options granted to minority shareholders are recorded as financial liabilities at the option's estimated strike price.

The share in the net assets of subsidiaries is reclassified from "Non-controlling interests" to "Purchase commitments over non-controlling interests" and the differential between the value of the non-controlling interests and the liability, corresponding to the commitment, is recorded in equity.

1.6- Translation of the financial statements of foreign subsidiaries

The consolidated financial statements are prepared in euros.

The financial statements of subsidiaries that use another functional currency are translated into euros as follows:

- assets and liabilities are translated at the official closing rates;
- income statement, backlog and cash flow items are translated at average annual exchange rates.

The functional currency of an entity is the currency of the primary economic environment in which it carries out its operations. In most cases, the functional currency corresponds to the local currency. However, a functional currency other than the local currency can be retained for certain entities, if it represents the currency of the main transactions carried out by the entity and that it ensures faithful representation of its economic environment.

Translation adjustments are recorded in consolidated equity under "Translation reserve".

Upon exit from the scope of consolidation, the cumulative translation reserve of a company whose functional currency is not the euro are recycled in the income statement and are part of the gain or loss on disposal.

The Group applies IAS 29 - *Financial Reporting in Hyperinflationary Economies* to the Group's subsidiaries in countries with hyperinflationary economies (Argentina and Türkiye). IAS 29 - *Financial Reporting in Hyperinflationary Economies* requires the non-monetary assets and liabilities and income statements of countries with hyperinflationary economies to be restated to reflect the changes in the general purchasing power of their functional currency, thereby generating a profit or loss on the net monetary position which is recognized in net income within "Other financial income and expenses". In addition, the financial statements of the subsidiaries in these countries are translated at the closing exchange rate of the reporting period concerned, in accordance with IAS 21. In 2024, all the necessary conditions were met to consider Türkiye and Argentina as a hyperinflationary country within the meaning of IFRS. The Group has applied IAS 29 to Argentina in its financial statements from January 1, 2018 and to Türkiye in its financial statements from January 1, 2022. The Group used the Consumer Price Index (CPI) for both Argentina and Türkiye to remeasure its income statement items, cash flows and non-monetary assets and liabilities. This index was up 118% for Argentina and up 44% for Türkiye between December 2023 and December 2024.

1.7- Foreign currency transactions

Foreign currency transactions are recorded using the exchange rate in effect at the transaction date or at the hedging rate. At the balance sheet date, monetary items in foreign currency (e.g. payables, receivables, etc.) are translated into the functional currency of the entity at the closing rate or at the hedging rate. Gains or losses on translation of foreign currency transactions are recorded under "Net financial income/ (loss)". Foreign currency hedging is described below, in Note 1.23.

However, certain long-term receivables and loans to subsidiaries are considered to be part of a net investment in a foreign operation, as defined by IAS 21 - *The Effects of Changes in Foreign Exchange Rates*. As such, the impact of exchange rate fluctuations is recorded in equity and recognized in the statement of income when the investment is sold or when the long-term receivable or loan is reimbursed.

1.8- Intangible assets

Intangible assets acquired separately or as part of a business combination

Intangible assets acquired separately are initially recognized in the balance sheet at historical cost. They are subsequently measured using the amortized cost model.

Intangible assets (mainly trademarks, technologies and customer relationships) acquired as part of business combinations are recognized in the balance sheet at fair value at the combination date, appraised externally for the most significant assets and internally for the rest, and that represents its historical cost in consolidation. The valuations are performed using generally accepted methods, based on future inflows.

Intangible assets are generally amortized on a straight-line basis over their useful life or, alternatively, over the period of legal protection. Amortized intangible assets are tested for impairment when there is any indication that their recoverable amount may be less than their carrying amount.

Amortization expenses and impairment losses on intangible assets acquired in a business combination are presented on a separate statement of income line item, "Amortization and impairment of purchase accounting intangibles".

Trademarks

The trademarks are recognized at fair value at the acquisition date. The trademarks fair value is determined using the relief from royalty method.

Trademarks acquired as part of a business combination are not amortized when they are considered to have an indefinite life.

The criteria used to determine whether or not such trademarks have indefinite lives and, as the case may be, their lifespan, are as follows:

- brand awareness;
- outlook for the brand in light of the Group's strategy for integrating the trademark into its existing portfolio.

Indefinite-lived trademarks are tested for impairment at least annually and whenever there is an indication they may be impaired. When necessary, an impairment loss is recorded.

Internally generated intangible assets

Research and development costs

Research costs are expensed in the statement of income when incurred. Development costs for new projects are capitalized if, and only if:

- the project is clearly identified and the related costs are separately identified and reliably monitored;
- the project's technical feasibility has been demonstrated and the Group has the intention and financial resources to complete the project and to use or sell the resulting products;
- the Group has allocated the necessary technical, financial and other resources to complete the development;
- it is probable that the future economic benefits attributable to the project will flow to the Group.

Development costs that do not meet these criteria are expensed in the financial year in which they are incurred.

Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Before the commercial launch, capitalized development projects are tested for impairment at least annually. From the date of the commercial launch, capitalized development projects are amortized over the lifespan of the underlying technology, which generally ranges from three to ten years. The amortization expenses of such capitalized projects are included in the cost of the related products and classified into "Cost of sales" when the products are sold.

As for development-related assets which are in the amortization period, they are tested for impairment in case an impairment risk has been identified.

Software implementation

External and internal costs relating to the implementation of Enterprise Resource Planning (ERP) applications are capitalized when they relate to the programming, coding and testing phase. They are amortized over the applications' useful lives.

1.9- Property, plant and equipment

Property, plant and equipment is primarily comprised of land, buildings and production equipment and is carried at acquisition cost, less accumulated depreciation and any accumulated impairment losses.

Each component of an item of property, plant and equipment with a useful life that differs from that of the whole item is depreciated separately on a straight-line basis. The main useful lives are as follows:

- buildings: 20 to 40 years;
- machinery and equipment: 3 to 10 years;
- other: 3 to 12 years.

The useful life of property, plant and equipment used in operating activities, such as production lines, reflects the related products' estimated life cycles.

Useful lives of items of property, plant and equipment are reviewed periodically and may be adjusted prospectively if appropriate. The depreciable amount of an asset is determined after deducting its residual value, when the residual value is material.

Depreciation is expensed in the period and included in the production cost of inventory or the cost of internally generated intangible assets. It is recognized in the statement of income under "Cost of sales", "Research and development costs" or "Selling, general and administrative expenses", as the case may be.

Items of property, plant and equipment are tested for impairment whenever there is an indication they may be impaired. Impairment losses are charged to the statement of income under "Other operating income and expenses".

Since 2019, property, plant and equipment also includes right-of-use assets, in accordance with the recommended treatment in IFRS 16 - *Leases*, and as described in the following note.

1.10- Leases

Scope of the Group's contracts

The lease contracts identified within all the Group entities fall under the following categories:

- real estate: office buildings, factories, and warehouses;
- vehicles: cars and trucks;
- forklifts used mainly in factories or storage warehouses.

The Group has retained the exemption for low-value assets (i.e. assets with a cost lower than USD 5,000). Thus, the defined scope does not include small office or IT equipment, mobile phones or other small equipment, which all correspond to low-value equipment. Short-term contracts (i.e. less than 12 months without purchase option) are also exempted under the standard. In this case, for example, for occasional vehicle or accommodation rentals.

Rental obligation

At the inception date of the lease, the Group recognizes the lease liabilities, measured at the present value of the lease payments to be made over the term of the lease. The present value of payments is calculated mainly using the marginal borrowing rate of the contracting entity's country, at the contract starting date.

Rental payments include fixed payments (net of rental incentives receivable), variable payments based on an index or rate initially measured using the index or rate as at the commencement date and amounts that should be paid under residual value guarantees. Besides, the simplification allowing not to split services components has not been elected by the Group. Therefore, only the rents are taken into account in the lease payments.

Lease payments also include, when applicable, the exercise price of a purchase option reasonably certain to be exercised by the Group and the payment of penalties for the termination of a lease, if the term of the lease takes into account the fact that the Group has exercised the termination option.

Variable lease payments that are not dependent on an index or rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

After the start date of the contract, the amount of rental obligations is increased to reflect the increase in interest and reduced for lease payments made.

In addition, the carrying amount of the lease liabilities is revalued in the event of a reassessment or modification in the lease (e.g. change in the term of the lease, change in lease payments, application of annual indexation, etc.).

The obligation is recorded under other current and other non-current liabilities.

Right-of-use assets

The Group accounts for the assets related to the right-of-use on the lease starting date (i.e. the date on which the underlying asset is available).

Assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for the revaluation of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities, initial direct costs incurred and lease payments made on or before the effective date, minus lease inducements received. They are recognized as tangible assets, in the Balance Sheet.

Unless the Group is reasonably certain that it will become the owner of the leased asset at the end of the lease term, the recorded right-of-use assets are depreciated using the linear method over the shortest period of time between estimated life of the underlying asset and the duration of the lease. The assets related to the right-of-use are subject to depreciation.

Determining the duration of contracts

The duration of the Group's contracts varies according to geographies.

The real estate contracts have variable durations depending on the countries and local regulations. Vehicles and forklifts are generally contracted between 3 and 6 years.

In certain geographies, the Group's real estate contracts offer unilateral options for termination of contracts (particularly in France with contracts 3-6-9).

According to the recommendation of IFRIC, on a case-by-case analysis and based on Real Estate teams' expertise, experience strategy and projects, the Group is determining the most probable duration to perform our calculations.

In most of cases, the duration chosen is the enforceable duration of the real estate contracts, in particular on the most strategic buildings and factories.

1.11- Impairment of assets

Impairment tests

The Group assesses the recoverable amount of its long-lived assets as follows:

- for all property, plant and equipment subject to depreciation and intangible assets subject to amortization, the Group carries out a review at each balance sheet date to assess whether there is any indication that they may be impaired. Indications of impairment are identified based on external or internal information. If such an indication exists, the Group tests the asset for impairment by comparing its carrying amount to the higher of fair value minus costs to sell and value in use;
- non-amortizable intangible assets and goodwill are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

Value in use is determined by discounting future cash flows that will be generated by the tested assets. These future cash flows are based on Group management's economic assumptions and operating forecasts presented in business plans over a period generally not exceeding five years, and then extrapolated based on a perpetuity growth rate. The discount rate corresponds to the Weighted Average Cost of Capital (WACC) at the measurement date, it stood at 9.0% at December 31, 2024 for the Group (8.9% at December 31, 2023). This rate is based on the following main assumptions:

- a long-term interest rate of 3.0%, corresponding to the interest rate for 10-year OAT treasury bonds
- the average premium applied to financing obtained by the Group in 2024
- the weighted country risk premium for the Group's businesses in the countries in question.

Impairment tests are performed at the level of CGUs (or groups of CGUs) to which the asset belongs. A cash-generating unit is the smallest group of assets that generates cash inflows that are largely independent of the cash flows from other assets or groups of assets. The groups of cash-generating units are *Low Voltage*, *Medium Voltage*, *Secure Power*, *Sustainability*, *EM Software*, *Industrial Automation* and *Industrial Automation Software*.

Net assets were allocated to the group of CGUs at the lowest possible level on the basis of the group of CGUs activities to which they belong.

Goodwill is allocated when initially recognized. The CGU allocation is done on the same basis as used by Group management to monitor operations and assess synergies deriving from acquisitions.

When the recoverable amount of an asset or CGU is lower than its book value, an impairment loss is recognized for the excess of the book value over the recoverable value. The recoverable value is defined as the highest value between the value in use and the selling price less costs to sell. When the tested CGU comprises goodwill, any impairment losses are firstly deducted from goodwill.

Impairment indicators

For intangible assets with finite useful lives, the Group reviews indicators of impairment at each closing date.

For research and development integrated in sold offers, deviations from business plan of selected quantitative indicators such as revenue, volumes, price, costs, and qualitative indicators such as change in market, strategic turnaround, changes in R&D roadmap priorities, etc., constitute indicators of impairment that trigger an impairment test.

1.12- Non-current financial assets

Investments in non-consolidated companies are initially recorded at their cost of acquisition and subsequently measured at fair value. The fair value of investments listed in an active market may be determined reliably and corresponds to the listed price at balance sheet date (Level 1 from the fair value hierarchy as per IFRS 7).

IFRS 9 standard allows two accounting treatments for equity instruments:

- change in fair value is recognized through "Other Comprehensive Income" in the comprehensive income statement, and in equity under "Other reserves" in the balance sheet, with no subsequent recycling in the income statement even upon sale.
- change in fair value, as well as gain or loss in case of sale, are recognized in the income statement.

The election between those two methods is to be made from inception for each equity investment and is irrevocable. For significant investments not listed in an active market, the valuation is performed by external experts at least annually and whenever there is an indication that it may be impaired.

Venture capital (FCPR) / Mutual funds (SICAV) are recognized at fair value through income statement, in accordance with IFRS 9.

1.13- Inventories and work in progress

Inventories and work in progress are measured at the lower of their initial recognition cost (acquisition cost or production cost generally determined by the weighted average price method) or of their estimated net realizable value.

Net realizable value corresponds to the estimated selling price net of remaining expenses to complete and/or sell the products. Inventory impairment losses are recognized in "Cost of sales".

The cost of work in progress, semi-finished and finished products, includes the cost of materials and direct labor, subcontracting costs, all production overheads based on normal manufacturing capacity and the portion of development costs that are directly related to the manufacturing process (corresponding to the amortization of capitalized projects in production and product and range of products maintenance costs).

Impairment risk is based on historical or forecasted consumptions, depending on the nature of inventories and taking into account:

- inventory turnover
- strategic nature of the inventory
- phasing in or out of the inventory

1.14- Trade and other operating receivables

Trade and other receivables are measured at their transaction price upon initial recognition and then at amortized cost less any impairment losses based on expected credit losses model.

Trade and other operating receivables are depreciated according to the simplified IFRS 9 model. From inception, trade receivables are depreciated to the extent of the expected losses over their remaining maturity.

The credit risk of trade receivables is assessed on a collective basis country by country, as the geographical origin of receivables is considered representative of their risk profile. Countries are classified by risk profile using the assessment provided by an external agency. The provision for expected credit losses is evaluated using (i) the probabilities of default communicated by a credit agency, (ii) historical default rates, (iii) aging balance, (iv) as well as the Group's assessment of the credit risk considering actual guarantees and credit insurance.

Once it is known with certainty that a doubtful receivable will not be collected, the doubtful account and its related depreciation are written off through the income statement.

Accounts receivable are discounted in cases where they are due in over one year and the discounting impact is significant.

Assignment of receivables

When it can be demonstrated that the Group has transferred substantially all the risks and benefits related to assignment of receivables, particularly the credit risk, the items concerned are derecognized. Otherwise, the operation is considered as a financing operation, and the receivables remain in the balance sheet assets, with recognition of a corresponding financial liability.

1.15- Assets held for sale and liabilities of discontinued operations

Assets held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This classification occurs when the Group takes the decision to sell them and that the sale is considered highly probable.

The assets and liabilities held for sale are presented on different lines of the balance sheet. They are measured at the lower of their carrying amount or fair value less costs to sell. Assets classified as held for sale are no longer depreciated (amortized) as of the date they are classified as assets or disposal groups held for sale.

When a sale involving the loss of control of the subsidiary is considered highly probable, all the assets and liabilities of this subsidiary are classified as being held for sale, independently of whether or not the Group retains a residual interest in the entity after its sale.

Discontinued operation

A discontinued operation is a clearly identifiable component that the Group either has abandoned or that is classified as held for sale:

- representing a separate major line of business or geographical area of operations;
- being part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or,
- being a subsidiary acquired exclusively with a view to resale.

Once the criteria are met, the profit and loss and the cash flow from discontinued operations are presented separately in the consolidated income statement and the consolidated cash flow statement for each period.

1.16- Taxes

Income tax expense

The tax rate is calculated on the basis of the fiscal regulations enacted or substantively enacted at the fiscal year closing date in each country where the Group's companies carry out their business. The Group's applicable tax rate corresponds to the average of the theoretical tax rates in force in each country, weighted according to profit obtained in each of these countries. The average effective tax rate is calculated as follows: (current and deferred income tax expense)/(net profit before tax less share of profit of associates, and net profit from discontinued operations).

Deferred taxes

Deferred taxes are recognized for all temporary differences between the carrying amount of assets and liabilities and their tax base (excluding if it arises from the initial recognition of goodwill), the tax loss carryforwards and the unused tax credits.

Deferred taxes are based on tax rates and tax rules that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. The effect of any change in the current and deferred taxes is recognized in P&L, except to the extent that it relates to items recognized on OCI or directly in equity. In this case, the tax is also recognized in OCI or equity.

When the Group decides not to distribute profits retained by the subsidiary within the foreseeable future, no deferred tax liability is recognized.

Future tax benefits arising from the utilization of tax loss carry forwards (including amounts available for carry forward without time limit) are recognized only when they can reasonably be expected to be realized. The carrying amount of deferred tax assets is tested for impairment at each balance sheet date and an impairment loss is recognized to the extent that it is no longer probable that sufficient taxable profits will be available against which the deferred tax asset can be fully or partially offset.

Deferred tax assets and liabilities are not discounted and are recorded in the balance sheet under non-current assets and liabilities. Deferred tax assets and liabilities related to the same unit and which are expected to reverse in the same period are offset.

1.17- Cash and cash equivalents

Cash and cash equivalents presented in the balance sheet consist of cash, bank accounts, term deposits of three months or less and marketable securities traded on organized markets. Marketable securities are short-term, highly liquid investments that are readily convertible to known amounts of cash at maturity. They notably consist of bank deposits, commercial paper, mutual funds and equivalents. Considering their nature and maturities, these instruments represent insignificant risk of changes in value and are treated as cash equivalents.

1.18- Treasury shares

Schneider Electric SE shares held by the parent company or by fully consolidated companies are measured at acquisition cost and deducted from equity.

Gains/(losses) on the sale of own shares are cancelled from consolidated reserves, net of tax.

1.19- Pensions and other employee benefit obligations

Depending on local practices and laws, the Group' subsidiaries participate in pension, termination benefit and other long-term benefit plans. Benefits paid under these plans depend on factors such as seniority, compensation levels and payments into mandatory retirement programs.

Defined contribution plans

Payments made under defined contribution plans are recorded in the income statement, in the year of payment, and are in full settlement of the Group's liability. As the Group is not committed beyond these contributions, no provision related to these plans has been booked.

In most countries, the Group participates in mandatory general plans, which are accounted for as defined contribution plans.

IFRIC decision - Attribution of benefits to periods of service IAS 19 - *Employee Benefits*

The Group has taken into account the impact of the IFRIC agenda decision issued in April 2021 when measuring employee benefit obligations. This decision, without any material impact for the Group, clarifies the periods over which employee benefits should be attributed in allocating the IAS 19 expense.

Defined Benefit plans

Defined Benefit plans are measured using the projected unit credit method.

Expenses recognized in the statement of income are split between operating costs (for service costs rendered during the period) and net financial income/(loss) (for financial costs and expected return on plan assets).

The amount recognized in the balance sheet corresponds to the present value of the obligation, and net of plan assets. The valuation is performed by external actuaries.

When this is an asset, the recognized asset is limited to the present value of any economic benefit due in the form of plan refunds or reductions in future plan contributions.

Changes resulting from periodic adjustments to actuarial assumptions regarding general financial and business conditions or demographics (i.e., changes in the discount rate, annual salary increases, return on plan assets, years of service, etc.) as well as experience adjustments are immediately recognized in the balance sheet as a separate component of equity in "Other reserves" and in comprehensive income as "Other comprehensive income/loss".

Past service cost is recorded in "Other operating income and expenses".

Other commitments

Provisions are funded and expenses recognized to cover the cost of providing health-care benefits for certain Group retirees in Europe and the United States. The accounting policies applied to these plans are similar to those used to account for Defined Benefit pension plans.

The Group also funds provisions for all its subsidiaries to cover seniority-related benefits (primarily long service awards for its French subsidiaries). Actuarial gains and losses on these benefit obligations are fully recognized in profit or loss.

1.20- Share-based payments

The Group grants performance shares to senior executives and certain employees.

These equity instruments are measured at fair value, on the date of grant, using the market price discounted from the expected dividend yield during the vesting period and adjusted for market conditions achievement.

The Group is using the Monte Carlo method to estimate the achievement of *Relative Total Shareholder Return* (TSR) vs. CAC 40 and a Panel of peer companies (market conditions).

The number of equity instruments granted can be adjusted during the vesting period to reflect the Group best estimate of non-market conditions achievement.

Main non-market conditions are the following:

- Adjusted Earnings per Share (EPS) improvement rate;
- *Schneider Sustainability External and Relative Index* ("SSERI") (until 2023);
- Carbon Emissions Reduction Targets (since 2024);
- Service conditions.

An employee benefits expense is recognized with a corresponding increase in equity on a straight-line basis over the vesting period, in general three years.

1.21- Provisions and risk contingencies

A provision is recognized when it is probable that the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the loss or liability is not likely and cannot be reliably estimated, but remains possible, the Group discloses it as a contingent liability. Provisions are calculated on a case-by-case or statistical basis and discounted when the impact from discounting is significant.

Provisions are primarily set aside to cover:

- **economic risks**: these provisions relate to probable tax risks, other than income tax related, arising on positions taken by the Group or its subsidiaries. Each position is assessed individually and not offset, and reflects the best estimate of the risk at the end of the reporting period. Where applicable, it includes any late-payment interest and fines;
- **customer risks**: provisions for customer risks mainly integrate the provisions for losses at completion for some of long-term contracts. Provisions for expected losses are fully recognized as soon as they are identified;
- **product risks**: these provisions comprise
  - statistical provisions for warranties: the Group funds provisions on a statistical basis for the residual cost of Schneider Electric product warranties not covered by insurance. The provisions are estimated with consideration of historical claim statistics and the warranty period;
  - provisions to cover disputes concerning defective products and recalls of clearly identified products.
- **environmental risks**: these provisions are primarily funded to cover clean-up costs. The estimation of the expected future outflows is based on reports from independent experts;
- **restructuring costs**, when the Group has prepared a detailed plan for the restructuring and has either announced or started to implement the plan before the end of the year. The estimation of the liability includes only direct expenditure arising from the restructuring.

1.22- Financial liabilities

Financial liabilities primarily comprise bonds, commercial paper and short and long-term bank borrowings. These liabilities are initially recorded at fair value, from which any direct transaction costs are deducted. Subsequently, they are measured at amortized cost based on their effective interest rate.

1.23- Financial instruments and derivatives

Risk hedging management is centralized. The Group's policy is to use derivative financial instruments exclusively to manage and hedge changes in exchange rates, interest rates or prices of certain raw materials. The Group uses instruments such as foreign exchange forwards, foreign exchange options, cross currency swaps, interest rate swaps and commodities future, swaps or options, depending on the nature of the exposure to be hedged.

All derivatives are recorded in the balance sheet at fair value with changes in fair value recorded in the statement of income, except when they are qualified in a hedging relationship.

Cash flows from financial instruments are recognized in the consolidated statement of cash flows in a manner consistent with the underlying transactions.

Foreign currency hedges

The Group periodically enters into foreign exchange derivatives to hedge the currency risk associated with foreign currency transactions.

Whenever possible, monetary items (except specific financing items) denominated in foreign currency carried in the balance sheet of Group companies are hedged by rebalancing assets and liabilities per currency through foreign exchange spots realized with Corporate Treasury (natural hedge). The foreign exchange risk is thus aggregated at Group level and hedged with foreign exchange derivatives. When foreign exchange risk management cannot be centralized, the Group contracts foreign exchange forwards to hedge operating receivables and payables carried in the balance sheet of Group companies. In both cases, the Group does not apply hedge accounting because gains and losses generated on these foreign exchange derivatives naturally offset within "Net financial income/(loss)" with gains or losses resulting from the translation at end-of-year rates of payables and receivables denominated in foreign currency.

The Group also hedges future cash flows, including recurring future transactions and planned acquisitions or disposals of investments. In accordance with IFRS 9, these are treated as cash flow hedges. These hedging instruments are recognized at fair value in the balance sheet. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is accumulated in equity, under "Other reserves", and then recognized in the income statement when the hedged item affects profit or loss.

The Group also hedges foreign exchange risk financing receivables or payables (including current accounts and loans with subsidiaries) using foreign exchange derivatives that can be documented either in Cash Flow Hedge or Fair Value Hedge depending on the nature of the derivative.

The Group may also designate foreign exchange derivatives or borrowings as hedging instruments of its investments in foreign operations (net investment hedge). Changes of value of those hedging instruments are accumulated in equity and recognized in the statement of income symmetrically to the hedged items.

The Group qualifies foreign exchange derivative based on the spot rate. The Group adopted the cost of hedging option offered by IFRS 9 to limit volatility in the statement of income related to forward points:

- For foreign exchange derivatives hedging an item on the balance sheet: forward points are amortized in statement of income on a straight-line basis. Forward points related to foreign exchange derivatives hedging financing transactions are included in "Finance costs, net";
- For foreign exchange derivatives hedging future transactions not yet recorded on the balance sheet: Forward points are recorded in the statement of income when the hedged transaction impacts the statement of income.

Interest rate hedges

Interest rate swaps allow the Group to manage its exposure to interest rate risk. The derivative instruments used are financially adjusted to the schedules, rates and currencies of the borrowings they cover. They involve the exchange of fixed and floating-rate interest payments. The differential to be paid (or received) is accrued as an adjustment to interest income or expense over the life of the agreement. The Group applies hedge accounting as described in IFRS 9 for interest rate swaps. Gains and losses on re-measurement of interest rate swaps at fair value on the balance sheet are recognized in equity (for Cash Flow Hedges) or in profit or loss (for Fair Value Hedges).

Borrowings hedged by an interest rate derivative in a fair value hedge are revaluated at fair value for the portion of risk being hedged, with offsetting entry in the statement of income.

Cross-currency swaps may be presented as foreign exchange hedges or as interest rate hedges depending on the characteristics of the derivative.

Commodity hedges

The Group also purchases commodity derivatives including forward purchase contracts, swaps and options to hedge price risks on all or part of its forecast future purchases. According to IFRS 9, these qualify as cash flow hedges. These instruments are recognized in the balance sheet at fair value at the period-end (mark to market). The effective portion of the hedge is recognized separately in equity (under "Other reserves") and then recognized in income (gross margin) when the underlying hedge affects consolidated income. The effect of this hedging is then incorporated in the cost price of the products sold.

1.24- Revenue recognition

The Group's revenues primarily include transactional sales and revenues from services, system contracts (projects) and software.

Some contracts may include the supply to the customer of distinct goods and services (for instance contracts combining build followed by operation and maintenance). In such situations, the contract is analyzed and segmented into several components ("performance obligations"), each component being accounted for separately, with its own revenue recognition method and margin rate. The selling price is allocated to each performance obligation in proportion to the specific selling price of the underlying goods and services. This allocation should reflect the share of the price to which Schneider Electric expects to be entitled in exchange for the supply of these goods or services.

Revenue associated with each performance obligation identified within a contract is recognized when the obligation is satisfied, i.e. when the control of the promised goods or services is transferred to the customer.

The following revenue recognition methods can be applied:

Recognition of revenue at a point of time

Revenue from sales is recognized at a point of time, when the control of the promised goods or services is transferred to the customer. This method is applicable for all transactional sales and for specific services such as spare parts deliveries, or on-demand services.

Recognition of revenue over time

To demonstrate that the transfer of goods is progressive and recognize revenue over time, the following cumulative criteria are required:

- the goods sold have no alternative use, and
- enforceable right to payment (corresponding to costs incurred, plus a reasonable profit margin) for the work performed to date exists, in the event of early termination for convenience by the customer.

When these criteria are fulfilled, revenue is recognized using the percentage-of-completion method, based on the percentage of costs incurred in relation to total estimated costs of the performance obligation. The cost incurred includes direct and indirect costs relating to the contracts.

Expected losses on contracts are fully recognized as soon as they are identified.

Penalties for late delivery or for the improper execution of a contract are recognized as a deduction from revenue.

This method is applicable for systems contracts (projects) as the constructed assets are highly customized, and thus the Group would incur significant economic losses to redirect the built solutions to other customers.

Revenue from most services contracts is recognized over time, as the customer simultaneously receives and consumes the benefits of the services provided. When costs incurred are stable over the contract's period, revenue is linearized over the contract's length.

Provisions for the discounts offered to distributors are accrued when the products are sold to the distributor and recognized as a deduction from revenue. Certain Group' subsidiaries also offer cash discounts to distributors. These discounts and rebates are deducted from sales.

Consolidated revenue is presented net of these discounts and rebates.

Recognition of software revenue

The Group generates software-related revenue mainly through subscriptions, licenses, maintenance and services. Revenue is recognized upon transfer of control of the promised software or service to the customers.

- Subscriptions contracts are either:
  - SaaS (Software as a Service: remote access to a cloud software solution, hosting and services) contracts, which are recognized linearly over the contract term
  - On premise subscriptions: containing two separate performance obligations pertaining to on premise software license and maintenance, the revenue from such arrangements is recognized in line with revenue from arrangements with multiple performance obligations.
- Software license revenue represents fees earned from granting customers licenses to use the Group's software. It includes license revenue of perpetual and periodic license sales of software products and is recognized at a point in time when control is transferred to the client.
- Maintenance includes annual fees as well as separate support and maintenance contracts. Revenue is recognized over time on a straight-line basis over the period of the contract.
- Services include notably setup services, training services, customization services. Revenue from these services is recognized over time as the services are performed.

Backlog and balance sheet presentation

Backlog (as disclosed in Note 3) corresponds to the amount of the selling price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) at closing date and includes binding contracts only.

The cumulated amount of revenue accounted for, less progress payments and accounts receivable (presented on a dedicated line of the balance sheet) is determined on a contract-by-contract basis. If this amount is positive, the balance is recognized under "contract assets" in the balance sheet. If it is negative, the balance is recognized under "contract liabilities" (see Note 16). Reserves for onerous contracts (so-called reserves for loss at completion) are excluded from contract assets and liabilities and presented among the "provisions for customer risks" item.

1.25- Earnings per share

Earnings per share are calculated in accordance with IAS 33 - *Earnings Per Share*.

Diluted earnings per share are calculated by adjusting profit attributable to equity holders of the parent and the weighted average number of shares outstanding for the dilutive effect of performance shares outstanding at the balance sheet date. The dilutive effect of performance shares is determined by applying the "treasury stock" method.

1.26- Statement of cash flows

The consolidated statement of cash flows has been prepared using the indirect method, which consists of reconciling net profit to net cash provided by operations. The opening and closing cash positions include cash and cash equivalents, comprised of marketable securities, net of bank overdrafts and facilities.

1.27- Other operating income and expenses

Material non-recurring operations that could affect operating performance readability are classified under "Other operating income and expenses".

They notably include:

- gains or losses from the disposal of activities or groups of assets;
- costs in relation with acquisitions or separation (advisors' fee, costs from external experts involved in the due diligence process);
- costs in relation with integration (one-off costs expensed in the next three years after acquisition, in relation with upgrade or modification of existing IT systems, to reach the Group standards);
- significant provisions and impairment losses for property, plant and equipment and intangible assets;
- provisions or costs relating to significant legal risks or litigations;
- gain or loss related to the amendment, curtailment or settlement of a defined benefit plan.

1.28- Other financial income and expense

Other financial income and expenses notably include:

- Exchange gains and losses;
- IFRS 16 - *Leases* financial interests;
- Financial component of defined benefit plan costs;
- IAS 29 - *Financial Reporting in Hyperinflationary Economies* Net monetary gain or loss;
- Fair value adjustment of financial assets;
- Effect of discounting or unwinding of discount;
- Bank commissions;
- Factoring fees.

NOTE 2 Changes in the scope of consolidation

The list of main consolidated companies can be found in Note 29.

2.1- Scope variations

Main acquisitions of the period

Transaction with ETAP's non-controlling interests

On January 23, 2024, the Group purchased the remaining 20% non-controlling interests of ETAP in accordance with the forward agreement concluded in 2021 when it acquired 80% of the company.

Planon

On July 30, 2024, Schneider Electric signed an agreement to acquire an additional 55% stake in Planon for a consideration of EUR 525 million, fully paid in cash, increasing its ownership of Planon to a controlling stake of 80%. The transaction further strengthens Schneider's agnostic software strategy, with Planon's established and strong footprint in the global buildings market, cloud-based Integrated Workplace Management System offer and subscription-based software business model well positioned to capitalize on the fast-growing smart building software market. Planon, with revenues of EUR 161 million in 2023, was previously consolidated under the equity method and this operation is treated as if it were disposed of and reacquired at fair value on the acquisition date, resulting in a non-cash gain in "Other operating income and expenses". Since transaction closing date on October 28, 2024, Planon is consolidated within the Energy Management reporting segment.

Until January 2030, the minority shareholder has the right to sell and transfer to the Group their remaining 20% stake in Planon. The Group also hold a right to acquire the remaining 20% of non-controlling interests between July 2027 and January 2030. The related debt has been recognized in "Current purchase commitments over non-controlling interests" for EUR 191 million at acquisition date.

The purchase accounting as per IFRS 3 is not completed as of December 31, 2024. Planon carrying value at acquisition date for net identifiable assets was EUR 48 million. The preliminary net adjustment of the opening balance sheet is EUR 288 million, resulting mainly from the booking of identifiable intangible assets (developed technology, customer relationships and trademark) net of deferred tax liabilities. The preliminary goodwill recognized amounts to EUR 608 million at acquisition date.

Main divestments of the period

Autogrid

On December 14, 2023, the Group entered into an agreement with Uplight Inc. (in which Schneider Electric holds a strategic minority investment) to sell AutoGrid to Uplight. This transaction represents a reorganization among Schneider Electric-owned or affiliated businesses aimed at Prosumers, to better align their capabilities. The transaction, which closed on February 8, 2024, has raised the interest percentage of the Group in Uplight Inc. to 43.46%, which remains consolidated as an equity investment. The impact from the disposal in the income statement of the period is not material.

Follow-up on acquisitions and divestments transacted in 2023 with effect in 2024

EcoAct

On November 2, 2023, the Group acquired 100% of the capital of EcoAct SAS ("EcoAct"), an international leader in climate consulting and net-zero solutions headquartered in Paris, France. EcoAct is reported within the Energy management reporting segment.

The purchase accounting as per IFRS 3 is completed as of December 31, 2024. The main identifiable assets recognized as part of the purchase price allocation were customer relationships and trademark. At acquisition date, goodwill amounted to EUR 130 million.

2.2- Impact of changes in the scope of consolidation on the Group cash flow

Changes in the scope of consolidation at December 31, 2024, decreased the Group's cash position by a net EUR 635 million outflow, as described below:

(in millions of euros)	Full Year 2024	Full Year 2023
Acquisitions	(535)	(307)
of which Planon	*(495)*	-
Disposals	83	918
FINANCIAL INVESTMENTS NET OF DISPOSALS	**(452)**	**611**
AVEVA	-	(4,681)
Others	(183)	(21)
TRANSACTION WITH NON-CONTROLLING INTERESTS	**(183)**	**(4,702)**
TOTAL CASH FLOW IMPACT	**(635)**	**(4,091)**

In 2024, cash outflow is mainly due to the acquisitions of Planon and ETAP's non-controlling interests and other individually not significant acquisitions. The main acquisitions and disposals of the year are described in Note 2.1.

In 2023, cash outflows mainly related to the acquisitions of AVEVA's non-controlling interests and EcoAct. Cash inflows mainly related to the disposals of Telemecanique Sensors, VinZero and Gutor.

NOTE 3 Segment information

The Group is organized into two reporting segments as follows:

Energy Management leverages a complete end-to-end technology offering enabled by EcoStruxure. The Group's go-to-market is oriented to address customer needs across its four end-markets of Buildings, Data Centers, Industry and Infrastructure, supported by a worldwide partner network.

Industrial Automation includes Industrial Automation and Industrial Control activities, across discrete, process & hybrid industries.

Expenses concerning General Management that cannot be allocated to a particular segment are presented under "Central functions & digital costs".

The Executive Committee, which is chaired by the Chief Executive Officer, has been identified as the main decision-making body for allocating resources and evaluating segment performance. Performance and decisions on the allocation of resources are assessed by the Executive Committee and are mainly based on Adjusted EBITA.

Share-based payment is presented under "Central functions & digital costs".

The Executive Committee does not review assets and liabilities by reporting segments.

The same accounting principles governing the consolidated financial statements apply to segment data.

Details are provided in the Management Report.

Due to the substantial number of customers served by the Group, to their significant diversity in multiple sectors and to their wide geographical dispersion, the Group's largest customer does not exceed 10% of Schneider Electric's revenue.

3.1- Information by reporting segment

Full Year 2024

(in millions of euros)	**Energy Management**	**Industrial Automation**	**Central functions & digital costs**	**Total**
Backlog	17,698	3,722	-	**21,420**
Revenue	31,131	7,022	-	**38,153**
Adjusted EBITA	6,865	1,041	(823)	**7,083**
Adjusted EBITA (%)	*22.1%*	*14.8%*		**18.6%**

On December 31, 2024, the total backlog to be executed in more than a year amounted to EUR 4,842 million.

Full Year 2023

(in millions of euros)	**Energy Management**	**Industrial Automation**	**Central functions & digital costs**	**Total**
Backlog	15,414	3,748	-	**19,162**
Revenue	28,241	7,661	-	**35,902**
Adjusted EBITA	5,967	1,304	(859)	**6,412**
Adjusted EBITA (%)	*21.1%*	*17.0%*		**17.9%**

On December 31, 2023, the total backlog to be executed in more than a year amounted to EUR 4,287 million.

3.2- Information by region

The geographic regions covered by the Group are:

- Western Europe;
- North America (including Mexico);
- Asia-Pacific;
- Rest of the World (Eastern Europe, Middle East, Africa, South America).

Non-current assets include net goodwill, net intangible assets and net property, plant and equipment.

Full Year 2024

(in millions of euros)	**Western Europe**	*of which France*	**Asia-Pacific**	*of which China*	**North America**	*of which USA*	**Rest of the World**	**Total**
Revenue by country market	8,993	*2,137*	10,347	*4,670*	13,850	*12,108*	4,963	**38,153**
Non-current assets as of Dec. 31, 2024	13,807	*2,975*	5,868	*1,156*	16,328	*15,947*	1,442	**37,445**

Full Year 2023

(in millions of euros)	**Western Europe**	*of which France*	**Asia-Pacific**	*of which China*	**North America**	*of which USA*	**Rest of the World**	**Total**
Revenue by country market	8,912	*2,067*	10,247	*4,871*	12,211	*10,553*	4,532	**35,902**
Non-current assets as of Dec. 31, 2023	12,396	*2,823*	5,616	*1,154*	15,338	*14,958*	1,360	**34,710**

NOTE 4 Research and development expenditures

Research and development expenditures are as follows:

(in millions of euros)	**Full Year 2024**	**Full Year 2023**
Research and development expenditures in costs of sales	(594)	(520)
Research and development expenditures in R&D costs *	(1,308)	(1,168)
Capitalized development costs	(358)	(328)
TOTAL RESEARCH AND DEVELOPMENT EXPENDITURES **	**(2,260)**	**(2,016)**

** Including EUR 46 million of research and development tax credit in full year 2024 and EUR 58 million in full year 2023*

*** Excluding amortization of capitalized development costs*

In addition to the research and development expenditures, amortization expenses of capitalized development costs booked in cost of sales, amounted to EUR 232 million in 2024 and EUR 236 million in 2023.

NOTE 5 Impairment losses, depreciation and amortization expenses

(in millions of euros)	**Full Year 2024**	**Full Year 2023**
Depreciation, amortization and impairment included in cost of sales	(590)	(544)
Depreciation, amortization and impairment included in selling, general and administrative expenses	(570)	(486)
Amortization expenses of purchase accounting intangible assets	(406)	(396)
Impairment losses of purchase accounting intangible assets	-	(34)
IMPAIRMENT LOSSES, DEPRECIATION AND AMORTIZATION EXPENSES	**(1,566)**	**(1,460)**

In 2023, a EUR 34 million impairment was recognized on Clipsal brand following the annual impairment tests realized by the Group.

NOTE 6 Other operating income and expenses

Other operating income and expenses are as follows:

(in millions of euros)	**Full Year 2024**	**Full Year 2023**
Gains/(losses) on assets disposals	6	(8)
Gains/(losses) on business disposals	110	265
Impairment of assets	-	(30)
Costs of acquisitions and integrations	(96)	(111)
Others	(107)	(18)
OTHER OPERATING INCOME AND EXPENSES	**(87)**	**98**

In 2024, the gains on business disposals mainly relate to the revaluation of the Planon's shares previously owned by the Group, following the acquisition of a controlling stake in 2024 as described in Note 2. The costs of acquisitions and integrations are mainly related to the recent and ongoing acquisitions of the year. "Others" mainly include EUR 104 million provision in relation to the French Competition Authority decision described in Note 26.2.

In 2023, the gains on business disposals mainly related to the 2023 divestments (Telemecanique Sensors, VinZero and Gutor). The costs of acquisitions and integrations mainly related to the recent acquisitions.

NOTE 7 Other financial income and expenses

(in millions of euros)	Full Year 2024	Full Year 2023
Exchange gains and losses, net	3	(50)
Net monetary gain/(loss) (IAS 29 Hyperinflation)	(23)	(39)
Financial component of defined benefit plan costs	(44)	(54)
Dividends received	4	3
Fair value adjustment of financial assets	(12)	6
Financial interests - IFRS16	(48)	(36)
Effect of discounting & unwinding of discount	(16)	2
Other financial expenses, net	(12)	(54)
OTHER FINANCIAL INCOME AND EXPENSES	**(148)**	**(222)**

NOTE 8 Income tax expenses

Wherever the regulatory environment allows it, the Group entities file consolidated tax returns. Schneider Electric SE files a consolidated tax return with its French subsidiaries held directly or indirectly through Schneider Electric Industries SAS.

8.1- Analysis of income tax expense

(in millions of euros)	Full Year 2024	Full Year 2023
Current taxes	(1,599)	(1,411)
Deferred taxes	201	126
INCOME TAX EXPENSE	**(1,398)**	**(1,285)**

8.2- Income tax expense by country market

Full Year 2024

(in millions of euros)	**Western Europe**	*of which France*	**Asia-Pacific**	*of which China*	**North America**	*of which USA*	**Rest of the World**	**Total**
Revenue by country market	8,993	*2,137*	10,347	*4,670*	13,850	*12,108*	4,963	**38,153**
in %	*24%*	*6%*	*27%*	*12%*	*36%*	*32%*	*13%*	
Income tax expense by country market*	(234)	*(44)*	(582)	*(280)*	(457)	*(409)*	(125)	**(1,398)**
in %	*17%*	*3%*	*42%*	*20%*	*33%*	*29%*	*9%*	

**after reallocation of withholding taxes on dividends*

Full Year 2023

(in millions of euros)	**Western Europe**	*of which France*	**Asia-Pacific**	*of which China*	**North America**	*of which USA*	**Rest of the World**	**Total**
Revenue by country market	8,912	*2,067*	10,247	*4,871*	12,211	*10,553*	4,532	**35,902**
in %	*25%*	*6%*	*29%*	*14%*	*34%*	*29%*	*13%*	
Income tax expense by country market*	(290)	*(113)*	(528)	*(327)*	(415)	*(366)*	(52)	**(1,285)**
in %	*23%*	*9%*	*41%*	*25%*	*32%*	*29%*	*4%*	

**after reallocation of withholding taxes on dividends*

8.3- Tax reconciliation

(in millions of euros)	Full Year 2024	Full Year 2023
Profit attributable to owners of the parent	**4,269**	**4,003**
Income tax expense	(1,398)	(1,285)
Non-controlling interests	(170)	(166)
Share of profit of associates	17	51
Impairment of investments in associates	(220)	-
Profit before tax	**6,040**	**5,403**
Geographical weighted average Group tax rate	22.6%	22.7%
Theoretical income tax expense	**(1,367)**	**(1,225)**
Reconciling items:		
Tax credits and other tax reductions	111	139
Impact of tax losses	25	(9)
Withholding taxes	(120)	(89)
Other elements without tax bases (current or deferred)	(58)	(59)
Other permanent differences	11	(42)
INCOME TAX EXPENSE	**(1,398)**	**(1,285)**
EFFECTIVE TAX RATE	**23.1%**	**23.8%**

The Company's consolidated income from continuing operations being predominantly generated outside of France, theoretical tax expense from continuing operations is reconciled above from the Company's weighted-average global tax rate (rather than from the French domestic statutory tax rate).

In December 2022, member states of the European Union adopted the Pillar 2 directive, introducing an overall minimum corporate tax rate of 15%, which came into force for the financial year ending December 31, 2024. The impact on the Group's effective tax rate is 0.4%, in line with the range communicated in 2023.

NOTE 9 Goodwill

9.1- Main items of goodwill

Goodwill is broken down by groups of Cash Generating Units (CGUs) as follows, with long-term growth rates and WACC used for annual impairment test:

(in millions of euros)	LTG	WACC	Dec. 31, 2024	Dec. 31, 2023
Energy Management:			**15,356**	**14,332**
Low Voltage	*2.0%*	*9.0%*	*7,904*	*7,629*
Medium Voltage	*2.0%*	*9.0%*	*3,858*	*3,183*
Secure Power	*2.0%*	*9.0%*	*3,068*	*2,989*
Other	*2.0 to 3.0%*	*8.0 to 9.1%*	*526*	*531*
Industrial Automation			**10,925**	**10,332**
Industrial Automation	*2.0%*	*9.2%*	*6,113*	*5,809*
Industrial Automation Software	*3.0%*	*9.1%*	*4,812*	*4,523*
TOTAL GOODWILL			**26,281**	**24,664**

The Group performed the annual impairment test of all the groups of CGUs' assets using the same methodology as the one used on previous periods and described in Note 1.11.

Impairment tests performed in 2024 did not trigger any impairment losses on the groups of CGUs' assets.

The sensitivity analysis on the test's main assumptions shows that no impairment losses would be recognized in each of the following scenarios, for each group of CGUs:

- a 0.5 point increase of the discount rate;
- a 1.0 point decrease in the growth rate;
- a 0.5 point decrease in the margin rate.

9.2- Climate-related matters

In 2024, the Group mandated external experts to evaluate the potential impact of climate-related matters and physical risks on fixed assets over the Group future cash flows. This risk assessment covered a broad spectrum of risks as outlined below:

- Policy: Legislation that are or could be enacted by governments to price and penalize Greenhouse gas (GHG) emissions
- Market consumer: Consumer preferences could shift towards sustainable alternative products and services, transforming market demand
- Technology: Disruptive lower-carbon technology could change in key economic sectors and risks to carbon intensive assets and operations
- Liability: Litigation that could be brought by plaintiffs against companies for their liabilities in causing harm from climate change
- Investor: Investors prioritize returns from lower-carbon companies, driving cost of capital and valuation changes
- Reputation: Customer sentiment could be influenced by company's actions to address climate change risk
- Physical risk: key facility operational risk and physical asset damage due to extreme weather

Results of the risk assessment are showing that most of those risks do not have a significant impact on the Group future cash flows. The most impactful risk would be the Policy risk. To evaluate this particular risk, external experts considered the Group scope 1, 2 and 3 GHG emissions by country and projected them over a 10 year period (based on growth of the business) multiplied by current and projected country-level carbon pricing data, taken from several databases (including IEA, WB, NGFS), and projected across various climate futures based on academic research. Our scope 3 emissions, that represents almost 100% of the Policy risk, are impacting our future cash flows from a drop in demand (downstream) and an increase in our cost of sales (upstream).

However, the model, being conservative, is not considering any upside from the Group's strong long-term position to meet the increasing demand of organizations making meaningful progress on their energy transition and decarbonization goals, neither the actions taken by the Group to decarbonate its value chain.

In addition, the Group also considered the impact on future cash flows of its commitments to be "net-zero ready" in its operation (scopes 1 and 2) by 2030 and net-zero across the whole value chain by 2050.

Considering the above risk assessment and our commitments, the Group has performed a sensitivity analysis to our impairment tests at groups of CGUs level and did not identify impairment risk on its assets.

9.3- Movements during the year

The main movements during the year are summarized as follows:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Net goodwill at opening	**24,664**	**25,136**
Acquisitions	616	209
Disposals	(4)	(7)
Reclassifications	24	(95)
Translation adjustment	981	(579)
NET GOODWILL AT END OF YEAR	**26,281**	**24,664**
including cumulative impairment losses	*(371)*	*(367)*

Acquisitions & Disposals

Movements from acquisitions and disposals are described in Note 2.

Other changes

Translation adjustments mainly concern goodwill denominated in US dollar.

NOTE 10 Intangible assets

10.1- Change in intangible assets

Gross value

(in millions of euros)	Trademarks	Software	Development Projects (R&D)	Acquired technologies and customer relationships	Other	Total
Dec. 31, 2022	**2,993**	**1,075**	**4,077**	**4,859**	**300**	**13,304**
Acquisitions	-	114	328	-	9	**451**
Translation adjustments	(85)	(10)	(56)	(121)	(18)	**(290)**
Reclassifications	(36)	36	(174)	(178)	17	**(335)**
Reclassifications to assets held for sale	(2)	-	(23)	(4)	(1)	**(30)**
Changes in scope of consolidation and other	1	(1)	(4)	(20)	(15)	**(39)**
Dec. 31, 2023	**2,871**	**1,214**	**4,148**	**4,536**	**292**	**13,061**
Acquisitions	-	111	358	-	-	**469**
Translation adjustments	126	17	54	227	17	**441**
Reclassifications	-	(50)	(53)	55	(9)	**(57)**
Reclassifications to assets held for sale	-	-	-	-	-	**-**
Changes in scope of consolidation and other	45	2	-	388	10	**445**
Dec. 31, 2024	**3,042**	**1,294**	**4,507**	**5,206**	**310**	**14,359**

Amortization and impairment

(in millions of euros)	Trademarks	Software	Development Projects (R&D)	Acquired technologies and customer relationships	Other	Total
Dec. 31, 2022	**(546)**	**(891)**	**(2,841)**	**(2,440)**	**(213)**	**(6,931)**
Amortization	(35)	(78)	(239)	(355)	(10)	**(717)**
Impairment	(34)	-	(15)	(1)	-	**(50)**
Translation adjustments	6	9	43	59	11	**128**
Reclassifications	35	17	136	151	(4)	**335**
Reclassifications to assets held for sale	-	-	3	1	-	**4**
Changes in scope of consolidation and other	-	-	1	6	-	**7**
Dec. 31, 2023	**(574)**	**(943)**	**(2,912)**	**(2,579)**	**(216)**	**(7,224)**
Amortization	(40)	(72)	(233)	(361)	(10)	**(716)**
Impairment	-	-	(19)	-	-	**(19)**
Translation adjustments	(4)	(11)	(35)	(137)	(4)	**(191)**
Reclassifications	6	15	65	(38)	20	**68**
Reclassifications to assets held for sale	-	-	-	-	-	**-**
Changes in scope of consolidation and other	-	-	-	10	(7)	**3**
Dec. 31, 2024	**(612)**	**(1,011)**	**(3,134)**	**(3,105)**	**(217)**	**(8,079)**

Net value

(in millions of euros)	Trademarks	Software	Development Projects (R&D)	Acquired technologies and customer relationships	Other	Total
Dec. 31, 2022	**2,447**	**184**	**1,236**	**2,419**	**87**	**6,373**
Dec. 31, 2023	**2,297**	**271**	**1,236**	**1,957**	**76**	**5,837**
Dec. 31, 2024	**2,430**	**283**	**1,373**	**2,101**	**93**	**6,280**

10.2- Trademarks

On December 31, 2024, the main trademarks recognized were as follows:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
APC (*Secure Power*)	1,770	1,664
Asco (*Low Voltage*)	120	113
Clipsal (*Low Voltage*)	114	122
OSIsoft (*Industrial Automation Software*)	107	112
Aveva (*Industrial Automation Software*)	92	86
Invensys - Triconex and Foxboro (*Industrial Automation*)	53	50
Digital (*Industrial Automation*)	33	35
Planon (*Medium Voltage*)	32	-
Lauritz Knudsen (*Low Voltage*)	25	36
Other	84	79
TRADEMARKS NET BOOK VALUE	**2,430**	**2,297**

Indefinite-lived brands are tested on a yearly basis for impairment.

In 2024, the Group reviewed the value of the main trademarks in accordance with the valuation model described in Note 1.8. Particularly, APC brand was tested using the royalty relief method. The future cash flows used are based on Group management's economic assumptions and operating forecasts presented in *Secure Power*'s business plan, and then extrapolated based on a perpetuity growth rate of 2%.

Impairment tests carried out on indefinite-lived brands in 2024 did not show any impairment risk.

The sensitivity analysis on the main assumptions shows that no material impairment losses would be recognized in the following scenarios:

- a 0.5 point increase in the discount rate;
- a 1.0 point decrease in the growth rate;
- a 0.5 point decrease in the royalty rate.

NOTE 11 Property, plant and equipment

Gross value

(in millions of euros)	Land	Buildings	Machinery and equipment	Other	Rights of use of assets (IFRS 16)	Total
Dec. 31, 2022	**165**	**2,001**	**4,805**	**1,414**	**2,267**	**10,652**
Acquisitions	-	31	133	746	305	**1,215**
Disposals	(3)	(76)	(176)	(108)	(155)	**(518)**
Translation adjustments	(3)	(18)	(84)	(37)	(30)	**(172)**
Reclassifications	2	135	265	(378)		**24**
Reclassifications to assets held for sale	-	-	-	-	-	**-**
Changes in scope of consolidation and other	-	1	2	(25)	(27)	**(49)**
Dec. 31, 2023	**161**	**2,074**	**4,945**	**1,612**	**2,360**	**11,152**
Acquisitions	15	21	81	838	574	**1,529**
Disposals	(2)	(59)	(175)	(76)	(201)	**(513)**
Translation adjustments	4	16	99	35	36	**190**
Reclassifications	2	185	434	(635)	(51)	**(65)**
Reclassifications to assets held for sale	-	-	-	-	-	**-**
Changes in scope of consolidation and other	-	2	(23)	3	9	**(9)**
Dec. 31, 2024	**180**	**2,239**	**5,361**	**1,777**	**2,727**	**12,284**

Amortization and impairment

(in millions of euros)	Land	Buildings	Machinery and equipment	Other	Rights of use of assets (IFRS 16)	Total
Dec. 31, 2022	**(17)**	**(1,154)**	**(3,722)**	**(614)**	**(1,210)**	**(6,717)**
Depreciation and impairment	(1)	(108)	(272)	(76)	(303)	**(760)**
Reversals	1	69	161	81	134	**446**
Translation adjustments	-	7	61	19	12	**99**
Reclassifications	(2)	(23)	(6)	14	-	**(17)**
Reclassifications to assets held for sale	-	-	-	-	-	**-**
Changes in scope of consolidation and other	-	(1)	(6)	3	10	**6**
Dec. 31, 2023	**(19)**	**(1,210)**	**(3,784)**	**(573)**	**(1,357)**	**(6,943)**
Depreciation and impairment	(1)	(103)	(281)	(81)	(365)	**(831)**
Reversals	-	45	161	54	158	**418**
Translation adjustments	(1)	(16)	(72)	(16)	(16)	**(121)**
Reclassifications	(1)	-	24	(14)	52	**61**
Reclassifications to assets held for sale	-	-	-	-	-	**-**
Changes in scope of consolidation and other	-	(2)	18	(2)	2	**16**
Dec. 31, 2024	**(22)**	**(1,286)**	**(3,934)**	**(632)**	**(1,526)**	**(7,400)**

Net value

(in millions of euros)	Land	Buildings	Machinery and equipment	Other	Rights of use of assets (IFRS 16)	Total
Dec. 31, 2022	**148**	**847**	**1,083**	**800**	**1,057**	**3,935**
Dec. 31, 2023	**142**	**864**	**1,161**	**1,039**	**1,003**	**4,209**
Dec. 31, 2024	**158**	**953**	**1,427**	**1,145**	**1,201**	**4,884**

Reclassifications primarily correspond to assets put into use.

The cash impact of purchases of property, plant and equipment in 2024 was as follows:

(in millions of euros)	Full Year 2024	Full Year 2023
Increase in property, plant and equipment	(1,529)	(1,215)
Of which non-cash impact related to IFRS 16	574	305
Changes in receivables and liabilities on property, plant and equipment	5	(4)
TOTAL	**(950)**	**(914)**

The depreciation and impairment of property, plant and equipment restated in the statement of cash flows were as follows:

(in millions of euros)	Full Year 2024	Full Year 2023
Depreciation of property, plant and equipment	822	743
Impairment of property, plant and equipment	9	17
TOTAL	**831**	**760**

IFRS 16 debt by maturity:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
2024	-	284
2025	236	214
2026	246	170
2027	187	121
2028	134	82
2029	94	57
2030	75	44
2031	64	24
2032 and beyond	243	76
TOTAL	**1,279**	**1,072**

NOTE 12 Investments in associates and joint ventures

Investments in associates and joint ventures can be analyzed as follows:

(in millions of euros)	Delixi Sub-Group	Uplight	Planon	Fuji Electrics	Sunten Electric Equipments	Other	Total
% of interest							
Dec. 31, 2023	50.0%	30.4%	25.0%	36.8%	25.0%		
Dec. 31, 2024	50.0%	43.5%	80.0%	36.8%	25.0%		
CLOSING VALUE DEC. 31, 2022	**481**	**414**	**110**	**155**	**36**	**45**	**1,241**
Net Income/(loss)	52	(30)	5	19	4	1	**51**
Dividends distribution	(20)	-	-	(16)	(3)	(1)	**(40)**
Perimeter changes	-	13	-	-	-	(2)	**11**
Translation impacts & others	(26)	(9)	-	(16)	(3)	(3)	**(57)**
CLOSING VALUE DEC. 31, 2023	**487**	**388**	**115**	**142**	**34**	**40**	**1,206**
Net Income/(loss)	54	(51)	-	14	2	(2)	**17**
Impairment of investments in associates	-	(220)	-	-	-	-	**(220)**
Dividends distribution	(19)	-	-	(13)	(1)	(1)	**(34)**
Perimeter changes	-	229	(115)	-	-	(27)	**87**
Translation impacts & others	16	38	-	(4)	1	4	**55**
CLOSING VALUE DEC. 31, 2024	**538**	**384**	**-**	**139**	**36**	**14**	**1,111**

In 2024, following slower adoption at customers than was envisaged in the business plan impacting near-term growth, in part due to regulatory challenges, the Group performed an impairment test on its Uplight's investment and recorded an impairment of EUR (220) million.

12.1- Main entities consolidated under the equity method:

Delixi Electric Ltd.

In 2007, Schneider Electric joined Delixi Group to establish a win-win partnership in a joint-venture, Delixi Electric Ltd., aka "Delixi Electric". Delixi Electric, based in China, is specialist in manufacturing, retail and distribution of low voltage products.

The key financial indicators for the Delixi Electric subgroup (on a 100% basis) are as follows:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Non-current assets	754	754
Current assets	531	472
TOTAL ASSETS	**1,285**	**1,225**
Equity	737	643
Non-current liabilities	22	21
Current liabilities	526	560
TOTAL EQUITY AND LIABILITIES	**1,285**	**1,225**
Revenue	1,371	1,342
Adjusted EBITA	145	143
PROFIT FOR THE YEAR	**108**	**104**
Dividends paid	38	40

NOTE 13 Non-current financial assets

Non-current financial assets, primarily comprising investments, are detailed below:

(in millions of euros)	% of interest	Dec. 31, 2024 Acquisitions disposals	Fair value through P&L	Fair value through Equity	FX & others	Fair value	Dec. 31, 2023 Fair value
LISTED FINANCIAL ASSETS:							
Gold Peak Industries Holding Ltd	3.2%	-	-	-	-	2	2
Others (Unit fair value lower than EUR *3* million)		-	-	-	-	13	13
TOTAL LISTED FINANCIAL ASSETS		**-**	**-**	**-**	**-**	**15**	**15**
UNLISTED FINANCIAL ASSETS:							
Funds							
SE Ventures Funds of Funds in Portfolio		8	(6)	-	7	103	94
Sensetime & Stalagnate Fund China	33.2%	(5)	(2)	-	1	64	70
FCPR Aster II (part A, B and C)	32.1%	-	-	-	1	19	18
SICAV SESS	63.1%	-	1	-	-	12	11
FCPI Energy Access Ventures Fund	28.6%	(1)	-	-	-	18	19
Others (Unit fair value lower than EUR *10* million)		4	(4)	-	-	14	14
Direct investments							
SE Ventures - Claroty	4.4%	4	-	15	5	88	64
SE Ventures - Sense Labs	13.0%	-	-	(14)	2	23	35
SE Ventures - Augury	2.6%	-	-	(17)	2	25	40
SE Ventures - Scandit	2.4%	-	-	1	1	19	17
SE Ventures - Oosto	8.6%	-	-	2	1	14	11
SE Ventures - Verkor	2.8%	-	-	3	3	45	39
SE Ventures - AiDash	7.6%	4	-	-	1	14	9
SE Ventures - Titan Advanced Energy Solutions	17.4%	-	-	2	1	13	10
SE Ventures - Enable	0.9%	-	-	2	-	12	10
SE Ventures (Unit fair value lower than EUR *10* million)		9	-	(4)	6	113	102
Nozomi Networks	6.4%	-	-	26	4	75	45
Star Charge	1.3%	-	-	10	1	38	27
Others (Unit fair value lower than EUR *10* million)		-	(1)	-	(15)	35	51
TOTAL UNLISTED FINANCIAL ASSETS		**23**	**(12)**	**26**	**21**	**744**	**686**
PENSIONS ASSETS		**5**	**-**	**20**	**45**	**323**	**253**
OTHER		**104**	**-**	**-**	**124**	**519**	**291**
TOTAL NON-CURRENT FINANCIAL ASSETS		**132**	**(12)**	**46**	**190**	**1,601**	**1,245**

The fair value of investments listed in an active market corresponds to the stock price on the balance sheet date.

“Others” include mainly convertible and treasury bonds, insurance recoveries as well as contributions to US employee deferred compensation trusts ("rabbi trusts").

“SE Ventures” is a corporate venture capital fund created in partnership with Schneider Electric. SE Ventures current portfolio is composed of direct investments in various start-up companies and funds of funds.

NOTE 14 Deferred taxes by nature

Deferred taxes by type can be analyzed as follows:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Tax loss carryforwards (net)	622	629
Provisions for pensions and other post-retirement benefit obligations (net)	233	234
Non-deductible provisions and accruals (net)	483	474
Differences between tax and accounting depreciation on tangible assets (net)	(35)	(41)
Differences between tax and accounting amortization on intangible assets (net)	(719)	(752)
Differences on working capital (net)	262	207
Other deferred tax assets/(liabilities) (net)	138	182
TOTAL NET DEFERRED TAX ASSETS/(LIABILITIES)	**984**	**933**
of which total deferred tax assets	*1,794*	*1,636*
of which total deferred tax liabilities	*810*	*703*

Deferred tax assets recorded in respect of tax losses carried forward on December 31, 2024 essentially concern France (EUR 412 million). These deficits can be carried forward indefinitely, and have been activated using the rate of 25.83%, in accordance with the applicable rate in the expected consumption horizon of 7 years. Unrecognized deferred tax losses amount EUR 116 million as of December 31, 2024.

NOTE 15 Inventories and work in progress

Inventories and work in progress changed as follows:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
COST:		
Raw materials	2,721	2,279
Production work in progress	351	355
Semi-finished and finished products	1,807	1,518
Finished goods	1,010	759
Solution work in progress	244	211
INVENTORIES AND WORK IN PROGRESS AT COST	**6,133**	**5,122**
IMPAIRMENT:		
Raw materials	(468)	(338)
Production work in progress	(10)	(10)
Semi-finished and finished products	(224)	(239)
Finished goods	(12)	(9)
Solution work in progress	(8)	(7)
IMPAIRMENT LOSSES	**(722)**	**(603)**
NET:		
Raw materials	2,253	1,941
Production work in progress	341	345
Semi-finished and finished products	1,583	1,279
Finished goods	998	750
Solution work in progress	236	204
INVENTORIES AND WORK IN PROGRESS, NET	**5,411**	**4,519**

NOTE 16 Trade and other operating receivables

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Accounts receivable	7,024	6,330
Unbilled revenue	2,244	1,911
Notes receivable	256	264
Advances to suppliers	204	256
Accounts receivable at cost	**9,728**	**8,761**
Impairment	(364)	(373)
ACCOUNTS RECEIVABLE, NET	**9,364**	**8,388**

(in millions of euros)	Dec. 31, 2024			Dec. 31, 2023		
	Accounts receivable at cost	Impairment	Accounts receivable, net	Accounts receivable at cost	Impairment	Accounts receivable, net
On time	8,391	(76)	8,315	7,454	(110)	7,344
Less than one month past due	538	(6)	532	526	(9)	517
One to two months past due	204	(8)	196	207	(7)	200
Two to three months past due	133	(6)	127	88	(6)	82
Three to four months past due	83	(9)	74	123	(14)	109
More than four months past due	379	(259)	120	363	(227)	136
TOTAL	**9,728**	**(364)**	**9,364**	**8,761**	**(373)**	**8,388**

Accounts receivable result from sales to end-customers, who are widely spread both geographically and economically. Consequently, the Group believes that there is no significant concentration of credit risk.

In addition, the Group takes out substantial credit insurance and uses other types of guarantees to limit the risk of losses on trade accounts receivable.

Changes in provisions for impairment of short and long-term trade accounts receivable were as follows:

(in millions of euros)	Full Year 2024	Full Year 2023
Provisions for impairment at opening balance	**(373)**	**(489)**
Additions	(173)	(131)
Utilizations	83	132
Reversal of surplus provisions	95	73
Translation adjustments	(8)	18
Changes in scope of consolidation and other	12	24
PROVISIONS FOR IMPAIRMENT AT CLOSING BALANCE	**(364)**	**(373)**

The contracts assets and liabilities, respectively reported within “Trade and other operating receivables” and “Trade and other operating payables”, are as follows:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Unbilled revenue (contract assets)	2,244	1,911
Contract liabilities	(3,102)	(2,402)
NET CONTRACT ASSETS	**(858)**	**(491)**

Contract assets increase is linked to an increase of activity on long term contracts, notably data centers, where invoicing milestone are not yet achieved. Contract liabilities increase is linked to new contracts signed in 2024 with large upfront milestone payment received, in excess of revenue recognized as of December 31, 2024, notably on data centers contracts.

NOTE 17 Other receivables and prepaid expenses

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Other receivables	601	447
VAT receivables	638	746
Current income tax receivables	528	618
Other tax receivables	47	37
Derivative instruments	131	122
Prepaid expenses	385	320
OTHER RECEIVABLES AND PREPAID EXPENSES	**2,330**	**2,290**

NOTE 18 Cash and cash equivalents

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Marketable securities	3,978	2,024
Negotiable debt securities and short-term deposits	1,027	588
Cash	1,882	2,084
Total cash and cash equivalents	**6,887**	**4,696**
Bank overdrafts	(75)	(42)
NET CASH AND CASH EQUIVALENTS	**6,812**	**4,654**

Non-recourse factorings of trade receivables were realized in 2024 for a total amount of EUR 343 million, compared with EUR 286 million in 2023. Substantially all risks and rewards have been transferred.

NOTE 19 Shareholder's equity

19.1- Capital

Share capital

The company' share capital at December 31, 2024 amounted to EUR 2,302,526,704 represented by 575,631,676 shares with a par value of EUR 4, all fully paid up.

On December 31, 2024, a total of 602,144,867 voting rights were attached to the 575,631,676 issued shares. Schneider Electric's capital management strategy is designed to:

- ensure Group liquidity;
- optimize its financial structure;
- optimize the weighted average cost of capital.

The strategy must also ensure the Group has access to different capital markets under the best possible conditions. Factors taken into account for decision-making purposes include objectives expressed in terms of earnings per share, ratings or balance sheet stability. Finally, decisions may be implemented depending on specific market conditions.

Changes in share capital and cumulative number of shares

Changes in share capital since December 31, 2022 were as follows:

(in number of shares and in euros)	Cumulative number of shares	Share capital
SHARE CAPITAL AT DEC. 31, 2022	**571,092,921**	**2,284,371,684**
Cancellation of own shares	-	-
Capital increase	1,742,963	6,971,852
SHARE CAPITAL AT DEC. 31, 2023	**572,835,884**	**2,291,343,536**
Cancellation of own shares	-	-
Capital increase	2,795,792	11,183,168
SHARE CAPITAL AT DEC. 31, 2024	**575,631,676**	**2,302,526,704**

In 2024, the additional paid-in capital increased by EUR 483 million following the increases in capital due to:

- Employee share ownership plan: in 2024, it represents a capital increase of EUR 252 million, of which EUR 246 million of additional paid-in capital (refer to Note 19.4)
- OCEANEs conversion: in 2024, 1.4 million OCEANEs maturing in 2026 were converted, resulting in the creation of 1.4 million shares and representing a capital increase of EUR 243 million, of which 237 million of additional paid-in capital.

19.2- Earnings per share

(in thousands of shares and in euros per share)	Full Year 2024 Basic	Full Year 2024 Diluted	Full Year 2023 Basic	Full Year 2023 Diluted
Issued shares (Net of treasury shares)	560,716	560,716	559,846	559,846
Performance shares	-	2,702	-	2,807
Bonds convertible into shares	-	5,667	-	3,935
AVERAGE WEIGHTED NUMBER OF SHARES	**560,716**	**569,085**	**559,846**	**566,588**
Earnings per share before tax	10.77	10.65	9.65	9.54
EARNINGS PER SHARE	**7.61**	**7.53**	**7.15**	**7.07**

19.3- Dividends paid and proposed

In 2024, the Group paid out the 2023 dividend of EUR 3.50 per share, for a total of EUR 1,963 million.

At the Shareholders' Meeting of May 7, 2025, shareholders will be asked to approve a dividend of EUR 3.90 per share for fiscal year 2024. On December 31, 2024, Schneider Electric SE had distributable reserves in an amount of EUR 4,183 million (versus EUR 3,102 million at December 31, 2023, not including profit for the year).

19.4- Share-based payments

Nature and extent of existing share-based payments

The Board of Directors of Schneider Electric SE and later the Management Board have set up performance shares plans for senior executives and certain employees of the Group.

Rules governing the performance shares plans are as follows:

- to receive the shares, the grantee must generally be an employee or corporate officer of the Group. Vesting is also conditional on the achievement of performance criteria;
- the vesting period is three to four years;
- the lock-up period is zero or one year.

The main characteristics of these plans were as follows at December 31, 2024:

	LTIP 2021	LTIP 2022	LTIP 2023	LTIP 2024	
Plan no.	*38 & 39*	*40 & 41*	*42*	*44 & 45*	
	39bis	*41bis*	*42bis & 43*	*45bis*	
	39ter	*41ter*	*42ter*	*44bis & 45ter*	
			42quater		
Date of Annual Shareholders' Meeting	Apr. 25, 2018	Apr. 25, 2019	May 5, 2022	May 5, 2022	
	Apr. 25, 2018	May 5, 2022	May 5, 2022	May 5, 2022	
	Apr. 25, 2018	May 5, 2022	May 5, 2022	May 5, 2022	
			May 5, 2022		
Date of the grant by the Board	Mar. 25, 2021	Mar. 24, 2022	Mar. 28, 2023	Mar. 26, 2024	
	July 29, 2021	July 27, 2022	May 4, 2023	July 30, 2024	
	Oct. 26, 2021	Oct. 26, 2022	July 26, 2023	Nov 7, 2024	
			Oct. 25, 2023		
Vesting date	Mar. 25, 2024	Mar. 24, 2025	Mar. 28, 2026	Mar. 26, 2027	
	July 29, 2024	July 27, 2025	May 4, 2026	July 30, 2027	
	Oct. 26, 2024	Oct. 26, 2025	July 26, 2026	Nov 7, 2027	
			Oct. 25, 2026		
End of holding period	Mar. 25, 2025 for Plan 38	Mar. 24, 2026 for Plan 40	May 4, 2027 for Plan 43	March 26, 2028 for Plan 44	
				Nov 7, 2028 for Plan 44bis	
Number of performance shares					**TOTAL**
Outstanding as of Dec. 31, 2023	**1,402,255**	**1,334,015**	**1,488,930**	**-**	**4,225,200**
Granted in 2024	-	-	-	1,059,113	1,059,113
Delivered in 2024	(1,196,364)	-	(96)	-	(1,196,460)
Canceled in 2024	(205,891)	(48,026)	(61,812)	(21,437)	(337,166)
Outstanding as of Dec. 31, 2024	**-**	**1,285,989**	**1,427,022**	**1,037,676**	**3,750,687**

Schneider Electric SE has not created shares in 2024 to deliver vested plans but used existing treasury shares.

Determination of fair values

In accordance with the accounting policies described in Note 1.20, the below fair value was calculated for each plan:

	Plan no.	Fair Value per share (in euros)
LTIP 2021		
	Plan 38	93.4
	Plan 39 - ExCom	97.3
	Plan 39 - Other	102.9
	Plan 39bis	116.6
	Plan 39ter	117.5
LTIP 2022		
	Plan 40	119
	Plan 41 - ExCom	123
	Plan 41 - Other	128.8
	Plan 41bis	107.8
	Plan 41ter	111
LTIP 2023		
	Plan 42 - ExCom	119.2
	Plan 42 - Other	124.5
	Plan 42bis - ExCom	127.1
	Plan 43	127.1
	Plan 42ter	139.4
	Plan 42quater	118.1
LTIP 2024		
	Plan 44	179.6
	Plan 45 - ExCom	179.6
	Plan 45 - Other	186.8
	Plan 45bis	188.7
	Plan 44bis	199.7
	Plan 45ter	208.9

IFRS 2 expense

The expense recorded under "Selling, general and administrative expenses" breaks down as follows:

(in millions of euros)	Full Year 2024	Full Year 2023
Group LTIP	163	144
WESOP discount	64	41
Other	6	23
TOTAL	**233**	**208**

Worldwide Employee Stock Purchase Plan

Every year, Schneider Electric gives its employees the opportunity to become group shareholders thanks to employee share issues. In countries that meet legal and fiscal requirements, the classic plan has been proposed to employees. Under the plan, employees may purchase Schneider Electric shares at a 15% discount to the price quoted for the shares on the stock market. Employees must then hold their shares for five years, except in certain cases provided for by law.

On April 19, 2024, Schneider Electric gave its employees the opportunity to purchase shares at a price of EUR 179.19 per share, as part of its commitment to employee share ownership. This represented a 15% discount to the reference price of EUR 210.82 calculated as the average opening price quoted for the share during the 20 days preceding the Board of Directors decision to launch the employee share issue. Altogether, 1.4 million shares were subscribed, increasing the capital by EUR 252 million as of July 10, 2024.

As of December 31, 2024, the share-based payment expense recorded in accordance with IFRS 2, measured by reference to the fair value of the discount amounted to EUR 64 million.

19.5- Schneider Electric SE treasury shares

On December 31, 2024, the Group held 14,659,991 Schneider Electric shares in treasury stock, which have been recorded as a deduction from retained earnings.

The Group has repurchased 1,337,391 shares for a total amount of EUR 322 million in 2024.

19.6- Income tax recorded in equity

Total income tax recorded in equity amounts as of December 31, 2024 can be analyzed as follows:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023	Change in tax
Cash-Flow hedges	31	25	6
Available-for-sale financial assets	(26)	(19)	(7)
Actuarial gains/(losses) on defined benefits obligations	187	169	18
Other	(3)	(3)	-
TOTAL	**189**	**172**	**17**

19.7- Non-controlling interests

In 2024, the Group finalized the acquisition of ETAP's non-controlling interests. Lauritz Knudsen, for which the Group holds 65%, is the main contributor of non-controlling interests.

NOTE 20 Pensions and other post-employment benefit obligations

The Group has set up various post-employment benefit plans for employees covering pensions, termination benefits, healthcare, life insurance and other benefits, as well as long-term benefit plans for active employees.

The benefits offered to each employee depends on local laws and regulations and choices made by the subsidiaries.

Defined Contribution Pension Plans

The Group policy regarding pensions is to propose defined contribution pension plans, including a contribution from the employer. This is the most common active benefit offered worldwide, including for example 401k in US and PERO in France. The contribution to these plans is booked as an operating cost and do not translate into any further obligation by the employer.

Defined Benefit Pension Plans

The Group's main Defined Benefit pension plans are located in the United Kingdom (UK) and the United States (US). They respectively represent 61% (2023: 62%) and 16% (2023: 17%) of the Group's total Defined Benefit Obligations (DBO) on pensions. The majority of benefit obligations under these plans, which represent 90% of the Group's total commitment at December 31, 2024, are partially or fully funded through payments to external funds. These funds are never invested in Group assets.

United Kingdom

The Group companies operate several Defined Benefit pension plans in the UK. The main one is related to the Invensys Pension Scheme. Pensions payable to employees depend on average final salary and length of service within the Group. These plans are registered schemes under UK tax law and managed by independent Boards of Trustees. They are closed to new entrants, and for most of them, the vested rights were frozen as they have been replaced by Defined Contributions plans.

These plans are funded by employer contributions, which are negotiated every three years based on plan valuations carried out by independent actuaries, so that the long-term financing services are ensured.

In relation to risk management and asset allocation, the Board of Trustees' aims of each plan are to ensure that it can meet its obligations to the plan's beneficiaries both in the short and long-term. The Board of Trustees is responsible for the plan's long-term investment strategy and defines and manages long-term investment strategies to reduce risks, including interest rate risks and longevity risks. A certain proportion of assets hedges the liability valuation change resulting from the interest rates evolution. Those assets are primarily invested in fixed income investments, particularly intermediate and longer-term instruments.

Following the agreement reached with the Trustee of the Invensys Pension Scheme on February 2014, Schneider Electric SE guaranteed all obligations of the Invensys subsidiaries which participate in the Scheme, up to a maximum amount of GBP 1.75 billion. At December 31, 2024, plan assets exceed the value of obligations subject to this guarantee and thus this guarantee cannot be called.

Schneider Electric UK pension plans liabilities reflect GMP requirements.

There was a High Court ruling in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others in June 2023, and subsequent appeal outcome on 25 July 2024, which make void any amendment to the rules of a contracted-out pension scheme without required actuarial confirmation under Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996, for the pension plans in question.

It is not currently possible to reliably estimate if there is any potential impact to the defined benefit obligations of the Pension Schemes should any such amendments be found to be not in accordance with section 37 of the Pension Schemes Act 1993 requirements.

United States

The United States' subsidiaries operate several Defined Benefit pension plans. These plans are closed to new entrants, frozen to future accruals and have been replaced by Defined Contributions plans. Pensions payable to employees depend on the average final salary and the length of service within the Group.

Each year, the Group companies contribute a certain amount to the Defined Benefit pension plans. This amount is determined actuarially and is comprised of service costs, administrative expenses and payments toward any existing deficits. Since the plans are closed and frozen, there is generally no service cost component.

The companies delegate various responsibilities to Pension Committees. These committees define and manage long-term investment strategies to reduce risks, including interest rate risks and longevity risks. A certain proportion of assets hedges the liability valuation change, resulting from the interest rates evolution. Those assets are primarily invested in fixed income investments, particularly intermediate and longer-term instruments.

In October 2022, a contract was purchased from an insurer for USD 518 million covering all current retirees and a portion of non-retirees of Invensys pension plan. The buy-in contract was purchased using assets from the pension trust and is accounted for at fair value as an investment of the trust. This transaction resulted in an additional net experience adjustment of USD 24 million recognized in other comprehensive income in 2022.

Effective in December 2023, the buy-in contract was converted to buy-out contract in conjunction with the plan termination. All liabilities were transferred to the insurer with no further benefit obligation for the Invensys.

In June 2024, Schneider Electric Pension Plan purchased a Group Annuity Contract from high-quality insurer. As part of the buy-in contract, lump sums were offered to active and terminated participants, to be paid in December 2024 and February 2025. Lump sums were paid in December 2024 for a total of USD 106 million and this generated a credit of USD 22 million recognized through settlement in 2024. Remaining lump sums are expected to be paid in February 2025.

France

The French subsidiaries offer a Retirement Benefit (ICDR) that can be either taken as a lumpsum at retirement or as time off (partial or full) before retirement is effective.

This benefit is calculated based on salary and years of services in company, according to the collective agreements and there is no funding requirement.

The French pension reform voted in April 2023 increased progressively the legal retirement age from 62 to 64 years old. The accounting impacts are not significant on the Group financial statements.

Assumptions

Actuarial valuations are generally performed each year. The assumptions used vary according to the economic conditions prevailing in the country concerned, as follows:

	Group weighted average rate		Of which United Kingdom		Of which United States	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Discount rate	5.11%	4.53%	5.50%	4.58%	5.61%	5.08%
Rate of compensation increases	2.71%	2.76%	3.51%	3.51%	n.a.	n.a.

The discount rate is determined based on the interest rate for investment-grade (AA) corporate bonds or, if a liquid market does not exist, government bonds with a maturity that matches the duration of the benefit obligation. In the United States, the average discount rate is determined based on a yield curve for AA and AAA investment-grade corporate bonds.

In the Euro zone, the 2024 discount rate is 3.40% for the main plans.

The rate of compensation increases includes both the salary increase and inflation rate if relevant.

Weighted average duration of defined benefit obligations plans:

	Total		Of which United Kingdom		Of which United States	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Weighted average duration in years	9.8	10	9.6	9.7	8.2	9.7

20.1- Changes in provisions for pensions and other post-employment benefit obligations

Annual changes in obligations, the market value of plan assets and the corresponding assets and provisions recognized in the financial statements can be analyzed as follows:

(in millions of euros)	Defined benefit obligations	Plan assets	Asset ceiling	Net Liability
Dec. 31, 2022	**(6,922)**	**6,196**	**(180)**	**(906)**
of which UK	(3,977)	4,339	(140)	222
of which US	(1,663)	1,287	-	(376)
of which France	(312)	66	-	(246)
Service cost	(66)	-	-	(66)
Past service cost	(3)	-	-	(3)
Curtailments and settlements	517	(509)	-	8
Interest cost	(300)	-	(8)	(308)
Interest income	-	254	-	254
Net impact in P&L, (expense)/profit	**148**	**(255)**	**(8)**	**(115)**
of which UK	(199)	200	(8)	(7)
of which US	(65)	38	-	(27)
of which France	(18)	2	-	(16)
Benefits paid	498	(439)	-	59
Plan participants' contributions	(6)	6	-	-
Employer contributions	-	257	-	257
Changes in the scope of consolidation	30	(32)	-	(2)
Actuarial gains/(losses) recognized in equity	(185)	50	16	(119)
Translation adjustment	(43)	69	(6)	20
Other changes	(10)	-	-	(10)
Dec. 31, 2023	**(6,490)**	**5,852**	**(178)**	**(816)**
of which UK	*(4,018)*	*4,351*	*(130)*	*203*
of which US	*(1,122)*	*937*	-	*(185)*
of which France	*(353)*	*65*	-	*(288)*
Service cost	(67)	-	-	(67)
Past service cost	(3)	-	-	(3)
Curtailments and settlements	125	(99)	-	26
Interest cost	(283)	-	(7)	(290)
Interest income	-	246	-	246
Net impact in P&L, (expense)/profit	**(228)**	**147**	**(7)**	**(88)**
of which UK	*(187)*	*187*	*(7)*	(7)
of which US	*(34)*	*42*	-	8
of which France	*(18)*	*2*	-	(16)
Benefits paid	508	(431)	-	77
Plan participants' contributions	(6)	6	-	-
Employer contributions	-	80	-	80
Changes in the scope of consolidation	11	-	-	11
Actuarial gains/(losses) recognized in equity	223	(295)	33	(39)
Translation adjustment	(304)	309	(4)	1
Other changes	(1)	-	-	(1)
Dec. 31, 2024	**(6,287)**	**5,668**	**(156)**	**(775)**
of which UK	*(3,846)*	*4,219*	*(99)*	*274*
of which US	*(997)*	*835*	-	*(162)*
of which France	*(359)*	*59*	-	*(300)*

The Group defined benefit obligations of EUR 6,287 million (2023: EUR 6,490 million) are broken down as EUR 6,067 million (2023: EUR 6,246 million) for post-employment benefits and EUR 220 million (2023: EUR 244 million) for other post-employment and long-term benefits.

The post-employment benefits are broken down between EUR 5,493 million for pension of which 95% are funded, and EUR 574 million for lump sum benefits of which 71% are funded.

The total present value of Defined Benefit Obligations breaks down as follows between wholly or partly funded plans and wholly unfunded plans:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Present value of wholly or partly funded benefit obligation	(5,643)	(5,882)
Fair value on plan assets	5,668	5,852
Effect of assets ceiling	(156)	(178)
Net position of wholly or partly funded benefit obligation	**(131)**	**(208)**
Present value of wholly or partly unfunded benefit obligation	**(644)**	**(608)**
NET LIABILITY FROM FUNDED AND UNFUNDED PLANS	**(775)**	**(816)**
Balance Sheet impact:		
*surplus of plans recognized as assets**	*323*	*253*
provisions recognized as liabilities	*(1,098)*	*(1,069)*

** The surplus of plans recognized as assets represents the assets in excess of the liabilities, generally assumed to be recoverable, and after applying any asset ceiling*

Changes in gross items recognized in equity were as follows:

(in millions of euros)	Full Year 2024	Full Year 2023
Actuarial (gains)/losses on Defined Benefit Obligations arising from demographic assumptions	61	(40)
Actuarial (gains)/losses on Defined Benefit Obligations arising from financial assumptions	(319)	160
Actuarial (gains)/losses on Defined Benefit Obligations from experience effects	35	66
Actuarial (gains)/losses on plan assets	295	(50)
Effect of asset ceiling	(33)	(17)
TOTAL RECOGNIZED IN EQUITY DURING THE YEAR	**39**	**119**
of which UK	*11*	*(47)*
of which US	*12*	*1*

The table below shows the expected timing of benefit payments under pension and other post-employment benefit plans for the next 3 years:

(in millions of euros)	United Kingdom	United States	Rest of the World	Total
2025	323	84	89	496
2026	314	40	74	428
2027	310	39	64	413

Plans asset allocation:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Equity	3%	8%
Bonds	71%	79%
Others	26%	13%
TOTAL	**100%**	**100%**

20.2- Sensitivity analysis

The effect of a ± 0.5% change in the discount rate and in the rate of compensation increases on the 2024 Defined Benefit Obligations is as follows:

	United Kingdom		United States		Rest of the World		Total	
(in millions of euros)	+0.5%	-0.5%	+0.5%	-0.5%	+0.5%	-0.5%	+0.5%	-0.5%
Discount rate	(172)	188	(37)	40	(73)	74	(282)	302
Rate of compensation increases	73	(70)	-	-	39	(35)	112	(105)

NOTE 21 Provisions for contingencies and charges

(in millions of euros)	Economic risks	Customer risks	Products risks	Environmental risks	Restructuring	Other risks	Provisions
Dec. 31, 2022	**206**	**149**	**684**	**319**	**171**	**501**	**2,030**
of which long-term portion	*130*	*97*	*155*	*278*	*8*	*326*	**994**
Additions	59	43	305	39	92	255	**793**
Utilizations	(49)	(68)	(219)	(45)	(82)	(241)	**(704)**
Reversals of surplus provisions	-	(2)	(24)	-	(4)	(28)	**(58)**
Translation adjustments	(7)	(5)	(25)	(10)	(2)	(17)	**(66)**
Changes in the scope of consolidation and other	-	2	6	(6)	(6)	29	**25**
Dec. 31, 2023	**209**	**119**	**727**	**297**	**169**	**499**	**2,020**
of which long-term portion	*124*	*61*	*194*	*256*	*16*	*308*	**959**
Additions	35	26	165	9	51	314	**600**
Utilizations	(21)	(25)	(146)	(24)	(68)	(151)	**(435)**
Reversals of surplus provisions	-	(1)	(52)	(14)	(4)	(12)	**(83)**
Translation adjustments	5	5	15	14	1	22	**62**
Changes in the scope of consolidation and other	(3)	-	18	8	(5)	121	**139**
Dec. 31, 2024	**225**	**124**	**727**	**290**	**144**	**793**	**2,303**
of which long-term portion	*144*	*64*	*208*	*243*	*16*	*576*	**1,251**

Provisions are recognized following the principles described in Note 1.21.

Reconciliation with cash flow statement:

(in millions of euros)	Full Year 2024	Full Year 2023
Increase of provision	600	793
Utilization of provision	(435)	(704)
Reversal of surplus provision	(83)	(58)
Provision variance excluding employee benefit obligation	**82**	**31**
Employee benefit obligation net variance contribution to plan assets	11	56
INCREASE/(DECREASE) IN PROVISIONS IN CASH-FLOW STATEMENT	**93**	**87**

NOTE 22 Current and non-current financial liabilities

The breakdown of net debt is as follows:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Bonds	12,650	10,843
Other bank borrowings	1,840	1,793
Short-term portion of bonds	(1,800)	(999)
Short-term portion of long-term debt	(1,780)	(45)
NON-CURRENT FINANCIAL LIABILITIES	**10,910**	**11,592**
Commercial paper	70	1,018
Accrued interest	139	109
Other short-term borrowings	57	128
Bank overdrafts	75	42
Short-term portion of convertible and non-convertible bonds	1,800	999
Short-term portion of long-term debt	1,780	45
SHORT-TERM DEBT	**3,921**	**2,341**
TOTAL CURRENT AND NON-CURRENT FINANCIAL LIABILITIES	**14,831**	**13,933**
CASH AND CASH EQUIVALENTS	**(6,887)**	**(4,696)**
NET FINANCIAL DEBT excl. purchase commitments over non-controlling interests	**7,944**	**9,237**
Non-current purchase commitments over non-controlling interests	19	50
Current purchase commitments over non-controlling interests	184	80
NET FINANCIAL DEBT incl. purchase commitments over non-controlling interests	**8,147**	**9,367**

In January 2023, the Group had drawn 1,700 million under the Term loan facility set up to fund the acquisition of the minority interest of AVEVA. This term loan matures in October 2025. As of December 31, 2024, the amount used remains unchanged at 1,700 million at a rate of Euribor increased by a 0.525% margin and is presented in the current financial liabilities.

22.1- Breakdown by maturity

	Dec. 31, 2024		Dec. 31, 2023
(in millions of euros)	Carrying amount	Interests	Carrying amount
2024	-	-	2,341
2025	3,921	326	3,503
2026	748	258	1,398
2027	1,750	241	1,747
2028	1,269	201	1,268
2029	1,391	187	1,390
2030	1,337	164	582
2031 and beyond	4,415	407	1,704
TOTAL	**14,831**	**1,784**	**13,933**

22.2- Breakdown by currency

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Euro	14,655	13,723
Brazilian Real	59	63
Turkish Lira	33	16
Indian Rupee	27	74
US Dollar	22	8
Algerian Dinar	14	14
Other	21	35
TOTAL	**14,831**	**13,933**

22.3- Bonds

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023	Interest rate	Maturity
Schneider Electric SE 2024	-	999	0.250% fixed	September 2024
Schneider Electric SE 2025	750	749	0.875% fixed	March 2025
Schneider Electric SE 2025	750	751	3.375% fixed	April 2025
Schneider Electric SE 2025	300	300	1.841% fixed	October 2025
Schneider Electric SE 2026 (OCEANEs)	-	650	0.000% fixed	June 2026
Schneider Electric SE 2026	748	747	0.875% fixed	December 2026
Schneider Electric SE 2027	499	498	1.000% fixed	April 2027
Schneider Electric SE 2027	747	746	1.375% fixed	June 2027
Schneider Electric SE 2027	499	499	3.250% fixed	November 2027
Schneider Electric SE 2028	754	755	1.500% fixed	January 2028
Schneider Electric SE 2028	497	496	3.250% fixed	June 2028
Schneider Electric SE 2029	796	795	0.250% fixed	March 2029
Schneider Electric SE 2029	595	594	3.125% fixed	October 2029
Schneider Electric SE 2030	744	-	3.000% fixed	September 2030
Schneider Electric SE 2030 (OCEANEs)	592	582	1.970% fixed	November 2030
Schneider Electric SE 2031	597	-	3.000% fixed	January 2031
Schneider Electric SE 2031 (OCEANEs)	666	-	1.625% fixed	June 2031
Schneider Electric SE 2032	595	595	3.500% fixed	November 2032
Schneider Electric SE 2033	495	495	3.500% fixed	June 2033
Schneider Electric SE 2034	592	592	3.375% fixed	April 2034
Schneider Electric SE 2035	690	-	3.250% fixed	October 2035
Schneider Electric SE 2036	744	-	3.375% fixed	September 2036
TOTAL	**12,650**	**10,843**		

Euro Medium Term Notes program

As part of its Euro Medium Term Notes (EMTN) program, Schneider Electric has issued bonds admitted to trading on Euronext Paris. Issues that had not yet matured as of December 31, 2024 are as follow:

- EUR 750 million worth of bonds issued in March 2015, at a rate of 0.875%, maturing in March 2025;
- EUR 750 million worth of bonds issued in April 2023, at a rate of 3.375%, maturing in April 2025;
- EUR 200 million and EUR 100 million worth of Climate bonds issued successively in October and December 2015, at a rate of 1.841%, maturing in October 2025;
- EUR 750 million worth of bonds issued in December 2017, at a rate of 0.875%, maturing in December 2026;
- EUR 500 million worth of bonds issued in April 2020, at a rate of 1.00%, maturing in April 2027;
- EUR 750 million worth of bonds issued in June 2018, at a rate of 1.375%, maturing in June 2027;
- EUR 500 million worth of bonds issued in November 2022, at a rate of 3.25%, maturing in November 2027;
- EUR 500 million worth of bonds issued in January 2019 and EUR 250 million worth of bonds issued in May 2019, at a rate of 1.50%, maturing in January 2028;
- EUR 500 million worth of bonds issued in June 2023, at a rate of 3.25%, maturing in June 2028;
- EUR 800 million worth of bonds issued in March 2020, at a rate of 0.25%, maturing in March 2029;
- EUR 600 million worth of bonds issued in January 2023, at a rate of 3.125%, maturing in October 2029;
- EUR 750 million worth of bonds issued in September 2024, at a rate of 3.00%, maturing in September 2030;
- EUR 600 million worth of bonds issued in January 2024, at a rate of 3.00%, maturing in January 2031;
- EUR 600 million worth of bonds issued in November 2022, at a rate of 3.50%, maturing in November 2032;
- EUR 500 million worth of bonds issued in June 2023, at a rate of 3.50%, maturing in June 2033;
- EUR 600 million worth of bonds issued in January 2023, at a rate of 3.375%, maturing in April 2034;
- EUR 700 million worth of bonds issued in January 2024, at a rate of 3.25%, maturing in October 2035;
- EUR 750 million worth of bonds issued in September 2024, at a rate of 3.375%, maturing in September 2036.

OCEANE due 2026

In November 2020, the Group issued sustainabilty-linked bonds convertible into new shares and/or exchangeable for existing shares (OCEANEs) for EUR 650 million at a rate of 0.00%, maturing in June 2026.

On June 25, 2024, the Group launched a repurchase of its outstanding OCEANEs due 2026 by way of a reverse book building process. The final repurchase price was set at EUR 230.81 per 2026 OCEANE, representing a total consideration of approximately EUR 532.7 million for an aggregate principal amount of approximately EUR 407.2 million, representing approximately 97% of the 2026 OCEANEs outstanding. The 2026 OCEANEs accepted in the repurchase were cancelled in accordance with their terms and conditions.

The settlement of the repurchase which took place in July 2024 led to a financial income gain of EUR 25 million and to a EUR 150 million deduction from equity.

The remaining outstanding OCEANEs due in June 2026 were early repaid on December 13, 2024 at par value, i.e. EUR 176.44 per 2026 OCEANE.

OCEANE due 2030

In 2023, the Group issued OCEANEs for EUR 650 million at a rate of 1.97%, maturing in November 2030. At end of December 2024, the debt component recorded at net book value amounts to EUR 592 million and the optional component to EUR 66 million. The initial conversion and/or exchange ratio of the Bonds was 426.66 shares per bond with a nominal value set at EUR 100,000.00 corresponding to EUR 234.38 per share and has been adjusted to 433.06 shares per bond in May 2024.

OCEANE due 2031

Concurrently with the repurchase of the OCEANE due 2026, the Group issued on June 25, 2024, bonds convertible into new shares and/or exchangeable for existing shares (OCEANEs) for EUR 750 million at a rate of 1.625%, maturing in June 2031. The OCEANE has a debt component, assessed on inception date on the basis of the market interest rate applied to an equivalent non-convertible bond, and recognized in non-current financial debts and an optional component recognized in equity. At end of December 2024, the debt component recorded at net book value amounts to EUR 666 million and the optional component to EUR 84 million. The initial conversion and/or exchange ratio of the Bonds was 321.48 shares per bond with a nominal value set at EUR 100,000 corresponding to EUR 311.07 per share.

For all those transactions, issue premium and issue costs are amortized per the effective interest rate method.

22.4- Cash flow statement impact

			Non-cash variations			
(in millions of euros)	Dec. 31, 2023	Cash variations	Scope impacts	Equity impacts	Forex and others	Dec. 31, 2024
Bonds	10,843	2,016	-	(176)	(33)	12,650
Other borrowings	3,048	(945)	-	-	3	2,106
Bank overdrafts	42	32	-	-	1	75
TOTAL CURRENT AND NON-CURRENT FINANCIAL LIABILITIES	**13,933**	**1,103**	**-**	**(176)**	**(29)**	**14,831**

22.5- Purchase commitments over non-controlling interests

(in millions of euros)	Maturity	Dec. 31, 2024	Dec. 31, 2023
Current portion		184	80
Non-current portion	2026	19	50
TOTAL PURCHASE COMMITMENTS OVER NON-CONTROLLING INTEREST		**203**	**130**

In 2024, purchase commitments over non-controlling interests relate to Planon and Qmerit.

In 2023, purchase commitments over non-controlling interests mainly related to ETAP, Qmerit and EnergySage.

NOTE 23 Classification of financial instruments

The Group uses financial instruments to manage its exposure to fluctuations in interest rates, exchange rates and metal prices.

Financial assets and liabilities can be classified at the fair value following the hierarchy levels below:

1. Level 1: market value (non-adjusted) on active markets, for similar assets and liabilities, which the company can obtain on a given valuation date;
2. Level 2: data other than the market rate available for level 1, which are directly or indirectly observable on the market;
3. Level 3: data on the asset or liability that are not observable on the market.

23.1- Balance sheet exposure and fair value hierarchy

Dec. 31, 2024

(in millions of euros)	Carrying amount	Fair value through P&L	Fair value through equity	Financial assets/liabilities measured at amortized cost	Fair value	Fair value hierarchy
ASSETS:						
Listed financial assets	15	15	-	-	15	Level 1
Venture capital (FCPR)/mutual funds (SICAV)	127	127	-	-	127	Level 3
Other unlisted financial assets	617	103	514	-	617	Level 3
Other non-current financial assets	842	-	323	519	842	Level 2
TOTAL NON-CURRENT ASSETS	**1,601**	**245**	**837**	**519**	**1,601**	
Trade accounts receivables	9,364	-	-	9,364	9,364	Level 2
Marketable securities	3,978	3,978	-	-	3,978	Level 1
Negotiable debt securities and short-term deposits	1,027	1,027	-	-	1,027	Level 2
Cash	1,882	1,882	-	-	1,882	Level 2
Derivative instruments - foreign currencies	80	64	16	-	80	Level 2
Derivative instruments - interest rates	50	50	-	-	50	Level 2
Derivative instruments - commodities	1	-	1	-	1	Level 2
TOTAL CURRENT ASSETS	**16,382**	**7,001**	**17**	**9,364**	**16,382**	
LIABILITIES:						
Long-term portions of non-convertible bonds *	(9,592)	-	-	(9,592)	(9,599)	Level 1
Long-term portions of convertible bonds *	(1,258)	-	-	(1,258)	(1,313)	Level 2
Non-current purchase commitments over non-controlling interests	(19)	-	(19)	-	(19)	Level 2
Other long-term debt	(60)	-	-	(60)	(60)	Level 2
TOTAL NON-CURRENT LIABILITIES	**(10,929)**	**-**	**(19)**	**(10,910)**	**(10,991)**	
Short-term portion of bonds *	(1,800)	-	-	(1,800)	(1,796)	Level 1
Short-term debt	(2,121)	-	-	(2,121)	(2,121)	Level 2
Trade accounts payable	(8,893)	-	-	(8,893)	(8,893)	Level 2
Current purchase commitments over non-controlling interests	(184)	-	(184)	-	(184)	Level 2
Other	(106)	-	-	(106)	(106)	Level 2
Derivative instruments - foreign currencies	(112)	(33)	(79)	-	(112)	Level 2
Derivative instruments - interest rates	-	-	-	-	-	Level 2
Derivative instruments - commodities	(27)	(4)	(23)	-	(27)	Level 2
TOTAL CURRENT LIABILITIES	**(13,243)**	**(37)**	**(286)**	**(12,920)**	**(13,239)**	

** The majority of financial instruments listed in the balance sheet have a fair value close to their book value, except for bonds, for which the amortized cost in the balance sheet represents EUR 12,650 million compared to EUR 12,708 million at fair value.*

Dec. 31, 2023

(in millions of euros)	Carrying amount	Fair value through P&L	Fair value through equity	Financial assets/liabilities measured at amortized cost	Fair value	Fair value hierarchy
ASSETS:						
Listed financial assets	15	15	-	-	15	Level 1
Venture capital (FCPR)/mutual funds (SICAV)	132	132	-	-	132	Level 3
Other unlisted financial assets	554	94	460	-	554	Level 3
Other non-current financial assets	544	-	253	291	544	Level 2
TOTAL NON-CURRENT ASSETS	**1,245**	**241**	**713**	**291**	**1,245**	
Trade accounts receivables	8,388	-	-	8,388	8,388	Level 2
Marketable securities	2,024	2,024	-	-	2,024	Level 1
Negotiable debt securities and short-term deposits	588	588	-	-	588	Level 2
Cash	2,084	2,084	-	-	2,084	Level 2
Derivative instruments - foreign currencies	73	42	31	-	73	Level 2
Derivative instruments - interest rates	44	44		-	44	Level 2
Derivative instruments - commodities	4	-	4	-	4	Level 2
TOTAL CURRENT ASSETS	**13,205**	**4,782**	**35**	**8,388**	**13,205**	
LIABILITIES:					-	
Long-term portions of non-convertible bonds *	(8,612)	-	-	(8,612)	(8,488)	Level 1
Long-term portions of convertible bonds *	(1,232)	-	-	(1,232)	(1,218)	Level 2
Non-current purchase commitments over non-controlling interests	(50)	-	(50)	-	(50)	Level 2
Other long-term debt	(1,748)	-	-	(1,748)	(1,748)	Level 2
TOTAL NON-CURRENT LIABILITIES	**(11,642)**	**-**	**(50)**	**(11,592)**	**(11,504)**	
Short-term portion of bonds *	(999)	-	-	(999)	(977)	Level 1
Short-term debt	(1,342)	-	-	(1,342)	(1,342)	Level 2
Trade accounts payable	(7,596)	-	-	(7,596)	(7,596)	Level 2
Current purchase commitments over non-controlling interests	(80)	-	(80)	-	(80)	Level 2
Other	(100)	-	-	(100)	(100)	Level 2
Derivative instruments - foreign currencies	(48)	(48)	-	-	(48)	Level 2
Derivative instruments - interest rates	-	-	-	-	-	Level 2
Derivative instruments - commodities	(1)	-	(1)	-	(1)	Level 2
TOTAL CURRENT LIABILITIES	**(10,166)**	**(48)**	**(81)**	**(10,037)**	**(10,144)**	

** The majority of financial instruments listed in the balance sheet have a fair value close to their book value, except for bonds, for which the amortized cost in the balance sheet represents EUR 10,843 million compared to EUR 10,683 million at fair value.*

23.2- Derivative instruments

Dec. 31, 2024

(in millions of euros)	Accounting qualification	Maturity	Nominal sales	Nominal purchases	Fair Value	Carrying amount in assets	Carrying amount in liabilities	Of which carrying amounts in OCI
Forwards contracts	CFH	< 1 year	611	(466)	(11)	16	(27)	(11)
Forwards contracts	CFH	< 2 years	39	(42)	-	1	(1)	-
Forwards contracts	CFH	> 2 years	2	-	-	-	-	-
Forwards contracts	FVH	< 1 year	2,647	(1,790)	19	48	(29)	(2)
Forwards contracts	NIH	< 1 year	719	-	(28)	-	(28)	(28)
Forwards contracts	Trading	< 1 year	877	(4,920)	10	15	(5)	-
Cross currency swaps	CFH	< 1 year	69	-	-	-	-	-
Cross currency swaps	NIH	> 2 years	529	-	(22)	-	(22)	(22)
TOTAL FOREIGN CHANGE DERIVATIVES			**5,493**	**(7,218)**	**(32)**	**80**	**(112)**	**(63)**
Forwards contracts	CFH	< 1 year	-	(423)	(22)	1	(23)	(22)
Forwards contracts	Trading	> 2 years	-	-	(4)	-	(4)	-
Commodities derivatives			**-**	**(423)**	**(26)**	**1**	**(27)**	**(22)**
Interest Rate Swap	FVH	> 2 years	1,050	(1,050)	50	50	-	-
Interest Rate Derivatives			**1,050**	**(1,050)**	**50**	**50**	**-**	**-**
TOTAL			6,543	(8,691)	(8)	131	(139)	(85)

Dec. 31, 2023

(in millions of euros)	Accounting qualification	Maturity	Nominal sales	Nominal purchases	Fair Value	Carrying amount in assets	Carrying amount in liabilities	Carrying amounts in OCI
Forwards contracts	CFH	< 1 year	483	(296)	3	10	(7)	2
Forwards contracts	CFH	< 2 years	69	(30)	-	1	(1)	-
Forwards contracts	CFH	> 2 years	3	(7)	-	-	-	-
Forwards contracts	FVH	< 1 year	1,755	(1,659)	1	18	(17)	-
Forwards contracts	FVH	< 2 years	550	-	17	17	-	8
Forwards contracts	NIH	< 1 year	714	-	12	12	-	12
Forwards contracts	Trading	< 1 year	990	(3,944)	(17)	5	(22)	-
Cross currency swaps	CFH	< 1 year	65	(18)	(1)	-	(1)	(1)
Cross currency swaps	NIH	< 1 year	502	-	10	10	-	10
TOTAL FX DERIVATIVES			**5,131**	**(5,954)**	**25**	**73**	**(48)**	**31**
Forwards contracts	CFH	< 1 year	-	(409)	3	4	(1)	3
Commodities derivatives			**-**	**(409)**	**3**	**4**	**(1)**	**3**
Interest Rate Swap	FVH	> 2 years	1,050	(1,050)	44	44	-	-
Interest Rate Derivatives			**1,050**	**(1,050)**	**44**	**44**	**-**	**-**
TOTAL			6,181	(7,413)	72	121	(49)	34

23.3- Foreign currency hedges

Since a significant proportion of affiliates' transactions are denominated in currencies other than the affiliate's functional currency, the Group is exposed to currency risks. If the Group is not able to hedge these risks, fluctuations in exchange rates between the functional currency and other currencies can have a significant impact on its results and distort year-on-year performance comparisons. As a result, the Group uses derivative instruments to hedge its exposure to exchange rates mainly through FX forwards and natural hedges. Furthermore, some long-term loans and borrowings granted to the affiliates are considered as net investment in foreign operations according to IAS 21.

Schneider Electric's currency hedging policy is to protect its subsidiaries against risks on transactions denominated in a currency other than their functional currency. Hedging approaches are detailed in Note 1.23.

The breakdown of the nominal of foreign change derivatives related to operating and financing activities is as follows:

Dec. 31, 2024

(in millions of euros)	Sales	Purchases	Net
US Dollar	2,234	(3,021)	(787)
Chinese Yuan	71	(765)	(694)
British Pound	1,381	(1,124)	257
Singapore Dollar	474	(673)	(199)
Japanese Yen	8	(139)	(131)
Hong Kong Dollar	38	(133)	(95)
UAE Dirham	69	(153)	(84)
Swiss Franc	17	(101)	(84)
Brazilian real	147	(69)	78
Swedish Crown	77	(147)	(70)
Danish Crown	21	(72)	(51)
Saudi Riyal	28	(74)	(46)
South African Rand	45	(7)	38
Norwegian Krone	130	(159)	(29)
Australian Dollar	41	(78)	(37)
Canadian Dollar	1	(15)	(14)
Others	711	(488)	223
TOTAL	**5,493**	**(7,218)**	**(1,725)**

23.4- Interest rate hedges

Interest rate risk on borrowings is managed at the Group level, based on consolidated debt and taking into consideration market conditions to optimize overall borrowing costs. The Group uses derivative instruments to hedge its exposure to interest rates through swaps or cross-currency swaps. Cross-currency swaps may be presented both as foreign exchange hedges and interest rate hedges depending on the characteristics of the derivative.

During the fiscal year 2024, the Group did no set up new interest rate swaps.

	Dec. 31, 2024			Dec. 31, 2023		
(in millions of euros)	Fixed Rates	Floating rates	Total	Fixed Rates	Floating rates	Total
Total current and non-current financial liabilities	12,650	2,181	**14,831**	10,843	3,090	**13,933**
Cash and cash equivalent	-	(6,887)	**(6,887)**	-	(4,696)	**(4,696)**
NET DEBT BEFORE HEDGING	**12,650**	**(4,706)**	**7,944**	**10,843**	**(1,606)**	**9,237**
Impact of Hedges	(1,050)	1,050	-	(1,050)	1,050	-
NET DEBT AFTER HEDGING	**11,600**	**(3,656)**	**7,944**	**9,793**	**(556)**	**9,237**

23.5- Commodity hedges

The Group is exposed to fluctuations in energy and raw material prices, in particular steel, copper, aluminum, silver, lead, nickel, zinc and plastics. If the Group is not able to hedge, compensate for or pass on to customers any such increased costs, this could have an adverse impact on its results. The Group has, however, implemented certain procedures to limit exposure to rising non-ferrous and precious raw material prices. The Purchasing departments of the operating units report their purchasing forecasts to the Corporate Finance and Treasury department. Purchase commitments are hedged using forward contracts, swaps and, to a lesser extent, options.

All commodities instruments are futures and options designated as cash flow hedge under IFRS standards, of which:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Fair value	(26)	3
Nominal amount	(423)	(409)

23.6- Financial assets and liabilities subject to netting

In accordance with IFRS 7 standards, this section discloses financial instruments that are subject to netting agreements.

Dec. 31, 2024

(in millions of euros)	Gross amounts	Gross amounts offset in the statement of financial position	Net amounts presented in the statement of financial position	Related amounts not offset in the statement of financial position	Net amounts as per IFRS 7
Financial assets	131	-	131	(73)	58
Financial liabilities	(139)	-	(139)	73	(66)

Dec. 31, 2023

(in millions of euros)	Gross amounts	Gross amounts offset in the statement of financial position	Net amounts presented in the statement of financial position	Related amounts not offset in the statement of financial position	Net amounts as per IFRS 7
Financial assets	121	-	121	(40)	81
Financial liabilities	(49)	-	(49)	40	(9)

The Group trades over-the-counter derivatives with tier-one banks under agreements which provide for the offsetting of amounts payable and receivable in the event of default by one of the contracting parties. These conditional offsetting agreements do not meet the eligibility criteria within the meaning of IAS 32 for offsetting derivative instruments recorded under assets and liabilities. However, they do fall within the scope of disclosures under IFRS 7 on offsetting.

23.7- Counterparty risk

Financial transactions are entered with carefully selected counterparties. Banking counterparties are chosen according to the customary criteria, including the credit rating issued by an independent rating agency.

Group policy consists of diversifying counterparty risks and periodic controls are performed to check compliance with the related rules. In addition, the Group takes out substantial credit insurance and uses other types of guarantees to limit the risk of losses on trade accounts receivable.

23.8- Liquidity risk

As of December 31, 2024, the Group had confirmed credit lines of EUR 2,950 million, all unused with EUR 2,950 million maturing after December 2025. Among them, EUR 2,700 million are sustainable-linked credit line with margin indexed on the annual performance of the Schneider Sustainability Impact (SSI).

With EUR 3.0 billion available committed facility and EUR 6.9 billion cash & cash equivalent, the liquidity of the Group amounts to EUR 9.9 billion end of the year. In the next 12 months, the total short term debt and bond maturity amounts to EUR 3.9 billion.

Loan Agreement and committed credit lines do not include any financial covenants or credit rating triggers in case of rating downgrade.

23.9- Financial risk management

Foreign currency risk arises from the Group undertaking a significant number of foreign currency transactions in the course of operations. These exposures arise from sales in currencies other than the Group's presentational currency of Euro.

The main exposure of the Group in terms of currency exchange risk is related to the US dollar, Chinese Yuan and currencies linked to the US dollar. In 2024, revenue in foreign currencies amounted to EUR 31.1 billion (EUR 29.2 billion in 2023), including around EUR 13.3 billion in US dollars and EUR 4.4 billion in Chinese yuan (respectively EUR 11.2 and EUR 4.5 billion in 2023).

The Group manages its exposure to currency risk to reduce the sensitivity of earnings to changes in exchange rates. The financial instruments used to hedge the Group's exposure to fluctuations in exchange rates are described above.

The table below shows the impact of a 10% change in the US dollar and the Chinese Yuan against the Euro on Revenue and Adjusted EBITA. It includes the impact from the translation of financial statements into the Group's presentation currency and assumes no scope impact.

Dec. 31, 2024

(in millions of euros)	Increase/(decrease) in average rate	Revenue	Adj. EBITA
US Dollar	10%	1,327	281
	(10)%	(1,206)	(255)
Chinese Yuan	10%	435	113
	(10)%	(396)	(103)

Dec. 31, 2023

(in millions of euros)	Increase/(decrease) in average rate	Revenue	Adj. EBITA
US Dollar	10%	1,122	212
	(10)%	(1,020)	(193)
Chinese Yuan	10%	454	122
	(10)%	(413)	(111)

23.10- Supplier Financing

The Group has set up supplier financing programs in several countries. The total amount of discounted payables as of December 31, 2024, amounts to EUR 110 million, and is not considered material. In addition, payment terms remain in line with payment practices in those countries.

NOTE 24 Employees

24.1- Employees

The Group average number of permanent and temporary employees is as follows:

(number of employees)	Full Year 2024	Full Year 2023
Production	92,074	86,482
Administration	84,888	81,562
TOTAL AVERAGE WORKFORCE*	**176,962**	**168,044**
of which Western Europe	43,821	42,927
of which North America	45,432	41,145
of which Asia-Pacific	65,767	61,946
of which Rest of the world	21,942	22,026

**The total average workforce includes non-employee interim workers for 18,809 in 2024 and 16,764 in 2023.*

24.2- Employee benefit expense

(in millions of euros)	Full Year 2024	Full Year 2023
Payroll costs	(10,481)	(9,925)
Share-based payments	(233)	(208)
EMPLOYEE BENEFITS EXPENSE	(10,714)	(10,133)

24.3- Benefits granted to key management personnel

In 2024, the Group granted EUR 2.7 million in attendance fees to the members of its Board of directors.

Gross compensation, including benefits in kind, allocated in 2024 by Group companies to the Chairman, totaled EUR 1.0 million.

Gross compensation, including benefits in kind, allocated by Group companies in 2024 to the Corporate Officer, amounted to EUR 6.2 million, including EUR 1.4 million in variable compensation and EUR 3.4 million severance indemnity allocated in the 2024 fiscal year.

Gross compensation, including benefits in kind, allocated by Group companies in 2024 to the members of Group Senior Management other than the Corporate Officer, amounted to EUR 39.7 million, including EUR 11.1 million in variable compensation allocated in the 2024 fiscal year.

During the last three financial years, 560,487 Performance shares have been allocated to key management personnel (Chairman, Corporate officer and Other Members of Group Senior Management). No stock options have been granted during the last three financial years. In 2024, Performance shares were allocated under the 2024 Long-term incentive plans 44, 45 and 44bis. Since December 16, 2011, 100% of performance shares are conditional on the achievement of performance criteria for members of the Executive Committee.

NOTE 25 Related party transactions

25.1- Transactions with associates

Companies over which the Group has significant influence are accounted through the equity method. Transactions with these related parties are carried out on arm's length terms.

Related party transactions were not material in 2024.

25.2- Transactions with key management personnel

No transactions were carried out during the year with members of the supervisory board or management board. Compensation and benefits paid to the Group's top senior executives are described in Note 24.

NOTE 26 Commitments and contingent liabilities

26.1- Guarantees and similar undertakings

The following table discloses the maximum exposure on guarantees given and received:

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Market counter guarantees *	1,571	1,481
Pledges, mortgages and sureties **	131	207
Invensys Pension Scheme guarantees	2,111	2,070
Other commitments given	472	411
GUARANTEES GIVEN	4,285	4,169
Endorsements and guarantees received	233	168
GUARANTEES RECEIVED	233	168

** On certain contracts, customers require some commitments to guarantee that the contract will be fully executed by the subsidiaries of the Group. The risk linked to the commitment is assessed and a provision for contingencies is recorded when the risk is considered probable and can be reasonably estimated. Market counter guarantees also include the guaranteed obligations towards pension schemes.*

*** Some loans are secured by property, plant and equipment and securities lodged as collateral.*

26.2- Contingent liabilities

As previously disclosed, investigations were conducted in September 2018 by the French judicial authority and French Competition Authority (*Autorité de la concurrence*) at Schneider Electric's head office and other premises concerning the sale of electrical products through commercial distribution activities in France.

- After 6 years of procedure, the French Competition Authority issued on October 29, 2024 a decision to sanction several companies concerning the electrical distribution activities in France, including Schneider Electric for a EUR 207 million penalty considering that the pricing autonomy of some distributors in the French market had been limited by Schneider Electric, in breach of competition rules. This fine will be paid in 2025.
  Schneider Electric strongly disagrees with the conclusion of the French Competition Authority and has appealed the decision in front of the Paris Appeal Court.
  Considering the difficulty to assess the extent to which the Appeal Court will consider the arguments of Schneider Electric in its defense, the Group has booked, as of December 31, 2024, a provision of EUR 104 million in "Other operating income and expenses".
- Concurrently on October 7, 2022, Schneider Electric was indicted by an investigating judge who required Schneider Electric to provide a bank guarantee of EUR 20 million (which validity has now expired) and a cash guarantee of EUR 80 million. Schneider Electric officially contested the indictment decision and raised numerous arguments in law and fact. Procedure is ongoing.

Schneider Electric rejects any allegation that its distribution practices are not compliant with competition rules. Schneider Electric commercial policy is designed to comply with all regulations. Schneider Electric has always cooperated with the authorities and intends to continue to do so.

Schneider Electric has other contingent liabilities relating to legal, arbitration or regulatory proceedings arising in the normal course of its business. Known or ongoing claims and litigation involving the Group, or its subsidiaries were reviewed at the date on which the consolidated financial statements were approved for issue. Based on the advice of legal counsel, all provisions deemed necessary have been made to cover the related risks.

NOTE 27 Subsequent events

No significant subsequent events occurred between December 31, 2024 and February 19, 2025, the date at which the consolidated financial statements were authorized for issue by the Board of Directors.

NOTE 28 Statutory Auditors' fees

Fees paid by the Group to the Statutory Auditors and their networks:

Full Year 2024

(in thousands of euros)	PwC	%	Forvis Mazars	%	Total
Statutory auditors, certification, examination of the parent company and consolidated accounts	13,187	78%	10,555	92%	**23,742**
o/w Schneider Electric SE	*1,651*		*1,132*		**2,783**
o/w subsidiaries	*11,536*		*9,423*		**20,959**
Limited assurance procedures on CSRD	1,103	7%	473	4%	**1,576**
Services other than statutory audit - Audit-related services ("SACC")*	2,594	15%	503	4%	**3,097**
o/w Schneider Electric SE	*1,365*		*27*		**1,392**
o/w subsidiaries	*1,229*		*476*		*1,705*
TOTAL FEES	**16,884**	**100%**	**11,531**	**100%**	**28,415**

** Audit related services include services required by regulations and those provided at the request of the parent company or controlled entities, in particular: the review of environmental, social and societal information, contractual audits, comfort letters, audit certificates, agreed procedures, audits of procedures and information systems, and tax services that do not impair auditor independence.*

Full Year 2023

(in thousands of euros)	**PwC**	**%**	**Forvis Mazars**	**%**	**Total**
Statutory auditors, certification, examination of the parent company and consolidated accounts	11,956	88%	9,886	97%	**21,842**
o/w Schneider Electric SE	*1,506*		*942*		**2,448**
o/w subsidiaries	*10,450*		*8,944*		**19,394**
Services other than statutory audit - Audit-related services (“SACC”)*	1,681	12%	349	3%	**2,030**
o/w Schneider Electric SE	*413*		*16*		**429**
o/w subsidiaries	*1,268*		*333*		**1,601**
TOTAL FEES	**13,637**	**100%**	**10,235**	**100%**	**23,872**

** Audit related services include services required by regulations and those provided at the request of the parent company or controlled entities, in particular: the review of environmental, social and societal information, contractual audits, comfort letters, audit certificates, agreed procedures, audits of procedures and information systems, and tax services that do not impair auditor independence.*

NOTE 29 Consolidated companies

The main companies included in the Schneider Electric Group scope of consolidation are listed below:

The percentage of control is equal to the percentage of interest for most of the companies.

(in % of interest)		Dec. 31, 2024	Dec. 31, 2023
Europe			
Fully consolidated			
Nxtcontrol GmbH	Austria	100	100
RIB Saa Software Engineering Gmbh	Austria	90	90
Schneider Electric "Austria" GMBH	Austria	100	100
Schneider Electric Power Drives GmbH	Austria	100	100
Schneider Electric Systems Austria GmbH	Austria	100	100
Schneider Electric Energy Belgium SA	Belgium	100	100
Schneider Electric ESS BV	Belgium	100	100
Schneider Electric NV SA	Belgium	100	100
Schneider Electric Services International	Belgium	100	100
Schneider Electric Systems Belgium NV/SA	Belgium	100	100
Proleit Bulgaria OOD	Bulgaria	100	100
Schneider Electric Bulgaria EOOD	Bulgaria	100	100
Schneider Electric d.o.o.	Croatia	100	100
RIB Stavebni Software S.R.O.	Czech Republic	100	100
Schneider Electric A.S.	Czech Republic	98.3	98.3
Schneider Electric CZ S.R.O.	Czech Republic	100	100
Schneider Electric Systems Czech Republic S.R.O.	Czech Republic	100	100
Orbaekvej 280 A/S	Denmark	-	100
RIB A/S	Denmark	100	100
Schneider Electric Danmark A/S	Denmark	100	100
Schneider Electric IT Denmark ApS	Denmark	100	100
Schneider Electric Eesti AS	Estonia	100	100
Schneider Electric Finland Oy	Finland	100	100
Schneider Electric Fire & Security OY	Finland	100	100
Schneider Electric Vamp Oy	Finland	100	100
Aveva Sas	France	100	100
Behar-Securite	France	100	100
Boissiere Finance	France	100	100
Construction Electrique du Vivarais	France	100	100
Eckardt SAS	France	100	100
EcoAct SAS FR	France	100	100
France Transfo	France	100	100
Informatique Graphisme Energetique	France	100	100
Invensys Holding France SAS	France	100	100
Merlin Gerin Ales	France	100	100
Merlin Gerin Loire	France	100	100
Muller & Cie	France	100	100
Newlog	France	100	100
Rectiphase SAS	France	100	100
Sarel - Appareillage Electrique	France	100	100
Scanelec	France	100	100
Schneider Electric Alpes	France	100	100
Schneider Electric Energy France	France	100	100
Schneider Electric France	France	100	100
Schneider Electric Industries SAS	France	100	100
Schneider Electric International	France	100	100
Schneider Electric IT France	France	-	100

(in % of interest)		Dec. 31, 2024	Dec. 31, 2023
Schneider Electric Manufacturing Bourguebus	France	100	100
Schneider Electric SE	France	100	100
Schneider Electric Solar France	France	100	100
Schneider Electric Systems France	France	100	100
Schneider Electric Telecontrol	France	-	100
Schneider Toshiba Inverter Europe SAS	France	60	60
Schneider Toshiba Inverter SAS	France	60	60
Societe D'Application Et D'Ingenierie Industrielle Et Informatique - SA3I	France	100	100
Societe Electrique d'Aubenas	France	100	100
Societe Francaise de Constructions Mecaniques Et Electriques	France	100	100
Societe Francaise Gardy	France	100	100
Systemes Equipements Tableaux Basse Tension, SETBT	France	100	100
Transfo Services	France	100	100
ABN GmbH	Germany	100	100
Aveva Gmbh	Germany	100	100
J&K Regeltechnik GmbH	Germany	-	100
Merten GmbH	Germany	100	100
Proleit GmbH	Germany	100	100
RIB Cosinus Gmbh	Germany	100	100
RIB Deutschland Gmbh	Germany	100	100
RIB Software GmbH	Germany	100	100
RIB IMS Gmbh	Germany	100	100
Schneider Electric Automation GmbH	Germany	100	100
Schneider Electric GmbH	Germany	100	100
Schneider Electric Holding Germany GmbH	Germany	100	100
Schneider Electric Investment AG	Germany	100	100
Schneider Electric Operations Consulting GmbH	Germany	100	100
Schneider Electric Real Estate GmbH	Germany	100	100
Schneider Electric Sachsenwerk GmbH	Germany	100	100
Schneider Electric Systems Germany GmbH	Germany	-	100
Schneider Electric AEBE	Greece	100	100
Schneider Electric Hungaria Villamossagi ZRT	Hungary	100	100
SE - CEE Schneider Electric Közep-Kelet Europai Korlatolt Felelösségü Tarsasag	Hungary	100	100
Schneider Electric Ireland Limited	Ireland	100	100
Schneider Electric IT Limited	Ireland	100	100
Schneider Electric IT Logistics Europe Limited	Ireland	100	100
Validation Technologies (Europe) Ltd	Ireland	100	100
Eliwell Controls S.r.l.	Italy	100	100
Schneider Electric Industrie Italia S.p.a.	Italy	100	100
Schneider Electric S.p.a.	Italy	100	100
Schneider Electric Systems Italia S.p.a.	Italy	100	100
Uniflair S.p.a.	Italy	100	100
Lexel Fabrika, SIA	Latvia	100	100
Schneider Electric Baltic Distribution Center	Latvia	100	100
Schneider Electric Latvija SIA	Latvia	100	100
UAB Schneider Electric Lietuva	Lithuania	100	100
Industrielle De Reassurance S.A.	Luxembourg	100	100
Schneider Electric Holding Luxembourg	Luxembourg	-	100

(in % of interest)		Dec. 31, 2024	Dec. 31, 2023
American Power Conversion Corporation (A.P.C.) B.V.	Netherlands	100	100
APC International Corporation B.V.	Netherlands	100	100
Aveva Software Netherlands B.V.	Netherlands	100	100
BTR (European Holdings) Bv	Netherlands	100	100
Clovis Systems B.V.	Netherlands	100	70
InTwo International B.V	Netherlands	-	100
Planon Beheer BV	Netherlands	80	25
Proleit B.V.	Netherlands	100	100
Schneider Electric Ecommerce Europe B.V.	Netherlands	100	100
Schneider Electric Logistic Centre B.V.	Netherlands	100	100
Schneider Electric Systems Netherlands N.V.	Netherlands	100	100
Schneider Electric The Netherlands B.V.	Netherlands	100	100
ELKO AS (Elektrokontakt AS)	Norway	100	100
Lexel Holding Norge AS	Norway	100	100
Schneider Electric Norge AS	Norway	100	100
Schneider Electric Elda S.A.	Poland	100	100
Schneider Electric Industries Polska Sp. Z o.o.	Poland	100	100
Schneider Electric Polska Sp. Z o.o.	Poland	100	100
Schneider Electric Portugal, LDA	Portugal	100	100
Schneider Electric Romania, SRL	Romania	100	100
Schneider Electric Systems LLC	Russia	100	100
Schneider Electric LLC Novi Sad	Serbia	100	100
Schneider Electric Srbija doo Beograd	Serbia	100	100
Schneider Electric Slovakia, Spol SRO	Slovakia	100	100
Schneider Electric Systems Slovakia S.R.O.	Slovakia	100	100
EcoAct Iberica ES	Spain	100	100
Manufacturas Electricas S.A.U.	Spain	100	100
Proleit Iberia Slu	Spain	100	100
RIB Spain Sa	Spain	100	100
Schneider Electric Espana, S.A.U	Spain	100	100
Schneider Electric IT Spain, S.L.	Spain	100	100
Schneider Electric Solar Spain, S.A.	Spain	100	100
Schneider Electric Systems Iberica S.L.	Spain	100	100
Telemantenimiento De Alta Tension, S.L.	Spain	100	100
AB Crahftere 1	Sweden	-	100
Elektriska Aktiebolaget Delta	Sweden	100	100
Elko AB	Sweden	100	100
Lexel AB	Sweden	100	100
Schneider Electric Buildings AB	Sweden	100	100
Schneider Electric Distribution Centre AB	Sweden	100	100
Schneider Electric Sverige AB	Sweden	100	100
Feller AG	Switzerland	83.7	83.7
RIB Cosinus Ag	Switzerland	100	100
Schneider Electric (Suisse) SA	Switzerland	100	100
Proleit Automation Ooo	Ukraine	100	100
Schneider Electric Ukraine	Ukraine	100	100
Ascot Acquisition Holdings Limited	United Kingdom	100	100
Aveva Group Limited	United Kingdom	100	100

(in % of interest)		Dec. 31, 2024	Dec. 31, 2023
Aveva Financing limited	United Kingdom	100	100
Aveva Solutions Limited	United Kingdom	100	100
Aveva Software GB Limited	United Kingdom	100	100
Aveva UK 1 Limited	United Kingdom	100	100
BTR Industries Ltd	United Kingdom	100	100
BTR Property Holdings Ltd	United Kingdom	100	100
Carbon Clear Limited	United Kingdom	100	100
Invensys Group Holdings Ltd	United Kingdom	100	100
Invensys Group Ltd	United Kingdom	100	100
Invensys Holdings Ltd	United Kingdom	100	100
Invensys International Holdings Ltd	United Kingdom	100	100
Invensys Ltd	United Kingdom	100	100
M&C Energy Group Limited	United Kingdom	100	100
RIB Solutions (Uk) Ltd	United Kingdom	100	100
Samos Acquisition Company Limited	United Kingdom	100	100
Schneider Electric (UK) Limited	United Kingdom	100	100
Schneider Electric Buildings UK Limited	United Kingdom	100	100
Schneider Electric Controls UK Limited	United Kingdom	100	100
Schneider Electric Invensys (UK) Ltd	United Kingdom	100	100
Schneider Electric IT UK Ltd	United Kingdom	100	100
Schneider Electric Limited	United Kingdom	100	100
Schneider Electric Systems UK Limited	United Kingdom	100	100
Tac Products Limited	United Kingdom	100	100
Yorkshire Switchgear Group Limited	United Kingdom	100	100
Accounted for by equity method			
Delta Dore Finance SA (sub-group)	France	-	20
Schneider Lucibel Managed Services SAS	France	50	50
North America			
Fully consolidated			
Aveva Software Canada Inc.	Canada	100	100
Schneider Electric Canada Inc.	Canada	100	100
Schneider Electric Solar Inc.	Canada	-	100
Schneider Electric Systems Canada Inc.	Canada	100	100
Electronica Reynosa S. de R.L. de C.V.	Mexico	100	100
Industrias Electronicas Pacifico, S.A. de C.V.	Mexico	100	100
Proleit S. De R. L.	Mexico	100	100
Schneider Electric Mexico S.A. de C.V.	Mexico	100	100
Schneider Electric Systems Mexico, S.A. de C.V.	Mexico	100	100
Schneider Industrial Tlaxcala S.A. de C.V.	Mexico	100	100
Schneider Mexico S.A. de C.V.	Mexico	100	100
Schneider R&D, S.A. de C.V.	Mexico	100	100
Square D Company Mexico, S.A. de C.V.	Mexico	100	100
Steck De Mexico S.A. De C.V.	Mexico	100	100
Telvent Mexico, S.A. de C.V.	Mexico	100	100
American Power Conversion Holdings Inc.	United States	100	100
ASCO Power Services, Inc.	United States	100	100
ASCO Power Technologies, L.P.	United States	100	100

(in % of interest)		Dec. 31, 2024	Dec. 31, 2023
Autogrid Systems, Inc.	United States	-	91.81
Aveva Inc.	United States	100	100
Aveva Software, LLC	United States	100	100
Aveva US Blocker Corp.	United States	100	100
Aveva US 1 Corp.	United States	100	100
Aveva US 2 Corp.	United States	100	100
BTR, LLC	United States	100	100
Charge Holdings, LLC	United States	90.83	85.4
Echo HoldCo LLC	United States	100	90.84
EcoAct Inc US	United States	100	100
ETAP Automation Inc. *(sub-group)*	United States	100	80
EV Connect, LLC	United States	100	99.43
Foxboro Controles S.A.	United States	-	100
GPI Interim Inc.	United States	100	100
H.S. Investments, LLC	United States	100	100
Integration Technologies Corp.	United States	-	60
Invensys LLC	United States	100	100
Osisoft, LLC	United States	100	100
Proleit Corp.	United States	100	100
Ranco Incorporated of Delaware	United States	100	100
RIB Software North America Inc.	United States	100	100
RIB US Cost Inc.	United States	100	100
RIB Usa Inc.	United States	100	100
Schneider Electric Buildings Americas, Inc.	United States	100	100
Schneider Electric Buildings Critical Systems, Inc.	United States	100	100
Schneider Electric Digital, Inc.	United States	100	100
Schneider Electric Engineering Services, LLC	United States	100	100
Schneider Electric Foundries LLC	United States	100	100
Schneider Electric Holdings, Inc.	United States	100	100
Schneider Electric IT Corporation	United States	100	100
Schneider Electric IT Mission Critical Services, Inc.	United States	100	100
Schneider Electric Smart Grid Solutions, LLC	United States	100	100
Schneider Electric Solar Inverters USA, Inc.	United States	100	100
Schneider Electric Systems USA, Inc.	United States	100	100
Schneider Electric USA, Inc.	United States	100	100
SE Vermont Ltd	United States	100	100
Siebe Inc.	United States	100	100
SNA Holdings Inc.	United States	100	100
Square D Investment Company	United States	100	100
Stewart Warner Corp.	United States	100	100
Summit Energy Services, Inc.	United States	100	100
Veris Industries LLC	United States	100	100
Accounted for by equity method			
Uplight Inc.	United States	43.46	30.36
Asia-Pacific			
Fully consolidated			
Aveva Software Australia Pty Ltd	Australia	100	100

(in % of interest)		Dec. 31, 2024	Dec. 31, 2023
Clipsal Technologies Australia Pty Ltd	Australia	100	100
Futureworx Proprietary Limited	Australia	-	100
RIB Holdings Pty Ltd	Australia	100	100
RIB Australia Pty Ltd	Australia	100	100
Scada Group Pty Limited	Australia	100	100
Schneider Electric (Australia) Pty Limited	Australia	100	100
Schneider Electric Australia Holdings Pty Ltd	Australia	100	100
Schneider Electric Buildings Australia Pty Ltd	Australia	100	100
Schneider Electric IT Australia Pty Ltd	Australia	100	100
Schneider Electric Solar Australia Pty Ltd	Australia	100	100
Schneider Electric Sustainability Business Australia Pty Ltd	Australia	100	100
Schneider Electric Systems Australia Pty Ltd	Australia	100	100
Serck Controls Pty Limited	Australia	100	100
Tamco Electrical Industries Australia Pty Limited	Australia	65	65
AVEVA Solutions (Shanghai) Co., Ltd	China	100	100
Beijing Leader Harvest Electric Technologies Co., Ltd	China	100	100
Beijing Leader Harvest Energy Efficiency Investment Co., Ltd	China	100	100
FSL Electric (Dongguan) Limited	China	54	54
Guangzhou RIB Software Co., Ltd	China	-	100
Guangzhou Two Information Technology Co., Ltd	China	100	100
Jingxin Hongde (Beijing) Technology Co., Ltd.	China	-	51
Pro-Face China International Trading (Shanghai) Co., Ltd	China	100	100
Proleit Automation Systems (Shanghai) Co., Ltd	China	100	100
Schneider (Beijing) Low Voltage Co., Ltd.	China	95	95
Schneider (Beijing) Medium Voltage Co., Ltd	China	100	100
Schneider (Shaanxi) Baoguang Electrical Apparatus Co., Ltd	China	70	70
Schneider (Suzhou) Transformers Co., Ltd	China	100	100
Schneider (Wuxi) Drives Co., Ltd.	China	90	90
Schneider Busway (Guangzhou) Limited	China	95	95
Schneider Electric (China) Company Limited	China	100	100
Schneider Electric (Xiamen) Switchgear Co., Ltd	China	100	100
Schneider Electric (Xiamen) Switchgear Equipment Co., Ltd	China	100	100
Schneider Electric Equipment and Engineering (Xi'An) Co., Ltd	China	100	100
Schneider Electric IT (China) Co., Ltd	China	100	100
Schneider Electric IT (Xiamen) Co., Ltd	China	100	100
Schneider Electric Manufacturing (Chongqing) Co., Ltd	China	100	100
Schneider Electric Manufacturing (Wuhan) Co., Ltd	China	100	100
Schneider Great Wall Engineering (Beijing) Co., Ltd	China	100	100
Schneider Merlin Gerin Low Voltage (Tianjin) Co.,Ltd.	China	75	75
Schneider Shanghai Apparatus Parts Manufacturing Co., Ltd	China	100	100
Schneider Shanghai Industrial Control Co., Ltd	China	80	80
Schneider Shanghai Low Voltage Terminal Apparatus Co., Ltd	China	75	75
Schneider Shanghai Power Distribution Electrical Apparatus Co., Ltd	China	80	80
Schneider Smart Technology Co., Ltd.	China	100	100
Schneider South China Smart Technology (Guangdong) Co. Ltd.	China	100	100
Schneider Switchgear (Suzhou) Co., Ltd	China	58	58
Schneider Wingoal (Tianjin) Electric Equipment Co., Ltd	China	100	100
Shanghai ASCO Electric Technology Co., Ltd.	China	100	100

(in % of interest)		Dec. 31, 2024	Dec. 31, 2023
Shanghai Foxboro Co., Ltd	China	100	100
Shanghai Invensys Process System Co., Ltd	China	100	100
Shanghai Schneider Electric Power Automation Co., Ltd	China	100	100
Shanghai Tayee Electric Co., LTD	China	67.05	67.05
Shenzhen Easydrive Electric Co., Ltd	China	-	51
Tianjin Wingoal Electric Equipment Co., Ltd.	China	100	100
Uniflair (Zhuhai) Electrical Appliance Manufacturing Co., Ltd	China	100	100
Wuxi Pro-Face Co., Ltd	China	100	100
Zircon Investment (Shanghai) Co., Ltd	China	74.5	74.5
Clipsal Asia Holdings Limited	Hong Kong	100	100
Construction Computer Software (Asia) Ltd	Hong Kong	100	100
Fed-Supremetech Limited	Hong Kong	54	54
Himel Hong Kong Limited	Hong Kong	100	100
MTWO Ltd	Hong Kong	-	100
RIB Creative Limited	Hong Kong	100	100
RIB Software Hong Kong Limited	Hong Kong	100	100
RIB Software International Ltd	Hong Kong	-	100
RIB Solutions Ltd	Hong Kong	100	100
Schneider Electric (Hong Kong) Limited	Hong Kong	100	100
Schneider Electric Asia Pacific Limited	Hong Kong	100	100
Schneider Electric IT Hong Kong Limited	Hong Kong	100	100
Two Hong Kong Ltd	Hong Kong	100	100
Aveva Solutions India Llp	India	100	100
Luminous Power Technologies Private Limited	India	100	100
RIB Itwo Software Private Limited	India	100	100
Schneider Electric India Private Limited	India	65	65
Schneider Electric Infrastructure Limited	India	75	75
Schneider Electric IT Business India Private Limited	India	100	100
Schneider Electric President Systems Limited	India	74.3	75
Schneider Electric Private Limited	India	100	100
Schneider Electric Solar India Pte Ltd	India	100	100
Schneider Electric Systems India Private Limited	India	100	100
Winjit Technologies Private Limited	India	100	100
Zenatix Solutions Private Limited	India	95	95
PT Schneider Electric Indonesia	Indonesia	100	100
PT Schneider Electric IT Indonesia	Indonesia	100	100
PT Schneider Electric Manufacturing Batam	Indonesia	100	100
PT Schneider Electric Systems Indonesia	Indonesia	95	95
PT Schneider Indonesia	Indonesia	95	95
PT Tamco Indonesia	Indonesia	65	65
PT RIB Indonesia Software	Indonesia	100	100
Aveva K.K.	Japan	100	100
Ranco Japan Ltd	Japan	100	100
Schneider Electric Japan Holdings Inc	Japan	100	100
Schneider Electric Japan, Inc.	Japan	100	100
Schneider Electric Solar Japan Inc.	Japan	100	100
Schneider Electric Systems Japan Inc.	Japan	100	100
Toshiba Schneider Inverter Corporation	Japan	60	60

(in % of interest)		Dec. 31, 2024	Dec. 31, 2023
Aveva Korea Limited	Korea	100	100
Schneider Electric Korea Limited	Korea	100	100
Schneider Electric Systems Korea Ltd	Korea	100	100
Desea Sdn. Bhd.	Malaysia	100	100
Henikwon Corporation Sdn. Bhd.	Malaysia	-	65
RIB Malaysia Sdn Bhd	Malaysia	100	100
Schneider Electric (Malaysia) Sdn. Bhd.	Malaysia	30	30
Schneider Electric Industries (M) Sdn. Bhd.	Malaysia	100	100
Schneider Electric IT Malaysia Sdn. Bhd.	Malaysia	100	100
Schneider Electric Systems (Malaysia) Sdn. Bhd.	Malaysia	-	100
Tamco Switchgear (Malaysia) Sdn. Bhd.	Malaysia	65	65
RIB Pacific Ltd	New Zealand	100	100
Schneider Electric (NZ) Limited	New Zealand	100	100
Schneider Electric Systems New Zealand Limited	New Zealand	100	100
RIB ITWO Software Inc.	Philippines	100	100
Schneider Electric (Philippines), Inc.	Philippines	100	100
Schneider Electric IT Philippines Inc.	Philippines	100	100
RIB Software Singapore Pte. Ltd.	Singapore	100	100
RIB Singapore Pte Ltd	Singapore	100	100
Schneider Electric Asia Pte. Ltd.	Singapore	100	100
Schneider Electric IT Logistics Asia Pacific Pte Ltd	Singapore	100	100
Schneider Electric IT Singapore Pte Ltd	Singapore	100	100
Schneider Electric JV Holdings 2 Pte. Ltd.	Singapore	65	65
Schneider Electric Overseas Asia Pte Ltd	Singapore	100	100
Schneider Electric Singapore Pte Ltd	Singapore	100	100
Schneider Electric South East Asia (HQ) Pte Ltd	Singapore	100	100
Schneider Electric Systems Singapore Pte. Ltd.	Singapore	100	100
Schneider Electric Lanka (Private) Limited	Sri Lanka	100	100
Schneider Electric Systems Taiwan Corp.	Taiwan	100	100
Schneider Electric Taiwan Co., Ltd	Taiwan	100	100
RIB (Thailand) Co., Ltd	Thailand	100	100
Schneider (Thailand) Limited	Thailand	100	100
Schneider Electric CPCS (Thailand) Co., Ltd	Thailand	100	100
Schneider Electric Solar (Thailand) Co., Ltd	Thailand	100	100
Schneider Electric Systems (Thailand) Co., Ltd	Thailand	100	100
Clipsal Vietnam Co., Ltd	Viet Nam	-	100
Invensys Vietnam Ltd	Viet Nam	100	100
RIB Vietnam Company Limited	Viet Nam	100	100
Schneider Electric IT Vietnam Limited	Viet Nam	100	100
Schneider Electric Manufacturing Vietnam Company Limited	Viet Nam	100	100
Schneider Electric Vietnam Limited	Viet Nam	100	100
Accounted for by equity method			
Delixi Electric Limited (sub-group)	China	50	50
Sunten Electric Equipment Co., Ltd	China	25	25
Fuji Electric FA Components & Systems Co., Ltd (sub-group)	Japan	36.8	36.8
Foxboro (Malaysia) Sdn. Bhd.	Malaysia	49	49

(in % of interest)		Dec. 31, 2024	Dec. 31, 2023
Rest of the World			
Fully consolidated			
Schneider Electric Algerie	Algeria	100	100
Schneider Electric Argentina S.A.	Argentina	100	100
Steck Electric S.A.	Argentina	100	100
Schneider Electric Systems Argentina S.A.	Argentina	100	100
Proleit Automaçao Ltda	Brazil	100	100
Schneider Electric Brasil Automação de Processos Ltda	Brazil	100	100
Schneider Electric Brasil Ltda	Brazil	100	100
Steck Da Amazonia Industria Elétrica Ltda	Brazil	100	100
Steck Distribuidora Ltda	Brazil	100	100
Steck Industria Eletrica Ltda	Brazil	100	100
Telseb Serviços de Engenharia E Comércio de Equipamentos Eletrônicos e Telecomunicações Ltda	Brazil	100	100
Marisio S.P.A	Chile	100	100
Schneider Electric Chile S.P.A	Chile	100	100
Schneider Electric Systems Chile Limitada	Chile	100	100
Schneider Electric de Colombia S.A.S	Colombia	100	100
Schneider Electric Systems Colombia Ltda	Colombia	100	100
Steck Andina S.A.S.	Colombia	100	100
Schneider Electric Centroamerica Limitada	Costa Rica	100	100
Schneider Electric Ecuador Sociedad Anonima	Ecuador	100	100
Invensys Engineering & Service S.A.E.	Egypt	51	51
Schneider Electric Distribution Company	Egypt	91.99	91.99
Schneider Electric Egypt S.A.E.	Egypt	92	92
Schneider Electric Engineering And Services - Free Zone S.A.E	Egypt	51	51
Schneider Electric For Supplying And Services - Free Zone	Egypt	100	-
Schneider Electric Systems Egypt S.A.E	Egypt	60	60
KMG Automation Limited Liability Partnership	Kazakhstan	51	51
Schneider Electric LLP	Kazakhstan	85	85
Schneider Electric (Kenya) Limited	Kenya	100	100
Kana Controls General Trading & Contracting Company WLL	Kuwait	31.9	31.9
Schneider Electric Services Kuweit	Kuwait	49	49
Schneider Electric Israël Ltd	Israel	100	100
Schneider Electric East Mediterranean SAL	Lebanon	100	100
Schneider Electric CFC	Morocco	100	100
Schneider Electric Maroc	Morocco	100	100
Schneider Electric Free Zone Enterprise	Nigeria	100	100
Schneider Electric Nigeria Limited	Nigeria	100	100
Schneider Electric Systems Limited	Nigeria	100	100
Schneider Electric O.M LLC	Oman	100	100
Schneider Solutions And Services (Private) Limited	Pakistan	100	100
Schneider Electric Peru S.A.	Peru	100	100
Schneider Electric Systems del Peru S.A.	Peru	100	100
Schneider Electric Services LLC	Qatar	49	49
Electrical & Automation Saudi Arabian Manufacturing Company (LLC)	Saudi Arabia	65	65
Schneider Electric Saudi Arabia Limited	Saudi Arabia	100	100
Schneider Electric Systems Saudi Arabia Co. LTD.	Saudi Arabia	100	100
Ccs Mining & Industrial (Pty) Limited	South Africa	-	100

(in % of interest)		Dec. 31, 2024	Dec. 31, 2023
RIB South Africa (Pty) Ltd	South Africa	100	100
Invensys SA (Pty) Ltd	South Africa	100	100
Schneider Electric South Africa (Pty) Ltd	South Africa	74.9	74.9
Gunsan Elektrik Malzemelerï Sanayï Ve Ticaret Anonïm Sïrketi	Türkiye	100	100
Schneider Elektrik Sanayi Ve Ticaret A.S.	Türkiye	100	100
Cimac FZCO	United Arab Emirates	100	100
RIB Gulf Software LLC	United Arab Emirates	100	100
SEMEA Electrical & Automation FZE	United Arab Emirates	65	65
INTWO DMCC	United Arab Emirates	-	100
Schneider Electric DC MEA FZCO	United Arab Emirates	100	100
Schneider Electric FZE	United Arab Emirates	100	100
Schneider Electric Systems Middle East FZE	United Arab Emirates	100	100
Schneider Electric Systems de Venezuela, C.A.	Venezuela	100	100
Schneider Electric Venezuela S.A.	Venezuela	93.56	93.56

Comments to the Consolidated financial statements

Business and Statement of Income highlights

Main acquisitions of the period

Transaction with ETAP's non-controlling interests

On January 23, 2024, the Group purchased the remaining 20% non-controlling interests of ETAP in accordance with the forward agreement concluded in 2021 when it acquired 80% of the company.

Planon

On July 30, 2024, Schneider Electric signed an agreement to acquire an additional 55% stake in Planon for a consideration of EUR 525 million, fully paid in cash, increasing its ownership of Planon to a controlling stake of 80%. The transaction further strengthens Schneider's agnostic software strategy, with Planon's established and strong footprint in the global buildings market, cloud-based Integrated Workplace Management System offer and subscription-based software business model well positioned to capitalize on the fast-growing smart building software market. Planon, with revenues of EUR 161 million in 2023, was previously consolidated under the equity method and this operation is treated as if it were disposed of and reacquired at fair value on the acquisition date, resulting in a non-cash gain in "Other operating income and expenses". Since transaction closing date on October 28, 2024, Planon is consolidated within the Energy Management reporting segment.

Until January 2030, the minority shareholder has the right to sell and transfer to the Group their remaining 20% stake in Planon. The Group also hold a right to acquire the remaining 20% of non-controlling interests between July 2027 and January 2030. The related debt has been recognized in "Current purchase commitments over non-controlling interests" for EUR 191 million at acquisition date.

The purchase accounting as per IFRS 3 is not completed as of December 31, 2024. Planon carrying value at acquisition date for net identifiable assets was EUR 48 million. The preliminary net adjustment of the opening balance sheet is EUR 288 million, resulting mainly from the booking of identifiable intangible assets (developed technology, customer relationships and trademark) net of deferred tax liabilities. The preliminary goodwill recognized amounts to EUR 608 million at acquisition date.

Main divestments of the period

Autogrid

On December 14, 2023, the Group entered into an agreement with Uplight Inc. (in which Schneider Electric holds a strategic minority investment) to sell AutoGrid to Uplight. This transaction represents a reorganization among Schneider Electric-owned or affiliated businesses aimed at Prosumers, to better align their capabilities. The transaction, which closed on February 8, 2024, has raised the interest percentage of the Group in Uplight Inc. to 43.46%, which remains consolidated as an equity investment. The impact from the disposal in the income statement of the period is not material.

Follow-up on acquisitions and divestments transacted in 2023 with effect in 2024

EcoAct

On November 2, 2023, the Group acquired 100% of the capital of EcoAct SAS ("EcoAct"), an international leader in climate consulting and net-zero solutions headquartered in Paris, France. EcoAct is reported within the Energy management reporting segment.

The purchase accounting as per IFRS 3 is completed as of December 31, 2024. The main identifiable assets recognized as part of the purchase price allocation were customer relationships and trademark. At acquisition date, goodwill amounted to EUR 130 million.

Exchange rate changes

Fluctuations in the euro exchange rate had a negative impact in 2024, decreasing consolidated revenue by EUR 412 million due mainly to the evolution observed in US Dollar and in Chinese Yuan compared to the Euro and a negative impact decreasing adjusted EBITA by EUR 151 million.

Results of Operations

The following table sets forth our results of operations for 2024 and 2023:

(in millions of euros except for earnings per share)	Full Year 2024	Full Year 2023	Variance
Revenue	**38,153**	**35,902**	**6.3%**
Cost of sales	(21,885)	(20,890)	4.8%
Gross profit	**16,268**	**15,012**	**8.4%**
% Gross profit	**42.6%**	**41.8%**	
Research and development	(1,308)	(1,168)	12.0%
Selling, general and administrative expenses	(7,877)	(7,432)	6.0%
Adjusted EBITA *	**7,083**	**6,412**	**10.5%**
% Adjusted EBITA	**18.6%**	**17.9%**	
Other operating income and expenses	(87)	98	(188.8)%
Restructuring costs	(141)	(147)	(4.1)%
EBITA **	**6,855**	**6,363**	**7.7%**
% EBITA	**18.0%**	**17.7%**	
Amortization and impairment of purchase accounting intangibles	(406)	(430)	(5.6)%
Operating income	**6,449**	**5,933**	**8.7%**
% Operating income	**16.9%**	**16.5%**	
Interest income	174	79	120.3%
Interest expense	(435)	(387)	12.4%
Finance costs, net	**(261)**	**(308)**	**(15.3)%**
Other financial income and expenses	(148)	(222)	(33.3)%
Net financial income/(loss)	**(409)**	**(530)**	**(22.8)%**
Profit from continuing operations before income tax	**6,040**	**5,403**	**11.8%**
Income tax expense	(1,398)	(1,285)	8.8%
Share of profit/(loss) of associates	17	51	(66.7)%
Impairment of investments in associates	(220)	-	0.0%
PROFIT FOR THE YEAR	**4,439**	**4,169**	**6.5%**
attributable to owners of the parent	*4,269*	*4,003*	*6.6%*
attributable to non-controlling interests	*170*	*166*	*2.4%*
Basic earnings (attributable to owners of the parent) per share (in euros per share)	7.61	7.15	6.4%
Diluted earnings (attributable to owners of the parent) per share (in euros per share)	7.53	7.07	6.5%

** Adjusted EBITA (Earnings Before Interest, Taxes, Amortization of Purchase Accounting Intangibles): Operating profit before amortization and impairment of purchase accounting intangible assets, before goodwill impairment, other operating income and expenses and restructuring costs.*

*** EBITA (Earnings Before Interest, Taxes and Amortization of Purchase Accounting Intangibles): Operating profit before amortization and impairment of purchase accounting intangible assets and before goodwill impairment.*

Revenue

Consolidated revenue totaled EUR 38,153 million for the year ended December 31, 2024, up +8.4% organic and up +6.3% on a reported basis. The Group continued to benefit from strong and dynamic market demand linked to structural megatrends. There was strong growth in sales of the Group's Systems offers, notably in the Data Center and Infrastructure end-markets. The Group also saw strong growth in Services linked to digital offers and trends of renovation and modernization in mature economies. The Group's agnostic software assets continued their transition to a subscription revenue model, mechanically impacting organic growth as expected, while displaying good underlying evolution, characterized by strong growth in annualized recurring revenues at AVEVA. Product sales grew, with good growth in sales of electrical distribution products across many end-markets and segments, while sales into the Residential market were stable globally, though varied by geography. As expected, weakness in discrete automation markets remained as OEMs and Distributors rebalance inventories to reflect an improved supply environment. Price contribution returned to a normalized level across the Group in 2024, following a period of elevated contribution in 2022 and 2023. FX impacts were -1.2% mainly driven by weakening of Chinese Yuan and several new economies, partly offset by strengthening British Pound against the Euro and a positive impact from hyperinflation accounting. There was a net negative impact of -0.7% from acquisitions and disposals, primarily relating to the divestment of the Group's industrial sensors business and Gutor and partly offset by acquisitions of EcoAct and Planon.

Evolution of revenue by reporting segment

The following table sets forth our revenue by business segment for years ended December 31, 2024 and 2023:

(in millions of euros)	Energy Management	Industrial Automation	Total
Full Year 2024	31,131	7,022	**38,153**
Full Year 2023	28,241	7,661	**35,902**

Energy Management generated revenues of EUR 31,131 million, equivalent to 82% of the Group's revenues and was up +12% organic. North America grew +18% organic led by strong Systems growth primarily in the Data Center end-market, supported by good growth elsewhere. Western Europe was up +5% organic with double-digit growth in Italy led by Data Center sales, high-single digit growth in Spain, mid-single digit growth in France led by Infrastructure, mid-single digit growth in the U.K., while Germany saw a slight decline. The Buildings end-market remains subdued across the region, with sales into the Residential market stable in most major economies except Germany, which continues to decline. Outside of the major economies, there was strong growth in the Nordics region. Asia-Pacific grew +6% organic, led by strong double-digit growth in India, with traction across end-markets. China was down low-single digit impacted by weak construction markets and general economic uncertainty delaying customer investment plans. Australia saw good growth, led by performance in the Data Center end-market. The remainder of the region was up in aggregate. Rest of the World was up +19% organic, seeing strong double-digit growth in the Middle East and Africa while additionally benefitting from price actions taken in response to previous currency devaluation in certain countries.

Industrial Automation generated revenues of EUR 7,022 million, equivalent to 18% of the Group's revenues and was down -4% organic. Sales into Process & Hybrid markets grew, with good traction for Services, while the Group's industrial software at AVEVA delivered strong growth in annualized recurring revenue, during its ongoing transition to a subscription revenue model. Discrete markets remained impacted by weakness at OEMs and Distributors as they rebalance inventories leading to a decline in sales. North America contracted -4% organic due to weakness in discrete automation markets with growth in sales into Process & Hybrid markets and for Industrial Software at AVEVA. Western Europe declined -12% organic, with France, Germany and Italy notably impacted by the weakness in discrete automation, while Process markets remained better oriented across the region. Asia Pacific was down -5% organic, with China down low-single digit, primarily due to weakness in Discrete automation. India delivered positive growth, up in both Discrete automation and Process & Hybrid markets. The remainder of the region was down in aggregate with Australia, Japan and Korea declining due to weak OEM demand across the region. Rest of the World was up +14% organic, led by strong growth in the Middle East across both Discrete and Process & Hybrid markets, with the region additionally benefitting from price actions taken in response to previous currency devaluation in certain countries.

Gross profit

Gross profit was up +10.5% organic with Gross margin up +80 bps organic, reaching 42.6% in 2024. The organic increase in margin percentage was driven by industrial productivity and improved Gross margin in the Systems business, mainly due to pricing.

Support Function costs: Research and development and selling, general and administrative expenses

Research and development expenses, net of capitalized development costs and excluding research and development costs booked in costs of sales, increased by 12.0% from EUR 1,168 million for 2023 to EUR 1,308 million for 2024. As a percentage of revenues, the net cost of research and development increased slightly from 3.3% in 2023 to 3.4% in 2024.

Total research and development expenditures, including capitalized development costs and development costs reported as cost of sales (see Note 4 to the Consolidated Financial Statements) increased by 12.1% from EUR 2,016 million for 2023 to EUR 2,260 million for 2024. As a percentage of revenues, total research and development expenses increased slightly to 5.9% for 2024 (5.6% for 2023).

In 2024, the net effect of capitalized development costs and amortization of capitalized development costs amounts to EUR 126 million on operating income (EUR 92 million in 2023).

Selling, general and administrative expenses increased by 6.0% to EUR 7,877 million for 2024 (EUR 7,432 million for 2023). As a percentage of revenues, selling, general and administrative expenses decreased slightly to 20.6% for 2024 (20.7% for 2023).

Combined, total support function costs, that is, research and development expenses together with selling, general and administrative costs, totaled EUR 9,185 million for 2024 compared to EUR 8,600 million for 2023, an increase of 6.8%. Support functions costs to sales ratio has increased from 24.0% in 2023 to 24.1% in 2024.

Other operating income and expenses

For 2024, other operating income and expenses amounted to a net expense of EUR 87 million. The gains and losses on disposal of business for EUR 110 million are mainly due to the revaluation of the Planon's shares previously owned by the Group, following the acquisition of a controlling stake in 2024. The costs of acquisition and integration totaled EUR (96) million (EUR (111) million for 2023). "Others" mainly include EUR 104 million provision in relation to the French Competition Authority decision.

Restructuring costs

For 2024, restructuring costs decreased to EUR 141 million in 2024 compared to 147 million in 2023, and are linked to the Group's initiatives to decrease support function costs.

EBITA and Adjusted EBITA

EBITA is defined as earnings before interest, taxes and amortization of purchase accounting intangibles. EBITA comprises operating profit before amortization and impairment of purchase accounting intangible assets and before goodwill impairment. Adjusted EBITA is adjusted as EBITA before restructuring costs and before other operating income and expenses, which includes acquisition, integration and separation costs.

Adjusted EBITA amounted to EUR 7,083 million for 2024, compared to EUR 6,412 million for 2023, an organic increase of 14.2%. As a percentage of revenues, adjusted EBITA increased at 18.6% with margin improving 90 bps organically.

EBITA increased from EUR 6,363 million for 2023 to EUR 6,855 million in 2024. As a percentage of revenues, EBITA increases at 18.0% in 2024 (17.7% for 2023).

Adjusted EBITA by business segment

The following table sets out adjusted EBITA by business segment:

Full Year 2024

(in millions of euros)	Energy Management	Industrial Automation	Central functions & digital costs	Total
Backlog	17,698	3,722	-	**21,420**
Revenue	31,131	7,022	-	**38,153**
Adjusted EBITA	6,865	1,041	(823)	**7,083**
Adjusted EBITA (%)	*22.1%*	*14.8%*		**18.6%**

On December 31, 2024, the total backlog to be executed in more than a year amounts to EUR 4,842 million.

Full Year 2023

(in millions of euros)	Energy Management	Industrial Automation	Central functions & digital costs	Total
Backlog	15,414	3,748	-	**19,162**
Revenue	28,241	7,661	-	**35,902**
Adjusted EBITA	5,967	1,304	(859)	**6,412**
Adjusted EBITA (%)	*21.1%*	*17.0%*		**17.9%**

On December 31, 2023, the total backlog to be executed in more than a year amounted to EUR 4,287 million.

Energy Management reporting segment generated an adjusted EBITA of EUR 6,865 million, or 22.1% of revenues, up c. +110 bps organic (up +100 bps on a reported basis), due mainly to a strong contribution from higher volumes, a good level of industrial productivity and a positive mix effect from improved Systems margin, partly offset by inflation and investment, primarily in SFC.

Industrial Automation reporting segment generated an adjusted EBITA of EUR 1,041 million, or 14.8% of revenues, down c. -150 bps organic (down -220 bps on a reported basis), with a strong negative volume contribution and production labor inflation, partly offset by a small positive net price contribution, improved mix and SFC savings.

Central functions & digital costs in 2024 amounted to EUR 823 million (EUR 859 million in 2023), decreasing to 2.2% of Group revenues (from 2.4% of Group revenues last year).

Amortization and impairment of purchase accounting intangibles

The amortization and impairment of purchase accounting intangibles linked to acquisitions amounted to EUR 406 million in 2024 compared with EUR 430 million last year. The decrease is mainly due to the impairment booked in 2023.

Operating income (EBIT)

Operating income or EBIT (Earnings Before Interest and Taxes), increased from EUR 5,933 million for 2023 to 6,449 million for 2024, an increase of 8.7%.

Net financial income/loss

Net financial loss amounted to EUR 409 million for 2024, compared to EUR 530 million for 2023, mainly due to the decrease in cost of debt (from EUR 308 million in 2023 to EUR 261 million in 2024). This was mainly due to higher interest income on cash deposits and OCEANEs buyback in 2024. In addition, there was a positive impact from foreign exchange fluctuations (from a loss of EUR 50 million in 2023 to a gain of EUR 3 million in 2024).

Income tax expense

The effective tax rate was 23.1% for 2024, and 23.8% for 2023. The corresponding income tax expense increased from EUR 1,285 million for 2023 to EUR 1,398 million for 2024.

Share of profit/ (loss) of associates

The share of associates was a EUR 17 million profit for 2024, compared to EUR 51 million profit for 2023.

Impairment of investments in associates

The impairment of investments in associates amounted to EUR 220 million for 2024 and related to the investment in Uplight following slower adoption at customers than was envisaged in the business plan impacting near-term growth, in part due to regulatory challenges. No impairment was recognized in 2023.

Non-controlling interests

Non-controlling interests in net income for 2024 totaled EUR 170 million, compared to EUR 166 million for 2023. This represents the share in net income attributable to the non-controlling interests, mainly coming from the Group Chinese and Indian subsidiaries.

Profit for the year (attributable to owners of the parent)

Profit for the year attributable to the equity holders of the parent company amounted to EUR 4,269 million for 2024, compared to EUR 4,003 million profit for 2023.

Earnings per share

Basic Earnings per share amounted to EUR 7.61 per share for 2024 and EUR 7.15 per share for 2023.

Comments to the consolidated Cash-flow

The following table sets forth our cash-flow statement for 2024 and 2023:

(in millions of euros)	Note	Full Year 2024	Full Year 2023
Profit for the year		**4,439**	**4,169**
Share of (profit)/losses of associates		(17)	(51)
Income and expenses with no effect on cash flow:			
Depreciation of property, plant and equipment	11	822	743
Amortization of intangible assets other than goodwill	10	716	717
Impairment losses on non-current assets		251	60
Increase/(decrease) in provisions	21	93	87
Losses/(gains) on disposals of business and assets		(115)	(252)
Difference between tax paid and tax expense		(81)	(164)
Other non-cash adjustments		200	220
Net cash provided by operating activities		**6,308**	**5,529**
Decrease/(increase) in accounts receivable		(199)	62
Decrease/(increase) in inventories and work in progress		(834)	(382)
(Decrease)/increase in accounts payable		439	493
Decrease/(increase) in other current assets and liabilities		(134)	205
Change in working capital requirement		**(728)**	**378**
TOTAL I - CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		**5,580**	**5,907**
Purchases of property, plant and equipment	11	(950)	(914)
Proceeds from disposals of property, plant and equipment		55	52
Purchases of intangible assets	10	(469)	(451)
Net cash used by investment in operating assets		**(1,364)**	**(1,313)**
Acquisitions and disposals of businesses, net of cash acquired & disposed	2	(452)	611
Other long-term investments		(91)	(89)
Increase in long-term pension assets	20	(80)	(257)
Sub-total		**(623)**	**265**
TOTAL II - CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		**(1,987)**	**(1,048)**
Issuance of bonds	22	3,466	3,509
Repayment of bonds	22	(1,384)	(1,299)
Sale/(purchase) of treasury shares		(322)	(703)
Increase/(decrease) in other financial debt		(1,338)	939
OCEANEs issuance and repayment (equity component)		(66)	65
Increase/(decrease) of share capital	19	252	219
Transaction with non-controlling interests*	2	(183)	(4,702)
Dividends paid to Schneider Electric's shareholders	19	(1,963)	(1,767)
Dividends paid to non-controlling interests		(86)	(84)
TOTAL III - CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		**(1,624)**	**(3,823)**
TOTAL IV - NET FOREIGN EXCHANGE DIFFERENCE		**189**	**(240)**
TOTAL V - IMPACT OF RECLASSIFICATION OF ITEMS HELD FOR SALE		**-**	**(4)**
INCREASE/(DECREASE) IN NET CASH AND CASH EQUIVALENTS: I + II + III + IV + V		**2,158**	**792**
Net cash and cash equivalents, beginning of the year	18	4,654	3,863
Increase/(decrease) in cash and cash equivalents		2,158	792
NET CASH AND CASH EQUIVALENTS, END OF THE YEAR	**18**	**6,812**	**4,654**

The accompanying notes are an integral part of the consolidated financial statements.

**In 2023, transactions with non-controlling interests mainly related to the purchase of AVEVA's non-controlling interests.*

Operating Activities

Net cash from operating activities before changes in working capital requirement reached EUR 6,308 million for 2024, increasing compared to EUR 5,529 million for 2023. It represented 16.5% of revenues for 2024 (15.4% of revenues from 2023).

Change in working capital requirement consumed EUR 728 million in cash in 2024, compared to a generation of cash of EUR 378 million in 2023.

In all, net cash from operating activities decreased from EUR 5,907 million in 2023 to EUR 5,580 million in 2024.

Investing Activities

Net capital expenditure, which includes capitalized development projects, increased, at EUR 1,364 million for 2024, compared to EUR 1,313 million for 2023, and representing 3.6% of sales in 2024 compared to 3.7% in 2023.

Free cash-flow (cash from operating activities net of net capital expenditure) amounted to EUR 4,216 million in 2024 versus EUR 4,594 million in 2023.

Cash conversion rate (free cash-flow over net income attributable to the equity holders of the parent company on continuing operations) was 99% in 2024 versus 115% in 2023.

The acquisitions net of disposals represented a cash-out of EUR 452 million (net of acquired cash) for 2024, compared with a cash-in of EUR 611 million for 2023. Those amounts correspond mainly to the acquisitions and disposals described in Notes 2.1 and 2.2 of the Consolidated Financial Statements (Chapter 5).

Financing Activities

Net cash outflow from financing activities amounted to EUR 1,624 million during the year 2024, compared to cash outflow of EUR 3,823 million during the year 2023. The variance is mainly due to the purchase of AVEVA's non-controlling interests for EUR 4.7 billion partially offset by term loan drawdown for 1.7 billion in 2023, higher reimbursements of commercial papers in 2024 and OCEANEs 2026 repurchase in 2024.

The dividend paid by Schneider Electric was EUR 1,963 million in 2024, compared with EUR 1,767 million in 2023.

Review of the parent company financial statements

In 2024, Schneider Electric SE reported an operating gain of EUR 406 million compared with a gain of EUR 345 million the previous year.

Interest income net of interest expense amounted to EUR 111 million versus EUR 209 million the previous year.

Income from ordinary activities before tax stood at EUR 513 million in 2024 compared with an income of EUR 2,556 million in 2023. The variance is mainly explained by a decrease of EUR 2,000 million in dividends income from Schneider Electric Industries SAS that have not been distributed in 2024 and by an increase in financial expenses of EUR 150 million partially offset by a positive variation of interest income of EUR 46 million and by an increase in royalty revenues of the Schneider Electric brand of EUR 43 million.

The net income stood at EUR 545 million in 2024 compared with EUR 2,560 million in 2023.

Net equity amounted to EUR 7,273 million at December 31, 2024 compared with EUR 8,197 million at the previous year-end, after taking into account 2024 profit and dividend payments of EUR 1,963 million.

Expected trends in 2025

- Strong and dynamic market demand to drive growth, with contribution from all four end-markets
- Continued strong demand for Systems offers, led by the Energy Management business
- A demand recovery in Discrete automation, with sales growth weighted towards H2
- Further progress on subscription transition in Software; strong growth in Services
- All four regions to contribute to growth, led by U.S., India, Middle East & Africa
- Execute on previously communicated capacity investments to support growth
- Preparing for agile commercial actions to counter the impact of fast-evolving geopolitical developments and associated fiscal costs

2025 Target

The Group sets its 2025 financial target as follows:

2025 Adjusted EBITA growth of between +10% and +15% organic.

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

- Revenue growth of **+7% to +10% organic**
- Adjusted EBITA margin up **+50bps to +80bps organic**

This implies Adjusted EBITA margin of **around 19.2% to 19.5%** (including scope based on transactions completed to-date and FX based on current estimation).

2024-2027 Financial targets and longer-term ambitions as announced in 2023 Capital Markets Day

Based on its current view and assuming no major changes to the macro-economic and geopolitical environment, Schneider Electric announced its medium-term financial targets as follows:

2024-27 Financial Targets:

- Organic revenue growth of between +7% to +10%, CAGR 2023-2027[1]
- Organic expansion of Adjusted EBITA margin of around +50 basis points, CAGR 2023-2027[1]

Longer-term ambitions:

- Organic revenue growth of 5%+ on average across the economic cycle
- To consistently be a Company of 25[2] across the economic cycle
- Cash conversion ratio[3] expected to be around 100%, on average, across the economic cycle

[1] 4-year CAGR
[2] Sum of organic revenue growth % and adj. EBITA margin %
[3] Free Cash Flow as a proportion of Net Income (Group Share)