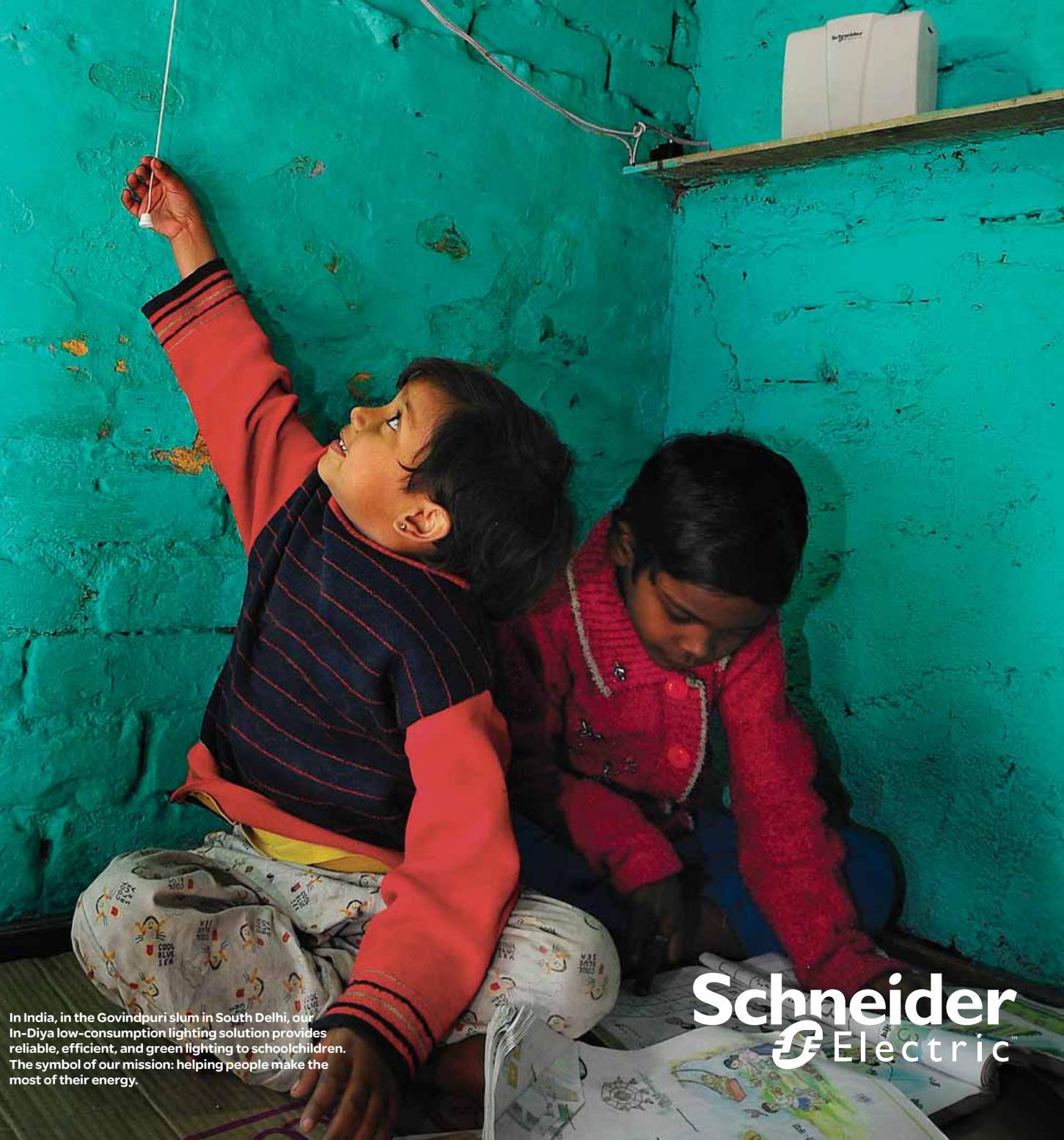
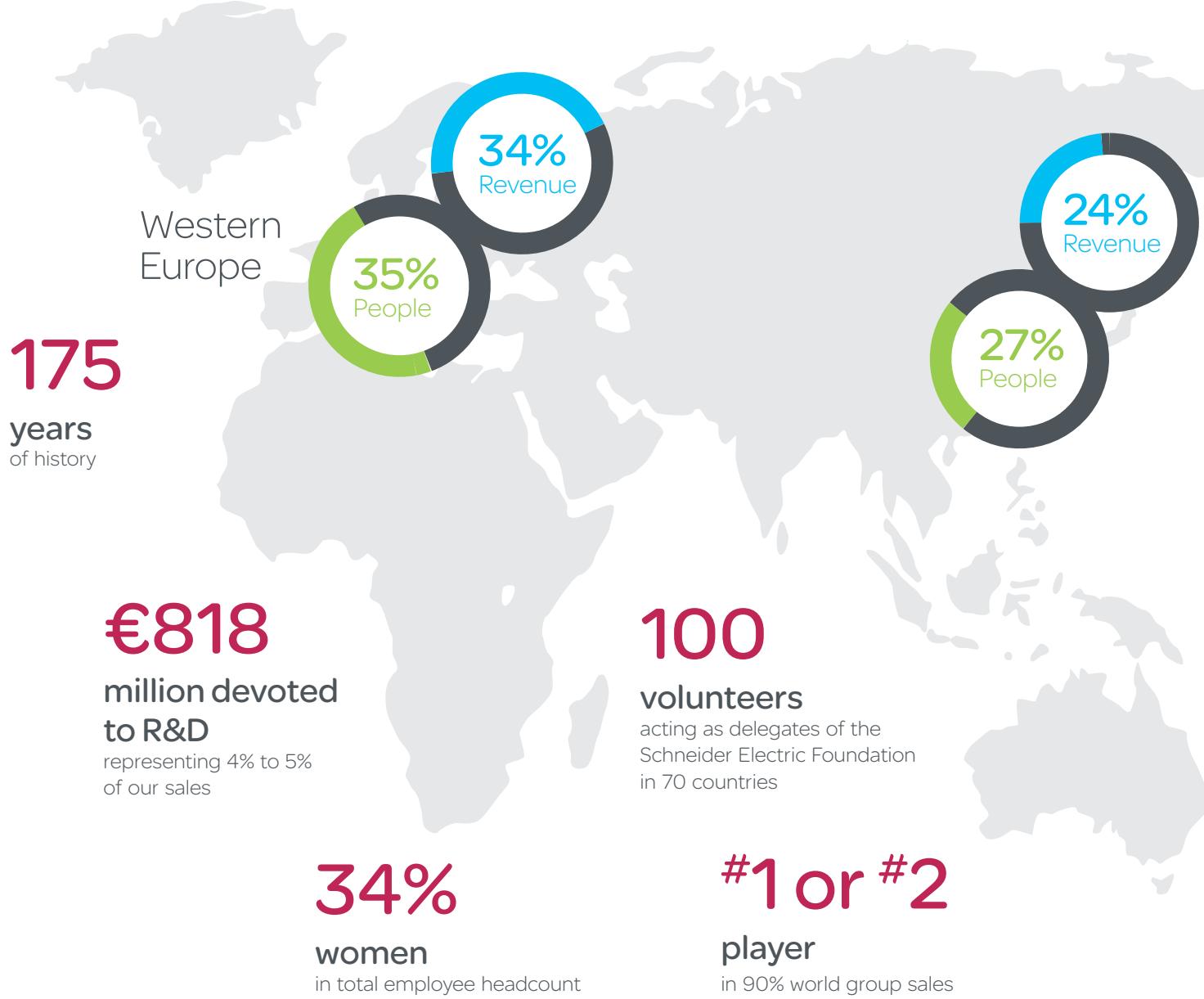


Strategy & Sustainable Development Report 2010-2011



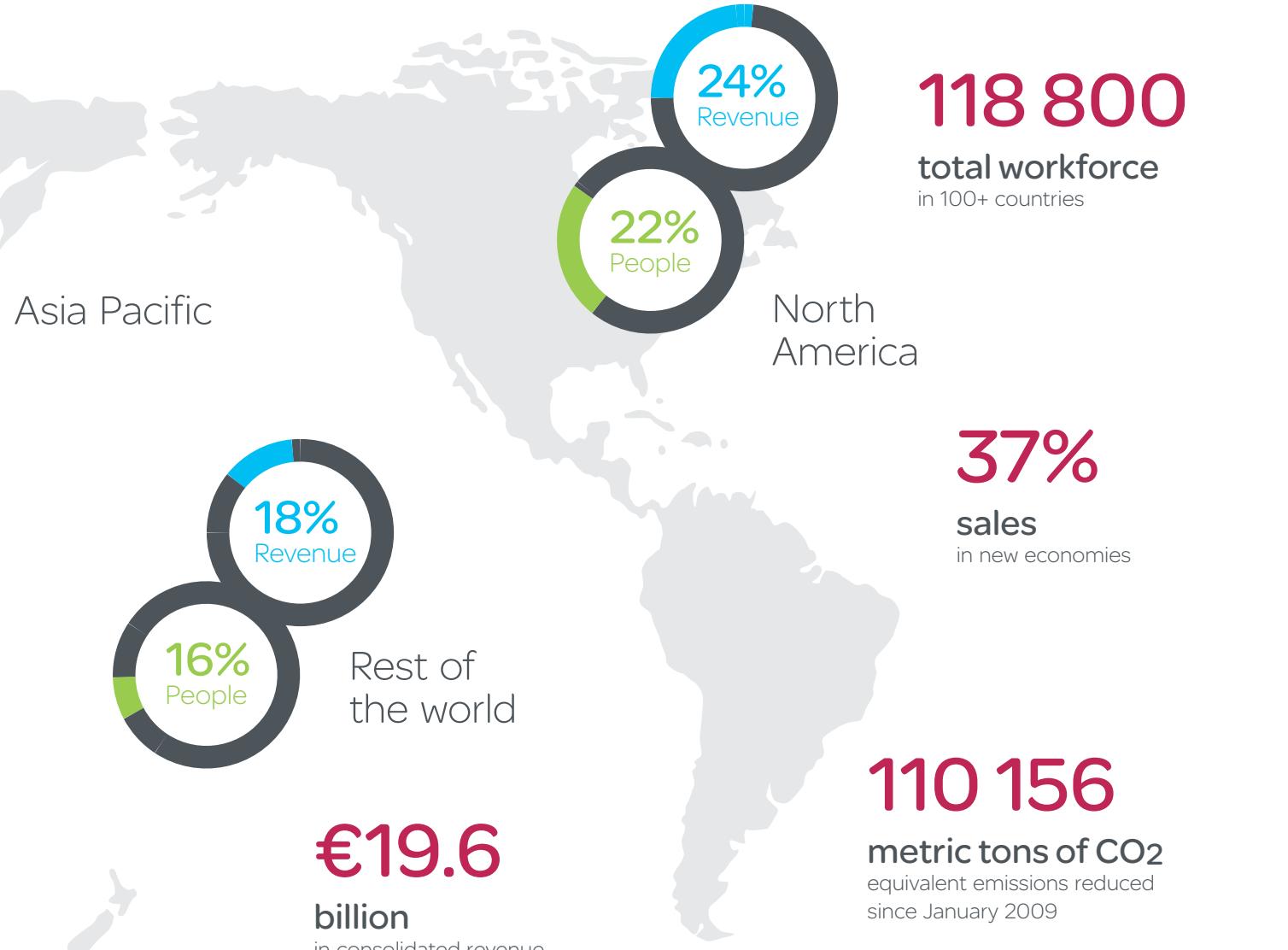
In India, in the Govindpuri slum in South Delhi, our In-Diya low-consumption lighting solution provides reliable, efficient, and green lighting to schoolchildren. The symbol of our mission: helping people make the most of their energy.

Schneider
 **Electric**™



Schneider Electric at a glance

As the global specialist in energy management™ with operations in more than 100 countries, Schneider Electric™ offers integrated solutions to make energy safe, reliable, efficient, productive, and green for its customers. The Group's 110 000+ employees achieved sales of more than €19.6 billion in 2010, through an active commitment to help individuals and organizations all over the world make the most of their energy.



Revenue breakdown by End-Market



| | |
|-----|----------------------------|
| 20% | Utilities & Infrastructure |
| 24% | Industrial & Machines |
| 17% | Data Centres & Networks |
| 30% | Non-Residential Buildings |
| 9% | Residential |

Revenue breakdown by Business



| | |
|-------------------------------|-----|
| Power | 53% |
| AREVA Distribution | 6% |
| Industry | 18% |
| IT | 14% |
| Buildings | 7% |
| Custom Sensors & Technologies | 2% |

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(GRI: 3.12)

Front cover GRI: 2.1 / Back cover GRI: 2.4

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About this document

This report gives our stakeholders an overview of the achievements and goals of Schneider Electric as they relate to our business strategies and commitment to sustainable development. It is based on concrete and measurable facts wherever possible. The report relies on two international frameworks for corporate social responsibility (CSR) reporting: the Global Reporting Initiative (GRI) and the United Nations Global Compact.

Global Reporting Initiative Indicators

Global Reporting Initiative (GRI) indicators have been used throughout this report (reported fully or partially) and are shown for each section in the table of contents. The GRI provides guidance for organizations to disclose their sustainability performance. Its guidelines facilitate transparency and accountability, and provide stakeholders a universally applicable framework from which to understand disclosed information.

Scan this QR code

Look for QR codes throughout this document and scan them with your smart phone or webcam for direct links to web content. QR code readers can be downloaded FREE on the web!



Schneider Electric is committed to

The UN Global Compact

The UN Global Compact brings companies and non-governmental organizations together under the aegis of the United Nations to 'unite the power of market with the authority of universal ideals'. Schneider Electric joined the UN Global Compact in December 2002 and has primarily worked to share this commitment with its partners since 2003.

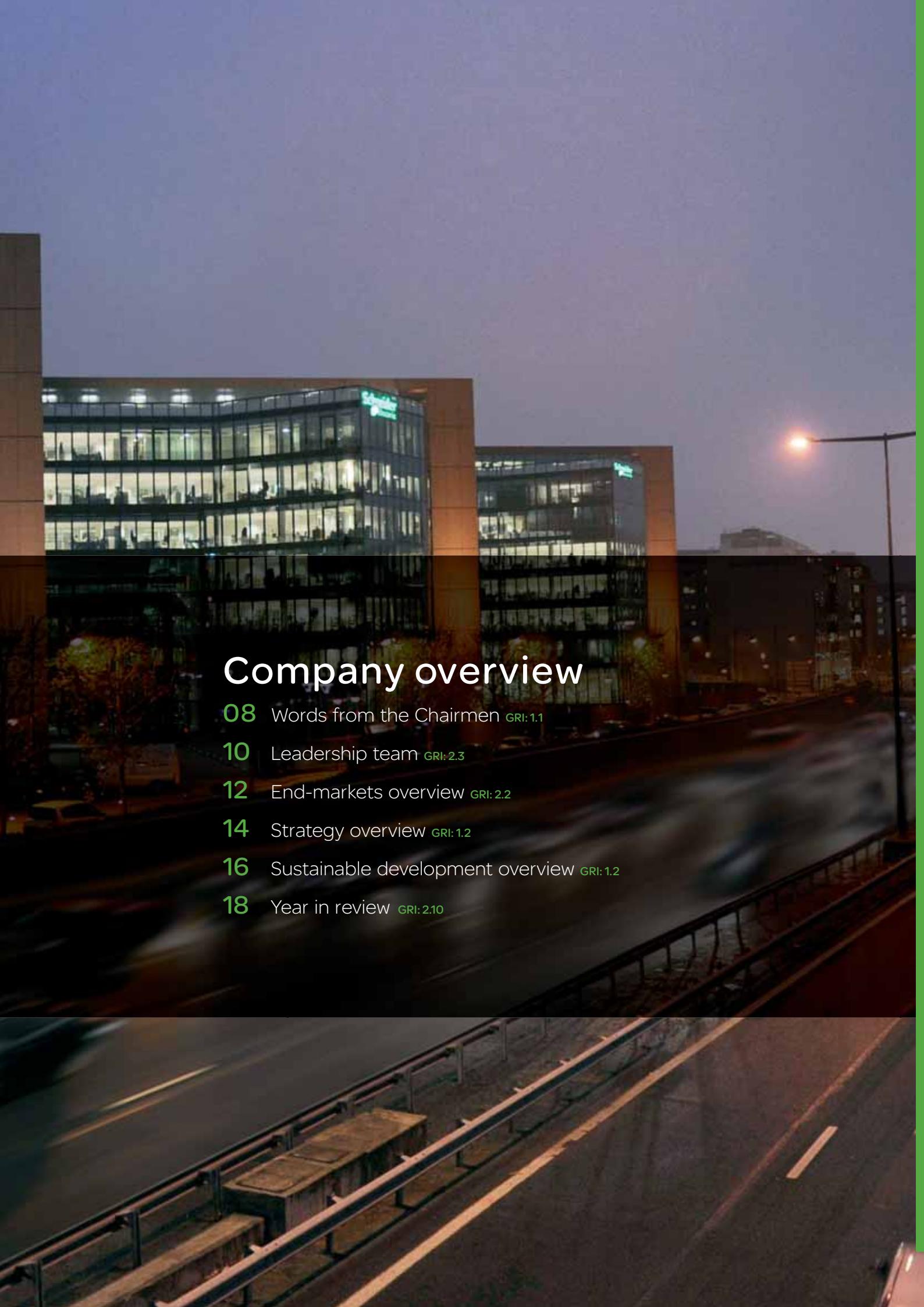


| The Ten Principles | Our Actions | Page |
|--|--|----------------------------------|
| Human Rights | | |
| Principle 1 | | |
| Businesses should support and respect the protection of internationally proclaimed human rights. | • Our Principles of Responsibility and Responsibility & Ethical Dynamics programme | Page: 65 |
| Principle 2 | | |
| Businesses should make sure they are not complicit in human rights abuses. | • Our Principles of Responsibility and Responsibility & Ethical Dynamics programme | Page: 65 |
| Labour | | |
| Principle 3 | | |
| Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. | • Our Principles of Responsibility and Responsibility & Ethical Dynamics programme | Page: 65 |
| Principle 4 | | |
| Businesses should uphold the elimination of all forms of forced and compulsory labour. | • Our Principles of Responsibility and Responsibility & Ethical Dynamics programme | Page: 65 |
| Principle 5 | | |
| Businesses should uphold the effective abolition of child labour. | • Our Principles of Responsibility and Responsibility & Ethical Dynamics programme | Page: 65 |
| Principle 6 | | |
| Businesses should uphold the elimination of discrimination in respect of employment and occupation. | • Our Principles of Responsibility and Responsibility & Ethical Dynamics programme • Our values | Page: 65, 53 |
| Environment | | |
| Principle 7 | | |
| Businesses should support a precautionary approach to environmental challenges. | • Development of integrated energy management solutions • Adherence to the WBCSD and other green business associations | Page: 21-35, 36-43, 44-49, 65 |
| Principle 8 | | |
| Businesses should undertake initiatives to promote greater environmental responsibility. | • BipBop Programme • Solar Decathlon • Energy University™ | Page: 23, 27, 33, 35, 42, 55, 60 |
| Principle 9 | | |
| Businesses should encourage the development and diffusion of environmentally friendly technologies. | • Development and deployment of energy efficiency, renewables, electric vehicles, and intelligent energy management solutions • BipBop programme • Eco-design and eco-production | Page: 21-35, 44-49 |
| Anti-Corruption | | |
| Principle 10 | | |
| Businesses should work against corruption in all its forms, including extortion and bribery. | • Our Principles of Responsibility and Responsibility & Ethical Dynamics programme | Page: 65 |



The global specialist in energy management

Schneider Electric's vision is of a world where we can all achieve more while using less of our common planet. Our mission is to help people make the most of their energy.



Company overview

- 08** Words from the Chairmen GRI: 1.1
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- 14** Strategy overview GRI: 1.2
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- 18** Year in review GRI: 2.10



Words from the Chairmen*

Jean-Pascal Tricoire

President and CEO, Schneider Electric



Read the full
interview online
schneider-electric.com/chairmen

2010 has been a turning point for Schneider Electric. All its businesses and regions renewed with growth.

Including AREVA Distribution on a full year, the pro forma sales exceeded €20 billion for the first time.

New growth drivers

The world's centre of gravity has shifted. In 2010, China became the world's second largest economy. There is a growing concern in the new economies, especially in Asia-Pacific, of the need to reconcile economic development and preservation of the environment. This is why we have made the development of our business in these countries a key focus of our strategy.

Another growth driver is the rapid transformation of Schneider Electric. We are offering our customers the most integrated solutions in our markets, solutions that provide safety, reliability, efficiency, remote control, and reduced CO₂ emissions. Today, all over

the world, we are offering our customers energy-efficient solutions.

Our portfolio also responds to the change of the conventional grid. We have designed our portfolio and developed our skills in order to become a major architect of the new intelligent network, the Smart Grid.

Strategic acquisitions

2010 was also a year of strong external growth. We have made acquisitions that were critical for the development of our presence in the new economies and for our strategy in the solution business. AREVA Distribution remains the most significant acquisition of 2010.

Our solid balance sheet and our strong cash generation put us in a good position to seize new opportunities and to accelerate our strategic deployment.

*Verbatim from Schneider Electric 2010 Annual Report messages

'Our businesses are facing a number of global challenges. In order to respond to the growing world population and the development of emerging countries, we must start by saving the increasingly rare and expensive energy, and therefore propose solutions that allow all of us to do more while using less. We must also provide the underprivileged population, in other words the 1.4 billion people who today have no electricity, the access to energy and the benefits that come with it'.

A significant improvement in profitability

The strategy pursued since 2009 under the One company programme largely contributed to the strong growth in 2010, as well as the clear improvement of our margins. By simplifying our organisation, we have gained in efficiency, reduced costs, and improved our competitive position structurally. Therefore, the strong rebound of our business in 2010 was immediately translated into our results.

A commitment on all fronts to sustainable development

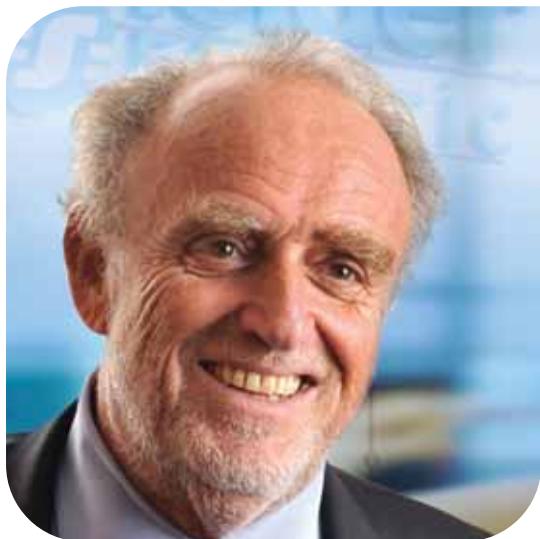
Sustainable development is a conviction, a commitment at all levels of the company and in all its dimensions, from an ethical, social, environmental, or corporate perspective. This is also an important growth driver for Schneider Electric which has

decided since long ago to pursue a proactive, innovative, and concrete policy, whose efficiency is measured regularly.

The continuous growth dynamic

We enter 2011 with a solid momentum. The development of new zones of the planet is continuing, creating more needs for electrification, infrastructures, and industrialization that are fundamentally positive for our company. Finally, the Smart Grid is becoming more and more critical and it will bring profound changes to our industry.

We owe our performance to our employees in the past year. It is our priority to continue to invest in their skills and their ideas, so as to give them the means to develop our common project.



Henri Lachmann

Chairman of the Supervisory Board

'In this message, I would like to focus on the new composition of the Supervisory Board and, above all, on the progress of our governance.

In terms of governance, the Board defends and promotes a vision of a company where all stakeholders find their place; where none are favored, and economic and financial performance are not exclusively focused on. For this reason, the Management Board has chosen not to measure the teams' performance only in terms of financial criteria, but also in terms of other criteria such as customer and employee satisfaction and corporate social responsibility.

The Supervisory Board reiterates its confidence in the growth of the markets in which Schneider Electric operates, in the strategies that have been decided on and, above all, in the teams that are responsible for their implementation'.

Leadership team (as of 16 February 2011)

Leading with vision and passion



Philippe Delorme

Executive Vice President,
Strategy & Innovation

Joined Schneider Electric
in 1996. Held various R&D
and business management
positions in France and USA.
Leads Strategy & Innovation
division. Member of the
Executive Committee since
July 2009.

Hal Grant

Executive Vice President,
Global Supply Chain

Joined Schneider Electric
in 1985. Member of the
Executive Committee since
2004 and based in Shanghai
since 2010.

Christian Wiest

Executive Vice President,
Customers & Alliances

Joined the company in
1975. Held many leadership
positions in different
geographies. Member of the
Executive Committee since
2000, and in his current
position since 2009.

Jean-Pascal Tricoire

President & CEO*

25 years in the company.
Worked in operations in
Italy, China, South Africa,
and USA. Took helm of new
economies in 2001. Became
COO in 2003 and President
& CEO in May 2006.

Hervé Coureil

Chief Information Officer

Held various positions in
Schneider Electric worldwide
as CFO in operations and
businesses over the past 18
years. CIO since 2008.

Aaron Davis

Chief Marketing Officer

Led various global sales,
marketing, and marketing
communications groups
within APC for 18 years before
joining the Schneider Electric
Executive Committee after
the acquisition of APC™.

Emmanuel Babeau

Executive Vice President, Finance*

Joined the company in 2009
after 16 years in Pernod Ricard
wines and spirits group,
where he held various senior
management positions.



Learn more about the
vision and expertise
that our leaders bring
to their roles
schneider-electric.com/management

5

nationalities
represented in our
leadership team

50

average age of
leadership team
members

Our management team brings deep experience and a collective commitment to maintaining and strengthening Schneider Electric's position as one of the world's pre-eminent energy companies.



Michel Crochon

Executive Vice President,
Energy Business

In the company since 1975. Became EVP Energy business in July 2010 after managing the Industry/automation business for four years.

Laurent Vernerey

Executive Vice President,
IT Business

In the company for 26 years. Responsibilities have included information systems, distribution, administration, sales, manufacturing, and more. President & CEO of APC (IT Business) since 2007.

Eric Rondolat

Executive Vice President,
Power Asia-Pacific

Joined the company in 1990. Has lived in Australia, Singapore, Argentina, France, and China. Became EVP of the Power business in 2006 and of Asia-Pacific in 2009.

Clemens Blum

Executive Vice President,
Industry Business

Joined through an acquisition in 2000, where he specialized in automation. Formerly in charge of the operations in Germany and Switzerland. In his current role since July 2010.

Karen Ferguson

Executive Vice President,
Global Human Resources

Held various human resources roles at the country and regional level since 1995 before becoming EVP Global HR in 2007.

Chris Curtis

Executive Vice President,
Power North America and
Buildings Business

Joined the company through Square D™ in 1993. Held numerous leadership positions in North America. Headed Schneider Electric USA prior to his current position.

Eric Pilaud

Executive Vice President,
Custom Sensors and
Technologies‡

Joined Schneider Electric in 1986. Successively in charge of e-business, services, innovation, and strategy until he became head of CST business in 2009.

Julio Rodriguez

Executive Vice President,
Power Global and EMEA†

Began his career with Schneider Electric in Spain in 1984. Ran Belgium country, Iberian zone, and International operating division. Has directed the EMEAS region since 2007 and Power business since 2010.

* Management Board

† President & CEO, Custom Sensors & Technologies Inc.

‡ Europe, Middle East, Africa, South America

End-markets overview

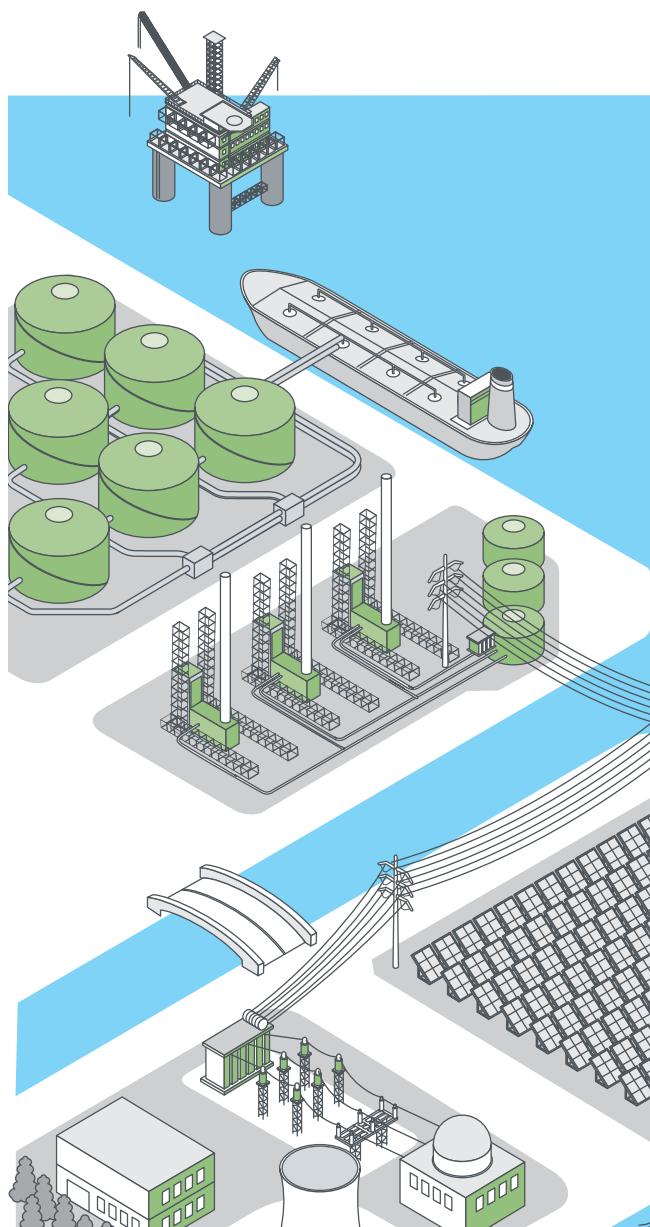
Providing integrated energy management solutions across all our markets

Utilities & Infrastructure

Key market segments addressed:

- Electrical Utilities
- Oil & Gas
- Marine

20% of sales

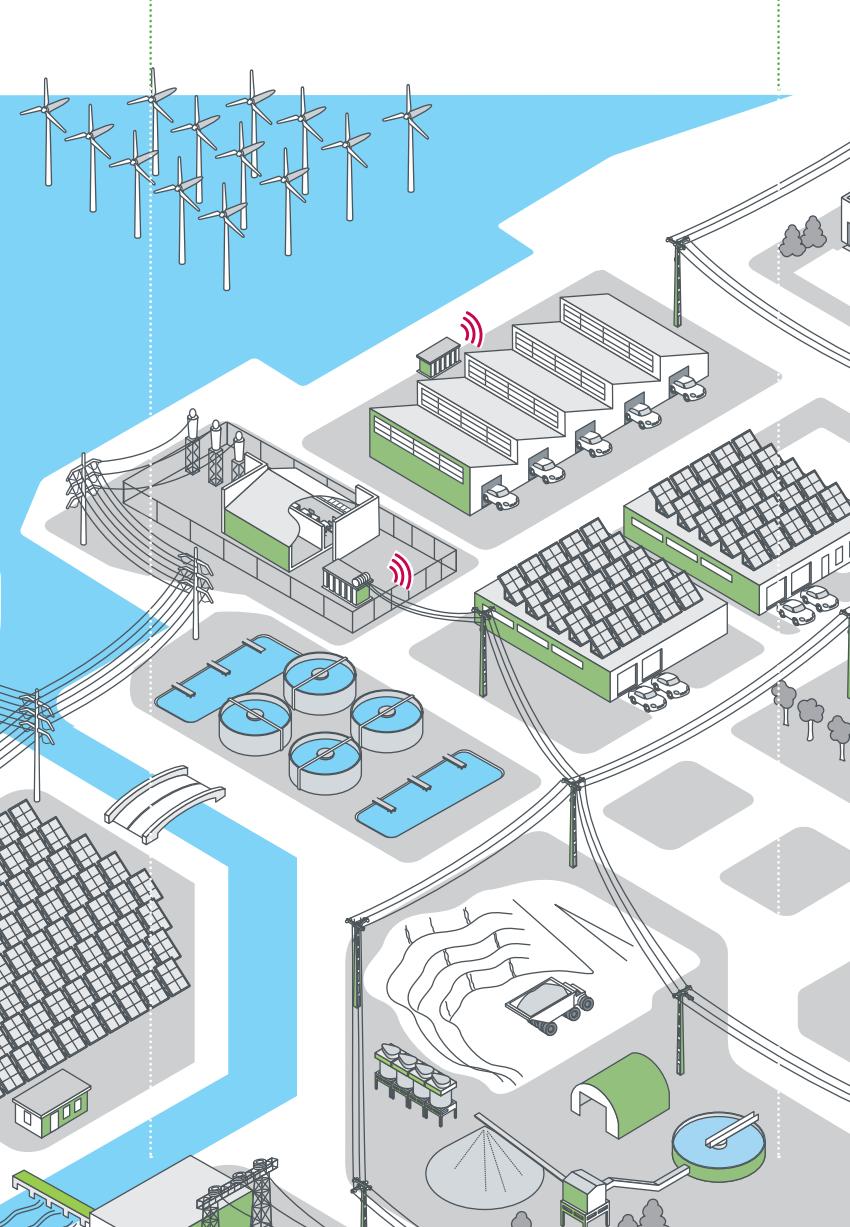


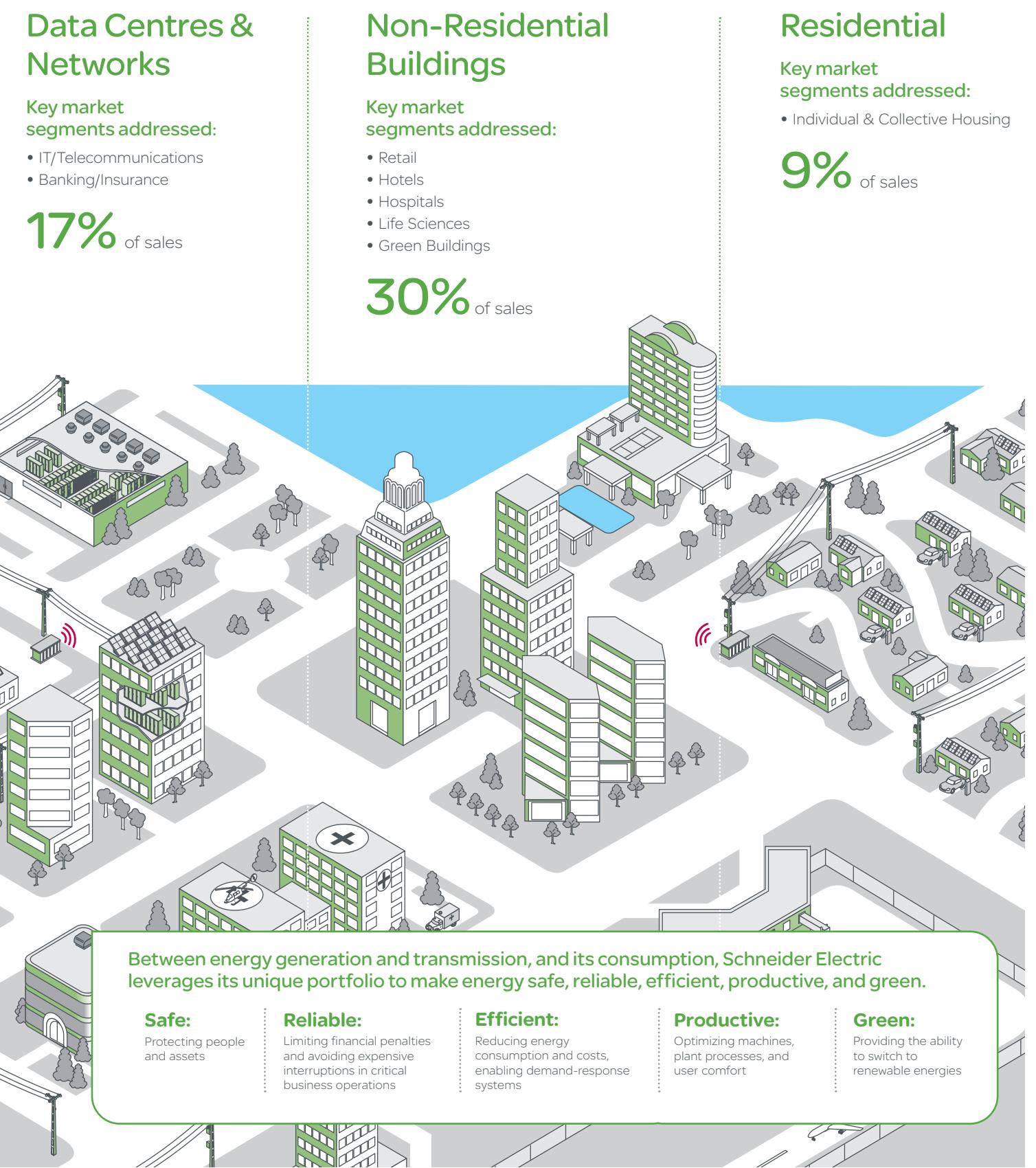
Industrial & Machines

Key market segments addressed:

- Original Equipment Manufacturer/ Machine Builders
- Mining, Minerals, & Metals
- Water

24% of sales





Strategy overview

Focused on the world's energy needs



Learn more about
our energy
challenges online
schneider-electric.com/strategy

The Energy Challenge

Our planet faces an unprecedented energy challenge. By 2050, energy demand will double in order to keep pace with demographical, economical, and industrial growth throughout the world. Within this same timeline, we should halve carbon gas emissions to avoid the dramatic consequences of climate change. We are all involved: citizens, businesses, public authorities... We must all act together to find and implement solutions to rise to this challenge.

For Schneider Electric, there are three key solutions to achieve this.

Solution #1 = Energy efficiency

Energy efficiency, which can be summarized as using less energy while maintaining the same level of performance, is nowadays universally accepted as the quickest, most economic, and most efficient method for reducing CO₂ emissions and slowing down increasing energy demands. Whether it be the G20, Cancun UN Climate Change Conference, or the World Economic Forum, whether in Brussels, Washington, Delhi, or Beijing, governments and businesses share the same opinion. Products, systems, and services that currently exist can improve the energy efficiency of our houses, buildings, and industrial sites - and other solutions are being developed for the future.

Solution #2 = Smart Grid

The electrical network faces many constraints: energy demand continuously increases, infrastructures are ageing or lack capacity, installations must become more environmentally friendly, renewable energy sources are expanding but remain intermittent and scattered... Therefore, the network must evolve into a high-performance electrical infrastructure combined with an intelligent IT infrastructure. This is the intelligent network or 'Smart Grid' that will continue to ensure the balance between energy production and consumption in a more complex environment. On the demand side, both citizens and businesses are becoming more energy efficient; on the supply side, utilities (transmission and distribution) are developing automation and control systems; and between the two, new 'demand-response' mechanisms are being implemented for capacity aggregation and peak shaving, optimization of renewable energy sources, financial rewards for changing usage habits, etc.

Solution #3 = A global approach

If the energy challenge concerns us all, the immediate stakes vary between countries and regions: rapid urbanization, demographic growth, industrial development, energy security, pollution, expansion of distribution networks, or maintenance of ageing electrical lines... Schneider Electric is present industrially and commercially, throughout the world, to support the rapid development of the new economies and, while continuing to invest in mature markets, where the company draws its expertise.

Schneider Electric's Response

① The One Programme > Transforming our company to meet new market dynamics

With favorable long-term market trends at work in our business environment, we are pursuing the strategic transformation of our company to put us in the best position to succeed. The catalyst for this transformation is our One company programme. The One programme maintains customer satisfaction and staff development as key strategies. It also puts forward strategic initiatives for reinforcing the leadership of Schneider Electric in the marketplace:

One solution provider

- Schneider Electric is accelerating its drive to address the needs of end-users for customized solutions with strong energy efficiency benefits

One leader in new economies

- Schneider Electric aims to further boost its global footprint by reinforcing its presence in new economies and thereby driving long-term growth and cost competitiveness

One global company

- Schneider Electric is simplifying its support functions and making it easier for customers to do business with us



Philippe Delorme

Executive Vice President, Strategy & Innovation, Schneider Electric

'Our profitable and sustainable growth strategy combines customer-valued products and solutions, mature and new economies, organic and external development - while making our people grow too'.

Our commitment to sustainable development

A dynamic and practical approach

Sustainable development is part of Schneider Electric's DNA. We want to be responsible in everything we do. That means bringing solutions to market that help reduce energy waste while preserving the environment and biodiversity. It means having honest and positive interactions at all times – with our employees, our customers, our shareholders, and people in the communities where we live and work. It also means working to make energy – and the brighter future that comes with it – accessible to everyone.



An energy management company focused on empowerment

Schneider Electric has identified two major energy challenges as landmark growth and innovation opportunities:

- Helping people to optimize their energy consumption and providing environmentally friendly products
[To learn more, see pages 23 to 35](#)
- Fighting energy poverty by proposing solutions to develop access to energy and the development that it makes possible for the people who need it most
[To learn more, see pages 39 to 43](#)



A responsible employer and corporate citizen

Schneider Electric embraces a culture of responsibility in its relationship with both its people and society at large. We are committed to ongoing dialogue and concrete actions to:

- Limit the impact of our activity on the environment
[To learn more, see pages 47 to 49](#)
- Enhance the well-being of our people
[To learn more, see pages 53 to 55](#)
- Support the economic and social development of the communities where we operate
[To learn more, see pages 59 to 61](#)
- Defend a responsible and ethical way of doing business
[To learn more, see pages 65 to 67](#)



Gilles Vermot Desroches

Senior Vice President, Sustainable Development, Schneider Electric

'Sustainable development plays a key role in the understanding of our planet and society and, thus, in the deep transformation of corporations. Today at Schneider Electric, sustainability is fully integrated in our DNA. Over the years, our policy has delivered results confirming that a true responsible commitment has a real impact on efficiency, and demonstrates that a growth model respecting the planet and its inhabitants is possible'.



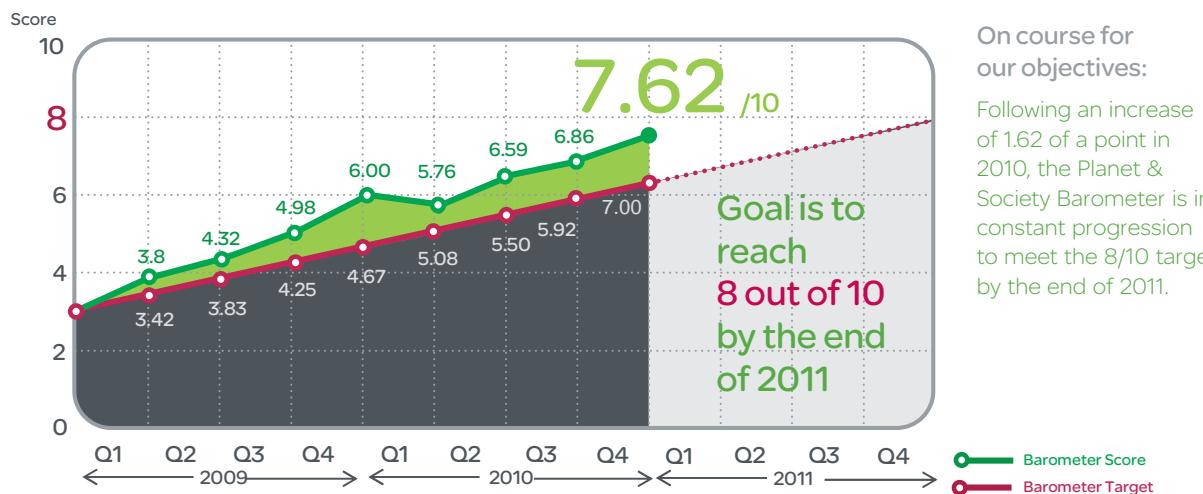
A visible and ongoing measure

The Planet & Society Barometer

The Planet & Society Barometer is our sustainable development scorecard. Made up of progress plans that allow us to measure responsible corporate performance, it is designed to:

- Bring the corporate community together around sustainable development objectives
- Transparently communicate the Group's improvement plans with stakeholders

Our performance through 2010



Performance highlights

Reduction of CO₂ emissions:

110 000+ tons of CO₂ equivalent saved since the beginning of 2009, including almost 70 000 tons for 2010 alone, exceeding the 30 000 tons annual target.

Sustainable offer:

Compared with early 2010, our Green Premium products' revenue share has been multiplied by 10.

Health and safety:

We decreased the frequency rate of occupational accidents by 44% in the last two years, versus a 10% annual decrease target throughout the programme.

Energy efficiency growth:

The growth of our energy efficiency activities exceeded the Group's organic growth by 8.3 points in 2010, above the +7 points annual target.



Read our latest Planet & Society Barometer Newsletter
schneider-electric.com/barometer

Look for these symbols

throughout the report to see how we are measuring up on our 13 Planet & Society Barometer initiatives.

Improved and Above Target in 2010



Objective: Improved and Above Target in 2010

7 points above the Group's organic growth gained every year by our energy efficiency activities



Improved but Below Target in 2010



Objective: Improved but Below Target in 2010

60% of our purchases are from suppliers who support the Global Compact



Same and Below Target in 2010



Objective: Same and Below Target in 2010

10 countries set up a recovery process for SF₆ gases



Worsened and Below Target in 2010



Objective: Worsened and Below Target in 2010

Four major ethical stock indexes select Schneider Electric



Year in review

A glimpse at our important events



Awards and recognition

Motivating us further

We are passionate about the work we do and thankful for the recognition we have received, which only adds to our motivation. Highlighted below is a selection of recent accolades that Schneider Electric has earned.

Planet

Schneider Electric
Portfolio 21's Top 'Green' Companies for 2011
 Portfolio 21

Schneider Electric and Middelfart Municipality
 Climate Cup Partnership
Award for ESCO (Energy Services Company)
 World Climate Solutions Conference

Schneider Electric Hong Kong
Merit Green Enterprise 1st Capital Entrepreneur
 Green Enterprise Awards 2010

APC by Schneider Electric
Top IT-Green IT Best Enterprise 2009 Honorary
Prize for Environmentally Friendly Practices
 IT/USERS Magazine

Profit

Schneider Electric
World's Most Admired Company Ranked 10th
 Fortune Magazine 2011, Electronics Industry

Schneider Electric Malaysia
2009 International Business Review Corporate Award for Excellence in the Green Technology Sector
 International Business Review Awards for Excellence

Schneider Electric
CSR award
 Boursoscan

APC by Schneider Electric
Best Channel Relationship
 Channel Awards 2009

APC by Schneider Electric
Best Energy System UPS for Home
 PC World

Schneider Electric In-Diya LED-Based Lighting System
Citizenship Innovation Award
 French Innovation Observatory

People

Schneider Electric North America
2011 Green Cross for Safety Medal
 National Safety Council

Schneider Electric
Top 20 Multinational Corporates in China
 China Enterprise News and the China CSR Research Center

Schneider Electric France
Trophée Employeur Privée APF (for our employment of handicapped people)
 Association des Paralysés de France

Schneider Electric China
Best Customer Care Center
 China's Best Customer Service Awards 2009-2010

Schneider Electric
2010 Special Prize for Communication to Employee Shareholders
 French Federation of Employee Share Owners

Schneider Electric China
100 Best Human Resource Management Companies
 51job, Inc.

Addressing the challenges of energy and climate change

The world is changing faster than ever, with energy demand expected to double by 2050. To achieve a new era of energy management, every facility must be more efficient, the grid must get smarter, and the rapid growth of new economies must be as green as possible. Schneider Electric intends to find intelligent solutions to help everyone do more with less, today and in the future.

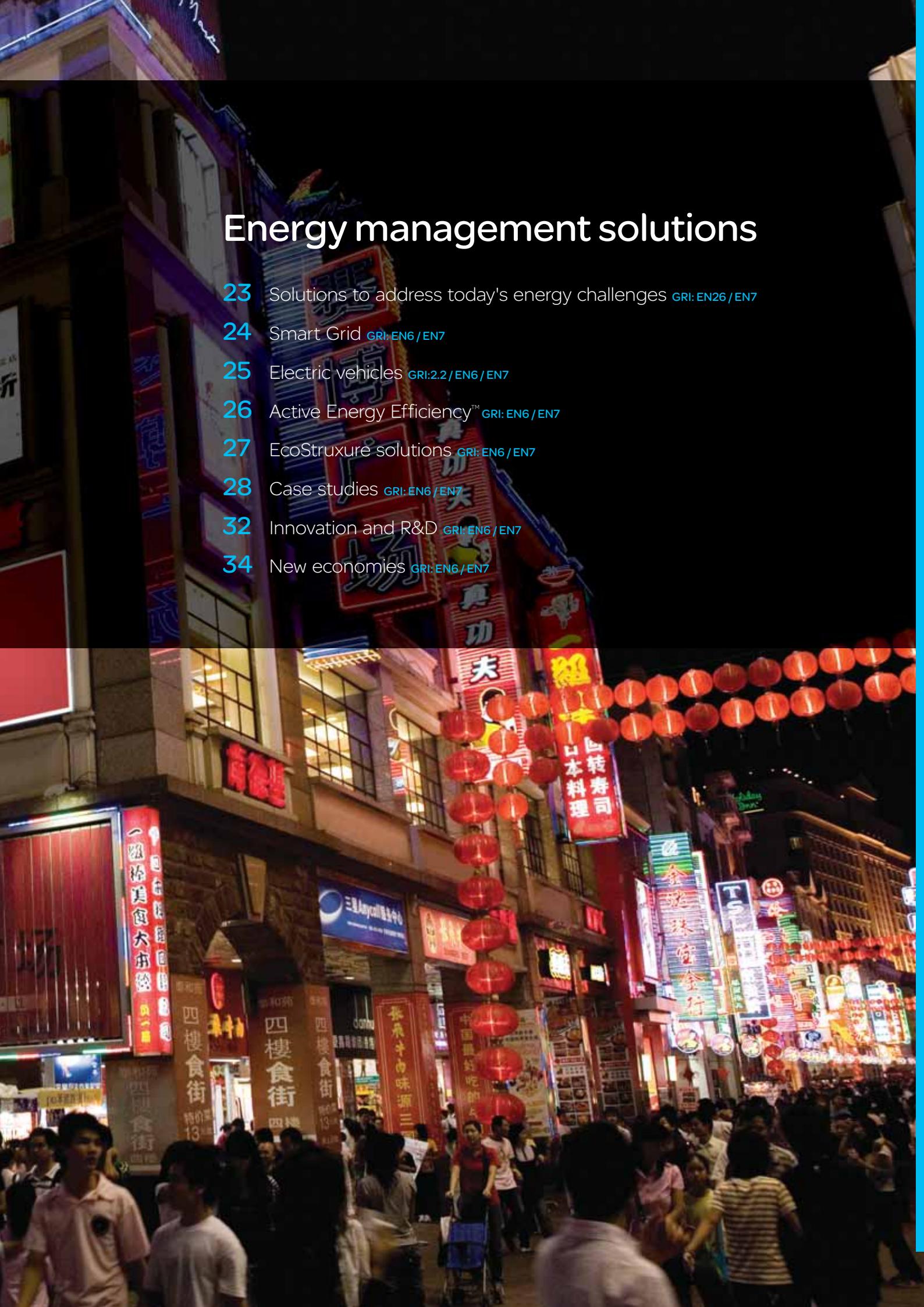


Guangzhou, China

Cities require energy to maintain their infrastructure, provide transportation, facilitate commerce, and light, heat, and cool buildings.

Energy management solutions

- 23** Solutions to address today's energy challenges [GRI: EN26 / EN7](#)
- 24** Smart Grid [GRI: EN6 / EN7](#)
- 25** Electric vehicles [GRI: 2.2 / EN6 / EN7](#)
- 26** Active Energy Efficiency™ [GRI: EN6 / EN7](#)
- 27** EcoStruxure solutions [GRI: EN6 / EN7](#)
- 28** Case studies [GRI: EN6 / EN7](#)
- 32** Innovation and R&D [GRI: EN6 / EN7](#)
- 34** New economies [GRI: EN6 / EN7](#)



How do you ensure the right amount of energy gets to the right user at the right time?

As energy demand escalates all over the world, we need to make the grid greener and smarter - with more renewable energy sources and intelligence across the whole electricity network. We also need to make energy more efficient - and we can do so, today. The war on waste - a focus on 'negawatts' or watts not used - is on.

50%

of world's CO₂ emissions reduction will come from end-use efficiency by 2035*

30%+

share of renewables in the global energy mix (including hydro) in 2035**

93%

contribution of non-OECD (Organisation for Economic Co-operation and Development) countries to the projected increase of global energy demand by 2035**

*Source: International Energy Agency - Jakarta presentation - November 2010

** Source: OECD-IEA - World Energy Outlook 2010 Factsheet - New Policies Scenario

Solutions to address today's energy challenges

Achieving more while using less



GreenSource Cincinnati (USA) is a resource centre for the green building community and a showcase of green building technology itself, with more than 50 partners displaying green products 'in action', including Schneider Electric.

Doing more with less is a familiar mantra around the world today, especially when it concerns energy use. People are looking for meaningful ways to permanently reduce energy consumption and boost performance for the sake of both the environment and their own pocketbook. And with good reason. Energy demand is expected to double by 2050. Global and national bodies are implementing stringent regulations around CO₂ emission reductions, which are mostly achievable through energy efficiency. At the same time, environmental and sustainability challenges are transforming the energy industry from a top-down grid to an intelligent, interactive grid. The Smart Grid will change our behaviours and revolutionize the energy value chain just as the Internet revolutionized information technology in the '90s.

As the only global company that combines expertise in information technology and energy management, Schneider Electric is uniquely positioned to address today's energy challenges. We are Smart Grid-ready and in position to help our customers all across the electricity network take part in a new era of effective energy management.

'The use of intelligent digital technology to optimize the performance of energy management systems offers the single biggest opportunity today to improve energy efficiency and reduce operating costs, while also making a significant cut in overall carbon emissions.'

— Frost & Sullivan, The Key to Cost-Effective and Sustainable Buildings: Intelligent Energy

Planet & Society Barometer

Objective: Improved and Above Target in 2010

7 points above the Group's organic growth gained every year by our energy efficiency activities



Objective: Same and Below Target in 2010

10 countries set up a recovery process for SF₆ gas



Smart Grid

Responding to the energy revolution with vision



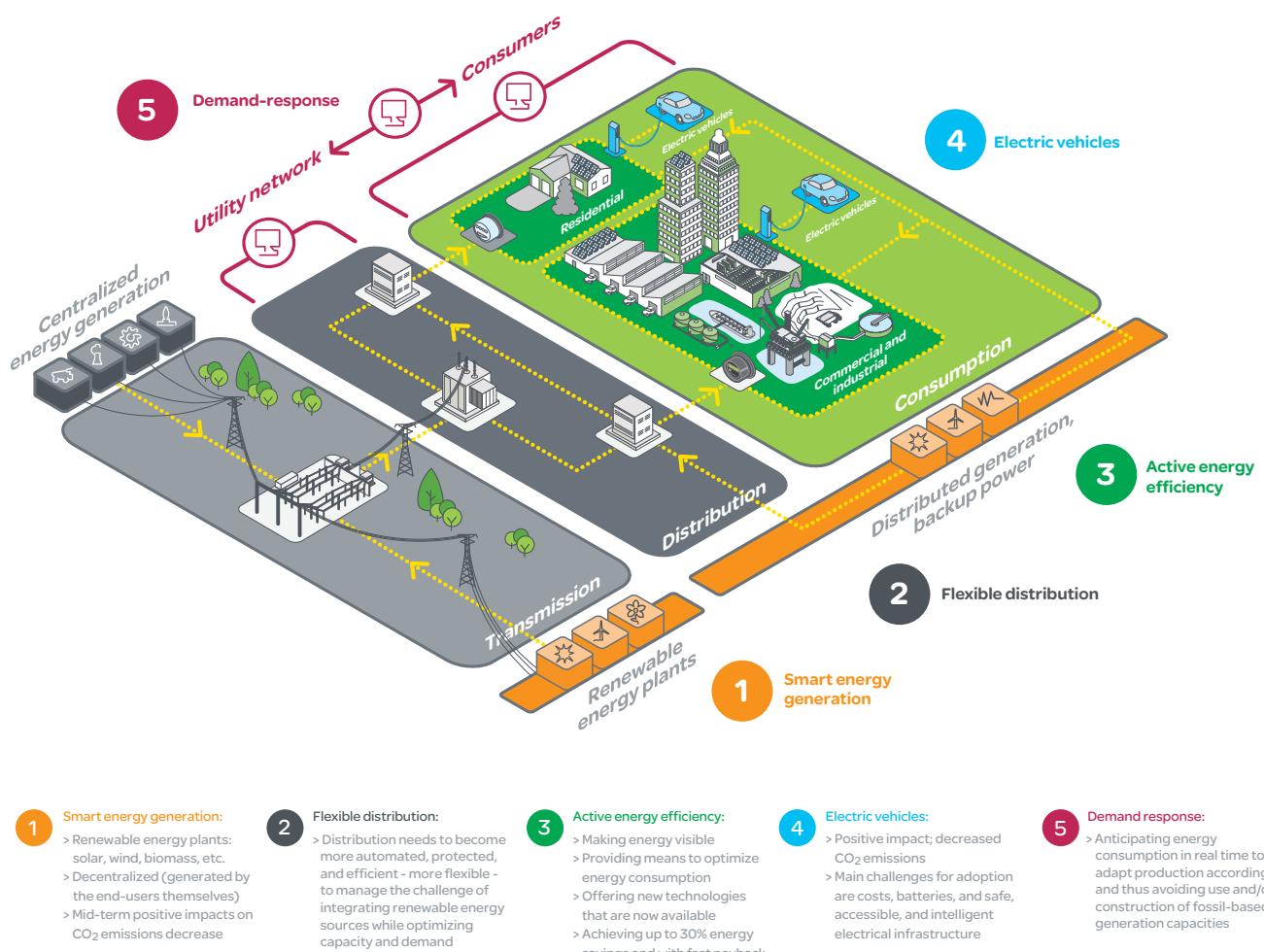
Read more about how our customers are managing energy intelligently

schneider-electric.com/smartergrid

The world's traditional electrical network – simple and linear, with centralized energy production and passive consumption – is undergoing a transformation to a much more complex, interconnected, and interactive model: the Smart Grid. However, for this network to become intelligent, users will require connectivity, simplicity, and security. They will also need access to a reliable and safe energy source that guarantees optimal operation of their installations, infrastructures, and equipment.

Schneider Electric has the foresight, the offers, and the willpower necessary to be a major player within this energy revolution, as we enter a new era of intelligent energy management:

- With **renewable energy**, consumers can produce their own energy and access a 'greener' energy mix
- **Flexible distribution** enables a more responsive and stable electrical network
- **Active energy efficiency** and energy management make energy visible and allow individuals to act on their consumption
- **Electric vehicles** are revolutionizing the perception of mobility and, at the same time, access to energy, its use, and storage
- **Real-time grid management** enables anticipation of consumption and adaptation of the offer



Leading the charge in electric vehicles

Schneider Electric believes that the key success factor for the widespread adoption of electric vehicles (EVs) is allowing users to access the energy to recharge their vehicles at all times and in all places. That means having charging stations in homes, offices, car parks, shopping centres, and other public places. As a founding member of EV Plug Alliance, we are advocating for charging infrastructure standards that will guarantee the safety of users, homes, cars, and electricity networks while facilitating mobility.



Schneider Electric presented its solutions for electric vehicle charging stations at the International Motor Show 2010 held in Paris in October.

39%

Plug-in hybrids & electric vehicles world sales* share by 2035

*light duty sales
Source: International Energy Agency - Jakarta presentation - November 2010

135

Schneider Electric intelligent EV chargers in Strasbourg, France

We are already making a difference in the transportation transformation:

- In 2010, we delivered six universal charging spots for EVs to TOTAL Belgium's Plug to Drive network. The charging spots meet the specifications of every EV type – standard to fast charging – and make EV charging an easy task.
- We provided 135 intelligent EV chargers to a plug-in hybrid vehicle (PHV) trial conducted by Toyota® and Electricité de France (EDF) in Strasbourg, France. Each charger's instrumentation records details of its use, collecting key data that will provide further insight into customer needs and enable the development of even more effective solutions.
- Schneider Electric built the charging infrastructure and related energy management mechanisms for an experimental EV project in Yvelines, France run by the Renault-Nissan® Alliance and EDF.



Learn more about Schneider Electric's electric vehicle charging stations

schneider-electric.com/EV



Spotlight:

AREVA Distribution acquisition: reinforcing Smart Grid capabilities

'The combination of Schneider Electric and AREVA D expertise is elevating the company to the position of global leader in medium voltage. This consolidation reinforces considerably our offers in medium voltage and network automation. It also strengthens Schneider Electric's presence in new economies and access to utilities and electro-intensive customers, and enhances the Group's position at the centre of the Smart Grid technological revolution'.

— Michel Crochon, Executive Vice President, Energy Business, Schneider Electric

Active Energy Efficiency

The method behind the savings

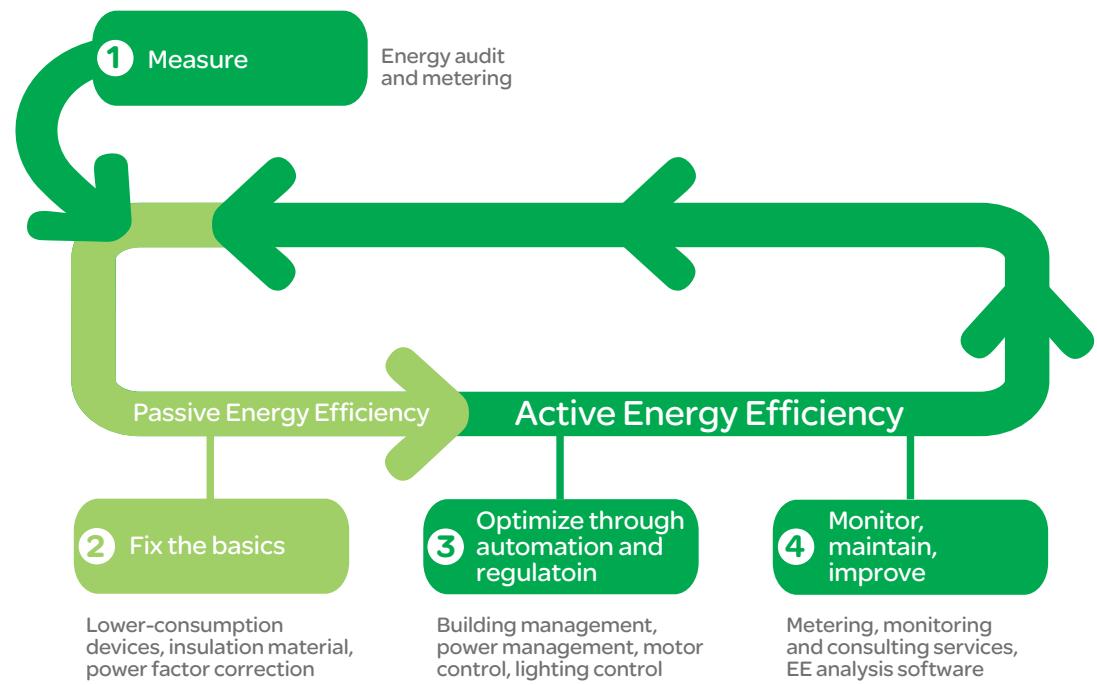
33%

of Schneider Electric sales made with solutions in 2010*

*Based on last 12-month sales excluding AREVA Distribution

Schneider Electric has made the commitment to be our customers' energy manager, energy expert, and green partner. Our approach to active energy efficiency employs a four-step life cycle process:

- 1 Measure** – Installing energy and power quality meters, along with performing an in-depth energy audit, are the first crucial steps in implementing energy efficiency.
- 2 Fix the basics** – Incorporating low-consumption devices, insulation material, and power factor correction are just a few ways your company can see immediate energy savings. However, without proper control, these measures often mitigate energy losses rather than make a real reduction in energy consumption.
- 3 Automate** – Optimizing systems such as light and HVAC through automation is a key element of what is called active energy efficiency – the process of effecting permanent change through the measurement, monitoring, and control of energy usage.
- 4 Monitor** – Energy management software and remote monitoring systems can help businesses see continued results and improvements over time.



Take Action:

Become an energy champion at Energy University

Based on our commitment to the new energy world, Schneider Electric has launched Energy University. The e-learning website provides the latest information on energy efficiency concepts, the Smart Grid, and best practices – all in one place and FREE of charge. Energy University is accredited by leading professional organizations

- 44 courses offered
- 30 000 registered users since launch in 2009
- 90% of surveyed users say they would recommend the programme
- Over 50 000 courses taken by users in 120 countries
- Courses offered in 7 languages

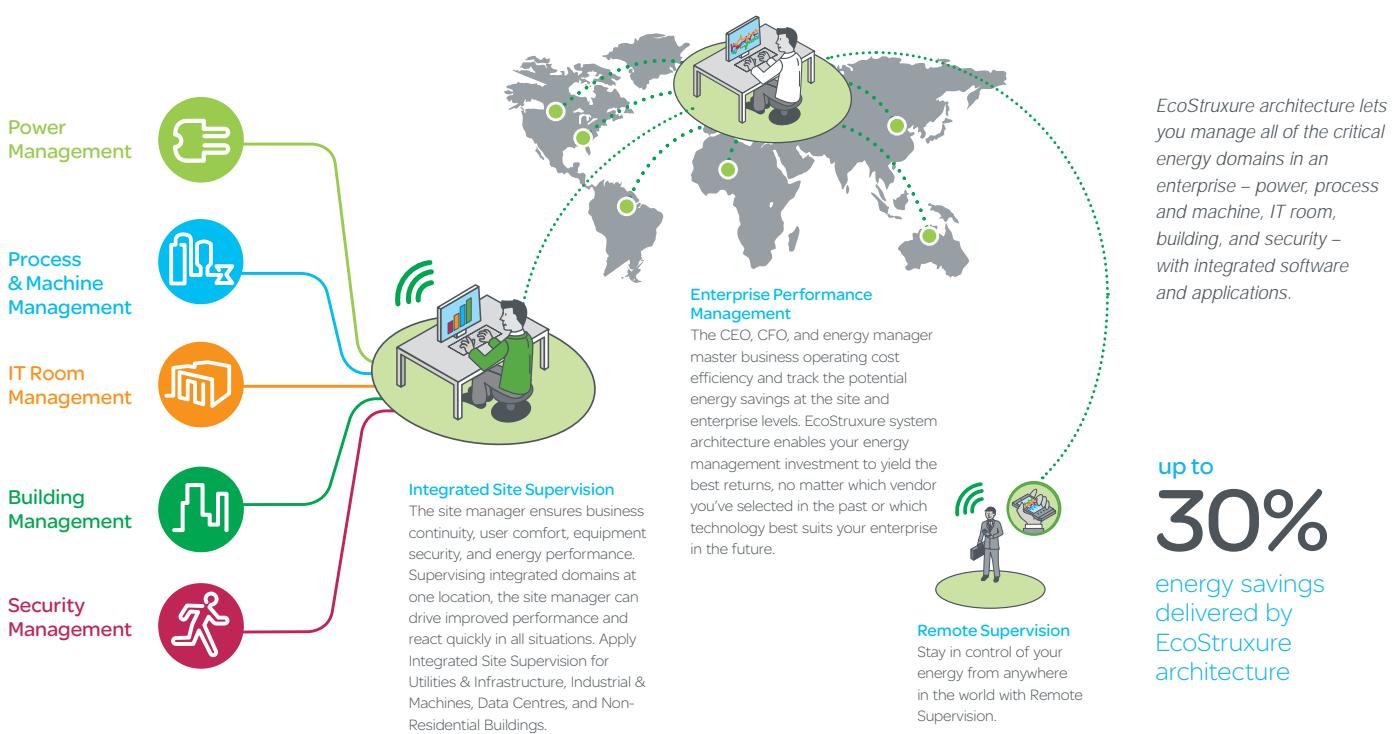
MyEnergyUniversity.com

EcoStruxure solutions

Delivering integrated energy management for increased profitability

The solutions to today's energy challenge are multiple and complex. For enterprises, they usually rely on a stronger and more efficient collaboration between the key stakeholders, including facility and security managers, IT managers, and machine or production managers. Required levels of business efficiency involve system dynamics across platforms and providers like never before. Schneider Electric's response is EcoStruxure: Active Energy Management Architecture from Power Plant to Plug™.

Saving energy across the entire enterprise



Real solutions; immediate benefits

The EcoStruxure approach creates intelligent energy management systems that are simple, transparent, and cost effective. The system architecture allows companies to see, measure, and manage energy use across their data centres, industrial plants, and buildings with guaranteed compatibility among critical energy domains. And because EcoStruxure architecture is scalable and can be applied to both retrofits and new construction, energy managers can achieve up to 30 per cent savings on capital and operational expenses across their entire enterprise, starting immediately.

'Schneider Electric has repositioned itself in recent years to providing more energy software solutions, management capabilities, and consultancy services to customers who want to reduce their energy costs. One of the company's major initiatives in this area has been EcoStruxure...'

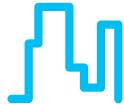
– Jonathan Katz, *IndustryWeek*



Learn more about
EcoStruxure online
schneider-electric.com/ecostruxure

Case studies

Helping customers manage energy intelligently



Making buildings greener and smarter

Guaranteeing low operating costs at The Orchard Ostrava office park and hotel in the Czech Republic

Located in the heart of the Czech Republic's third largest city, The Orchard Ostrava provides a dynamic work and leisure environment, combining three seven-storey office buildings with a premium hotel. When the project was in development, emphasis was placed on ecology, and Schneider Electric was engaged to provide a high-performance building systems solution that would deliver low operation costs



Learn more about Schneider Electric solutions

schneider-electric.com/solutions

Customer benefits:

- 20% Capital expenditure (CapEx) reduction versus non-integrated solutions
- Integrated solution with one Building Management System (BMS)
- Complies with Class A requirements for energy savings
- Open architecture easily integrates third-party products

20%

CapEx reduction
versus non-integrated
solutions

36 000

square metres of office
space to lease

186

hotel rooms



Melissa O'Mara

Vice President, Green Buildings Solutions, Schneider Electric

'Leaders are building different kinds of buildings today – they are paving the way toward a more sustainable future by extending the promise of green buildings from sustainable design, construction, and materials into high performance 'machines' that understand real-time occupant needs. In Europe, where we are marching toward requirements for near net-zero energy buildings in 2020, The Orchard Ostrava is a good example of the progress we are making'.



Enhancing the rise of renewables

Providing a complete photovoltaic energy conversion solution to Solarezo in Saint Clar, France

Solarezo is an independent player in the new energies business. At Saint Clar, the company constructed one of the most powerful ground solar farms in metropolitan France. Schneider Electric supplied and commissioned a complete electrical distribution solution on the project, and is now responsible for its maintenance. The solar farm provides the energy needed for a sports and recreation park, and a safari park.



Saint Clar, France

Customer benefits:

- Annually produces electricity equivalent to the electrical consumption of almost 8,000 inhabitants
- Avoids 4,000 tons of CO₂ emissions into the air each year
- Minimizes downtime in the event of a fault, due to a monitoring system that allows energy production to be controlled remotely

43 000

solar panels

4,000

tons of CO₂ emissions avoided

1 contact

convenience for both design phase and electrical and video surveillance package

'With its comprehensive and integrated portfolio in energy management, Schneider Electric is the only market operator to provide end-to-end management of renewable array intelligence in accordance with the special requirements and needs of the customer..'

— **Julio Rodriguez**, Executive Vice President, Power Global & EMEAS Business, Schneider Electric



Take Action:

Connect to Schneider Electric experts

The Collaborative Project Portal is a private online community designed to help energy management professionals to work smarter and more productively. It is the first private project management tool in the industry to provide real-time access to Schneider Electric experts. The Collaborative Project Portal offers comprehensive web meeting and social networking features to help customers decrease costs, expedite time-to-market, and boost productivity.

<http://collaborate.schneider-electric.com>

Customer case studies (continued)

**Increasing the comforts of home with energy intelligence**

Enabling greener living at Kenny Vale Bungalow, Kuala Lumpur, Malaysia

Located in one of the most exclusive residential areas in the centre of Kuala Lumpur in Malaysia, Kenny Vale Bungalow is equipped with Wiser Home Control for the ultimate in energy management, while meeting homeowners' needs for aesthetics, quality of life, and greener living.



Discover
Schneider Electric
solutions

schneider-electric.com/solutions

Customer benefits:

- Real-time visualization of energy usage at a glance in kilowatt hours, energy cost, or carbon footprint
- Remote home control with iPhone® for total flexibility in eliminating wastage
- Energy savings based on occupancy, light level, time of day, and temperature
- Combines the best ambience with energy consumption optimization

1,030square metres
per bungalow**102**individual
lighting circuits**15%**

energy savings

**Accelerating energy savings at industrial plants**

Delivering an integrated, multi-site solution for Ford Motor Company®

Ford turned to Schneider Electric's power management operation to customize its enterprise energy management (EEM) software interface to integrate data from all Ford manufacturing sites in North America.

'Metering and monitoring projects typically save a company 2% of its energy spend. At this rate, Ford's estimated savings is €7.6 million per year.'

— Bill Allemon, Ford Motor Company

**Customer benefits:**

- Data integrated from more than 30 Ford manufacturing sites in North America
- Accurate and timely consumption data has led to an overall reduction in the purchasing cost of natural gas
- 30% improvement in energy efficiency in first year of the system's operation

30%improvement in
energy efficiency**€2.1**million return on
investment in first year
after initial investment of
€3 million into the system



Supporting the most electro-intensive industries

Meeting energy management standards for Csepel

With a capacity of 350 000 m³/day, the Csepel wastewater treatment plant is the largest facility of its kind in the European Union (EU). Schneider Electric took on the full responsibility of process and energy management solution implementation on a deadline established by the 1994 Sophia Convention and to standards established by the EU.

'The upstream collaboration with Schneider Electric at the design stage allowed standardization and minimized the risks all along the project'.

— Client facility representative



Budapest, Hungary

Customer benefits:

- Energy efficiency
- Flexibility during design
- Risk mitigation
- Compliance with EU regulations

350K

m³ daily wastewater treatment capacity

15%

design cost reduction

76%

boost in productivity



Keeping data centres cool and green

Saving \$1 million NZD in energy costs for Maxnet in Auckland, New Zealand

Maxnet operates one of the largest data centres in Auckland, providing hosting and co-location services to some of New Zealand's leading businesses. The company turned to Schneider Electric for a power and cooling solution that would meet the demands of the latest generation of IT equipment and anticipate future technology needs, while reducing energy costs and environmental impact.



Auckland, New Zealand



Customer benefits:

- Will achieve projected \$1 million NZD annual power savings when data centre is full
- Energy consumption reduction of 35% at a minimum
- Ten times the power and cooling capability of a traditional data centre
- Capital preservation through pay-as-you-grow approach

35%

minimum energy consumption reduction

90%

reduction in rack space

10

times the power and cooling capability of traditional data centres

Innovation and R&D

Working today to meet tomorrow's expectations

Schneider Electric devotes almost 5 per cent of its revenue to R&D, drawing on the skills and expertise of both internal and external talents from around the world. Our objective is to develop solutions that not only optimize efficiency and reduce costs, but also deliver increased simplicity, ease of use, and environmental benefit. These new responses to the issues of energy efficiency and the emerging Smart Grid incorporate high technology products, services, and software developed in collaboration with leading companies and prestigious universities.

Reflecting Schneider Electric's commitment to R&D, Roombox is a multi-application control panel that makes energy and comfort management in buildings smart and easy.



Experts all around the world

8,600

R&D engineers in
25 countries

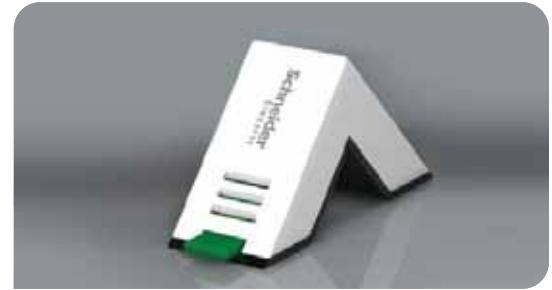
In 25 countries and at 70 sites worldwide, 8,600 Schneider Electric professionals work directly in R&D activities. That represents a 15 per cent increase in the last year, with the acquisition of AREVA Distribution accounting for two-thirds of the growth. Our global footprint reflects the diversity of the Schneider Electric customer base. It enables our experts to take into account local specifications and preferences, and to build partnerships with the most qualified and sought-after players in each region.

The R&D hubs of Schneider Electric

€818

million devoted to
R&D, representing
4 to 5% of our sales





Collaborating to accelerate innovation

Schneider Electric has established strong R&D partnerships with leading universities around the world, including Jiao Tong University in China, MIT Media Lab, and Georgia Tech in the United States, the Ecole des Mines ParisTech, Institut National Polytechnique de Grenoble, and Université Joseph Fourier in France, and Technological Institute of Superior Studies of Monterrey in Mexico. In France and Europe, we conduct many collaborative projects in the areas of energy efficiency and environmental protection that involve academic and industrial partners.

Our best-in-class partners include:

- Microsoft®
- Philips®
- CEA
- Renault
- SAP®
- Bouygues

Putting design at the heart of efficiency, ergonomics, and ecology

At Schneider Electric, innovation and R&D are not only focused on technology. Design and ergonomics are an integral part of our process, as well, as we anticipate the needs of users and build in simplicity, efficiency, and ecology for them. In 2010, we deployed a new industrial design organization to foster a strong alignment among our strategic initiatives, the businesses of our company, and the design labs of our major R&D centres. This new design strategy delivers customer efficiency benefits and provides another point of differentiation for Schneider Electric.

386

patents registered
in 2010

300

distinguished
technical experts
in 19 countries

Spotlight:

HOMES programme:
another step forward in
intelligent buildings

The HOMES (Homes and buildings for Optimized Management of Energy and Services) collaborative innovation programme is designed to create solutions for achieving optimal energy performance in all buildings. Led by Schneider Electric, in collaboration with twelve other companies and laboratories, the four-year (2008-2012) programme is supported by the French Agency for Innovation (OSEO). In September 2010, HOMES presented its first results and prototypes at the Intelligent Building Systems exhibition in Paris. Schneider Electric was pleased to have several prototypes among the five that were unveiled, including:

- the HOMES comfort sensor (pictured above), wireless and autonomous, measuring all environmental parameters into the same device;
- ZigBee and Power Line solutions, offering an entire set of communicating devices to measure and control electricity.



Pascal Brosset

Senior Vice President, Innovation, Schneider Electric

'Customers are looking for integrated solutions that make their lives easier while optimizing costs. Innovation is essential to satisfying those requirements. The convergence of automation, information, and communication technology has created dramatic new opportunities for advancing energy efficiency. Innovation is about combining these opportunities with smart services to deliver high-value yet easy-to-deploy solutions'.

New economies

Reinforcing our position in the fastest-growing regions

Over the next 20 years, new economies will present 70 per cent of new GDP growth opportunity and 80 per cent of new capital expenditures*. At the same time, demand for energy will escalate dramatically in these markets. Schneider Electric is an established player in new economies worldwide – Asian countries (excluding Japan), Africa, the Middle East, Latin America and Mexico, and Eastern Europe, including Russia. Today, 37 per cent of our sales are in new economies and 44 per cent of our work force can be found there.

Capturing growth in new economies

We continue to establish a strong market presence and industrial base in new economies.



Augmenting our presence through acquisitions

Acquisitions have contributed to our success at adapting the Schneider Electric offering to meet local needs. We are embedded in local landscapes and have engaged in successful joint ventures and supplier relationships at the local level. Recent acquisitions in new economies include:

- **Conzerv, India**
- **Cimac, Middle East**
- **Zicom, India**
- **Microsol, Brazil**
- **Electroshield, Russia**
- **APW President Systems Ltd, India**



Eric Rondolat

Executive Vice President, Power Asia-Pacific, Schneider Electric

'With a 15 per cent organic growth in 2010, new economies have really played the role of growth engine of the company's sales, led by Asia-Pacific. We saw a progressive shift in weight of our geographies from mature to mature and new economies, reflecting the changes of the world. It puts us in a unique position to capture the tremendous opportunities in these fast growing regions'.

*Source: Oxford Economics

Focusing on China as a key strategy

Since arriving in China in 1979, Schneider Electric has grown to become one of the country's key players for energy management solutions. We have worked with Chinese officials to co-sponsor energy management programmes at governmental and institutional levels; set up partnerships with business partners and leading technical universities; and helped more than five million Chinese people gain access to energy through our Gold Sun Aid Project.

Welcoming Chinese President Hu Jintao

Hu Jintao, President of the People's Republic of China, visited Schneider Electric's site at Carros on 6 November, during his state visit to France and Portugal between 4 and 7 November 2010. The visit included a gathering with corporate executive members of the France-China Committee, and a demonstration of PSA Peugeot Citroen electric vehicle models and Schneider Electric charging points. Schneider Electric President and CEO Jean-Pascal Tricoire chairs the France-China Committee, which acts as a privileged communication channel between French and Chinese companies and the Chinese authorities. At the Carros site, Jean-Pascal Tricoire made a speech in Chinese, presenting Schneider Electric's activities to President Hu Jintao before leading a tour of the Carros electronic production competence centre, accompanied by Zhu Hai, President of Schneider Electric China, and Daniel Philippe, VP Operations & Services, plant manager, of the Carros site.

'President Hu's visit to Carros had great significance for Schneider Electric. It was an official recognition of our participation in and contribution to Chinese economic development over the past 30 years. It also acknowledged our company's innovation in the energy management field. Today, Schneider Electric supports the Chinese economic transformation with innovation that is made in China. We are contributing to the sustainable development of China and helping to make it greener and more environment friendly'.

– Zhu Hai, President, Schneider Electric China



**Schneider Electric
in China**

22 000

employees

#2

country in terms
of sales

1,000+

R&D engineers

Spotlight: Shanghai World Expo 2010

Schneider Electric was an active and visible participant at the Shanghai World Expo 2010, which ran from 1 May to 31 October. Built around the theme 'Better City, Better Life', the expo highlighted urban civilization in line with sustainable development, and celebrated green technologies. Schneider Electric was a partner in multiple pavilions at the conference, including the Rhône-Alpes Pavilion, which featured our smart building energy management solutions, and the Cisco Pavilion, where our data centre power and cooling solutions helped save up to 30 per cent on energy costs. The Shanghai World Expo attracted 246 participating countries and international organizations, and 73 million visitors.

Supporting access to energy for those who need it most

Throughout the world, 1.4 billion people do not have access to energy. That means they do not have access to better healthcare, development, and education. Schneider Electric is committed to bringing safe, clean electricity – and the opportunities that come with it – to the people who need it most worldwide.



Schneider Electric's In-Diya solution brings reliable light to a mother and child in the village of Gala Gonda, in Orissa state, India.



Access to energy

- 39** A Nobel laureate's thoughts
- 40** The BipBop Programme GRI: SO1
- 41** Training and investment GRI: SO1
- 42** Solutions and business models GRI: SO1 / EN6

How do we make the benefits of having electricity available to all?

As the global specialist in energy management, we embrace our responsibility to promote access to energy for all, without endangering the climate. The cornerstone of our efforts is BipBop – an acronym that stands for Business, Innovation, and People at the Base of the Pyramid.

1.4

billion people have no access to electricity*

85%

of people without electricity live in rural areas*

up to
30%

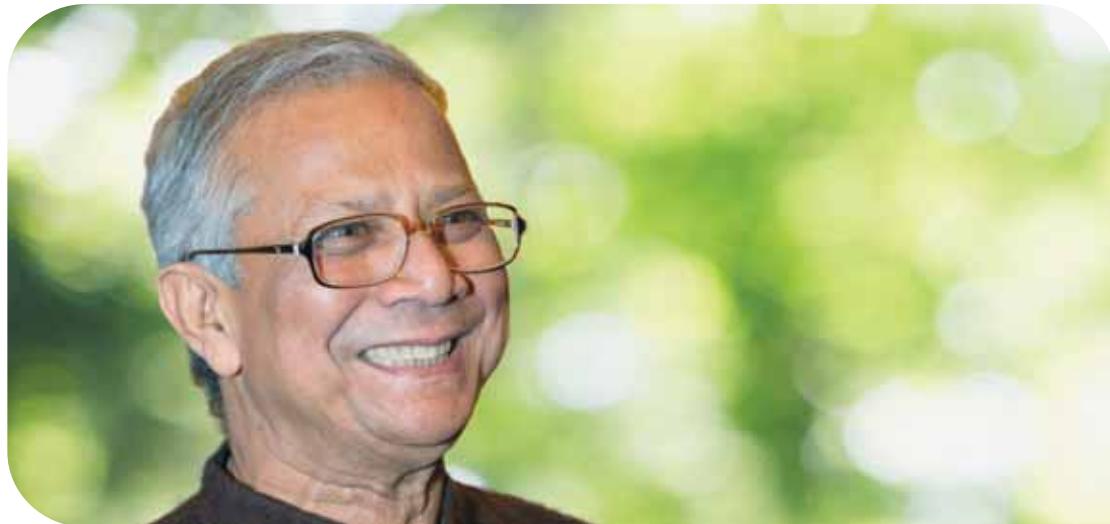
of revenue spent on energy by BoP people**

*Source: International Energy Agency - Energy poverty, September 2010

** Source: The next 4 billion: Market size and business strategy at the Base of the Pyramid

A Nobel laureate's thoughts on energy access

Muhammad Yunus, Economist and Entrepreneur
Founder of Grameen Bank



Professor Muhammad Yunus founded the Grameen Bank in Bangladesh in 1983 with the belief that credit is a basic human right. His objective was to help poor people escape poverty by teaching them fundamental financial practices so they could help themselves. Replicas of the Grameen Bank model operate in more than 100 countries worldwide. Professor Yunus is the recipient of numerous international awards, including the Nobel Peace Prize in 2006.

'I had a meeting with Schneider Electric's top management and I was explaining that the future will be decided by two key things that we have right now. One is energy – how we bring our energy out to people's lives – and the other is information technology. If these two things combined together, the world would be a completely different place.'

'I give the example of Bangladesh. We have 160 million Bangladeshi people, and 60 per cent of them have no access to electricity. None. So, literally we are in the Dark Age. But when you bring one electric bulb, even with a little bit of wattage in it, you can see for miles.'

'There is a light and it fills everybody around it with hope. One light bulb, just one. Imagine what it does for the family that has its own light bulb. So, in that kind of society with that kind of economy, imagine if you could bring one bulb to every man, just one bulb.'

'It's dark, totally dark... But when you bring one electric bulb, even with a little bit of wattage in it, you can see for miles. There is a light and it fills everybody around it with hope'.

What does it mean to them? It's possible! It's not something impossible. But we can't see it from the top of the business, that huge big business of energy. We don't know what to start from.

'The Chair of Social Business at HEC Paris brings that link. We have the ability and the technology to make it easy to link all the considerations – the profits, the return, the investment, all things concerned, so that is the challenge presented to this Chair and I am very happy to get together and provide ethical leadership. I am happy that we are doing things on the ground, not just writing books and publishing journal articles and saying, 'I'm a great professor, I've had fifty articles published in the last ten years'. So what. Did they mean anything to anybody? That's the important question to ask. So this is the challenge, and the challenge I want to come to today'.

— Muhammad Yunus, from a speech given in Paris on 7 December 2010 during the ceremony of the introduction of Schneider Electric in the HEC Social Business Chair

The BipBop Programme

Providing access to energy to those who need it most

Planet & Society Barometer

Objective: Improved but Below Target in 2010

10 000 young people at the Base of the Pyramid trained in the electricity professions



Objective: Improved but Below Target in 2010

500 entrepreneurs at the Base of the Pyramid set up their activities in the energy management sector

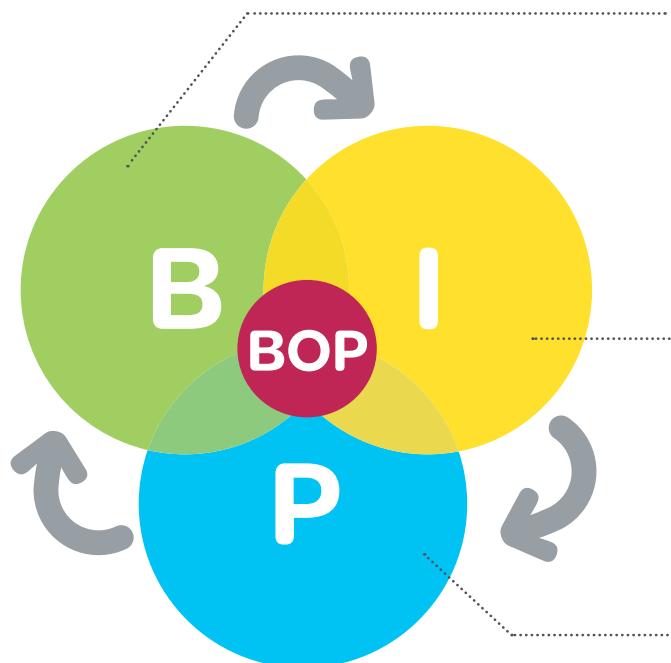


Learn more about BipBop online
schneider-electric.com/bibop

When it comes to access to energy, the world is paradoxical and unfair. Two billion people on the planet are energy privileged and don't even question the idea of having energy. On the other hand, 1.4 billion still do not have reliable access to clean electricity. They are at the so-called 'Base of the Pyramid' or the BoP. For them, sources of electricity are polluting and expensive – flashlights, kerosene, and wood-based biomass. What is even more unfair is that the poorest people pay the most for energy. Urban inhabitants in Beijing, Paris, and New York spend from six to eight per cent of their revenue on energy, whereas a person living in an off-grid remote village in India will spend up to 30 per cent for a poor quality of service.

At Schneider Electric, we have decided to focus on the development of clean, reliable, and affordable access to energy for the people at the Base of the Pyramid. In 2009, we launched an innovative sustainable programme called BipBop, which is an acronym that stands for Business, Innovation, and People at the Base of the Pyramid. By investing in communities and stakeholders at the Base of the Pyramid, Schneider Electric addresses three key issues in providing sustainable access to energy:

- the lack of appropriate equipment through the development of an adequate and cost-effective offer;
- the lack of financial resources available for innovative energy entrepreneurs through funding;
- the skills and expertise shortage through technical and business training



Business

Manage a socially driven investment fund to financially support companies dedicated to the electrical business at the Base of the Pyramid

Innovation

Build adequate offers/solutions and business models to be a champion in the access to energy field for the Base of the Pyramid

People

Train young people from the Base of the Pyramid in energy management related skills and sponsor them

Empowering through training and investment Adapting training programmes to every reality

Training is key to the success of all our efforts at the Base of the Pyramid. Through training, we empower local communities to acquire long-term competencies to maintain our access to energy solutions. Without these competencies, sustainable development cannot be achieved. Therefore, through BipBop, we have the following training offers:



Basic trainings

which are short, inexpensive, and widely accessible



Training to acquire degrees and diplomas

conducted in partnership with local Ministries of Education



Trainings for trainers

which provide for an effective and qualitative replication



Spotlight:

Renewing our commitment to training in Chile

Schneider Electric Chile, the French Ministry of Education, and the CEDUC-UCN University have been partnering since 2007 to support the creation of two training centres dedicated to providing underprivileged young people with courses in Maintenance of Industrial Automated Systems, leading to an advanced vocational diploma. One of the centres is located in Lebu, part of the Chilean region that suffered the earthquake of 27 February 2010. After the earthquake, Schneider Electric Chile decided to increase its material support for the renovation of local electrical wiring.

In 2010, we completed 15 training projects in 11 countries. The projects are funded by the Schneider Electric Foundation, in the framework of its commitment to support the professional integration of young people.

Supporting local entrepreneurs with a sustainable fund

Created in July 2009, the Schneider Electric Energy Access (SEEA) Fund aims to support the development of entrepreneurial initiatives around access to energy and have an impact on people's lives at the Base of the Pyramid (BoP). The Fund focuses on helping the development of:

- companies fostering professional integration in the energy management trade
- companies enabling access to energy for BoP populations in rural or peri-urban areas, specifically in Africa and India
- innovative access to energy solutions, based on renewables and dedicated to BoP populations

In 2010, the SEEA invested in the following companies in France:

- Chénelet, a professional integration company specializing in building low-consumption households
- SIDI, an impact investment fund contributing to the social economy in southern and eastern countries
- Solasyst, a professional integration company specializing in renewable energies

In 2010, La Caisse Des Dépôts et Consignations (CDC), one of the major public investment organizations in France, showed its support of the BipBop programme through an investment of €5M in 'Schneider Energie Sicav Solidaire', the mutual fund investing in SEEA.



Spotlight: Supporting photovoltaic solutions in rural Senegal

In February 2011 in Dakar, SEEA, in partnership with the SIDI, took an equity position in the Senegal PV company KAYER. Created by a farmers union from the Meckhe region, KAYER offers individual and collective photovoltaic (PV) solutions, including pumping systems for truck farming, which is key for the development of rural populations in Senegal.

Solutions and business models

Responding to individual and collective energy needs

Today, the poorest populations spend up to 30 per cent of their revenue to obtain energy that is often unreliable and harmful to the environment and their health. Schneider Electric provides not only products and solutions, but also training, funding, and consulting services. These services fulfil the need for energy access in a sustainable manner, relying on local populations and economic ecosystems. In 2010, we accelerated the development of new products and solutions to meet the needs of a safe, affordable, and green access to energy in different countries.



Objective: Improved and Above Target in 2010

1 000 000 households at the Base of the Pyramid have access to energy thanks to Schneider Electric's solutions



↑ Affordable solutions for remote and isolated places

The In-Diya LED lighting system launched in February 2010 has been deployed in India and introduced in Africa. An offer for battery-charging management has also been introduced to ensure safe charging of basic electronic appliances, as well as improved battery life.



Spotlight:

Finding the right business model for the sustainable development of communities

Beyond the first sales of the In-Diya low-consumption lighting system, several business models were tested in India in 2010. Among these, a former BipBop trainee has established his battery renting station, enabling the people of his community to rent batteries to power In-Diya lamps for less than €10 cts per day.

Children in the Village 61 watching television, powered by the solar power station made possible by Schneider Electric.



↑ Solutions to power and support village development

Schneider Electric provides complete solutions, from renewable off-grid power generation to battery charging stations and water pumping systems. These solutions can support the energy needs of an entire village, and thus foster a sustainable economic and social development around local entrepreneurs, basic infrastructure (health facilities, schools, grocery stores, etc.), and entertainment activities.

\$756

billion investment needed to achieve universal access to modern energy services by 2030, the equivalent of 1% of the GDPs of the 20 most advanced economies*

*Source: International Energy Agency - Energy poverty, September 2010

750

INR average monthly spending of an Indian BoP household; also the price of an In-Diya lamp*

*Representative price based on certain conditions



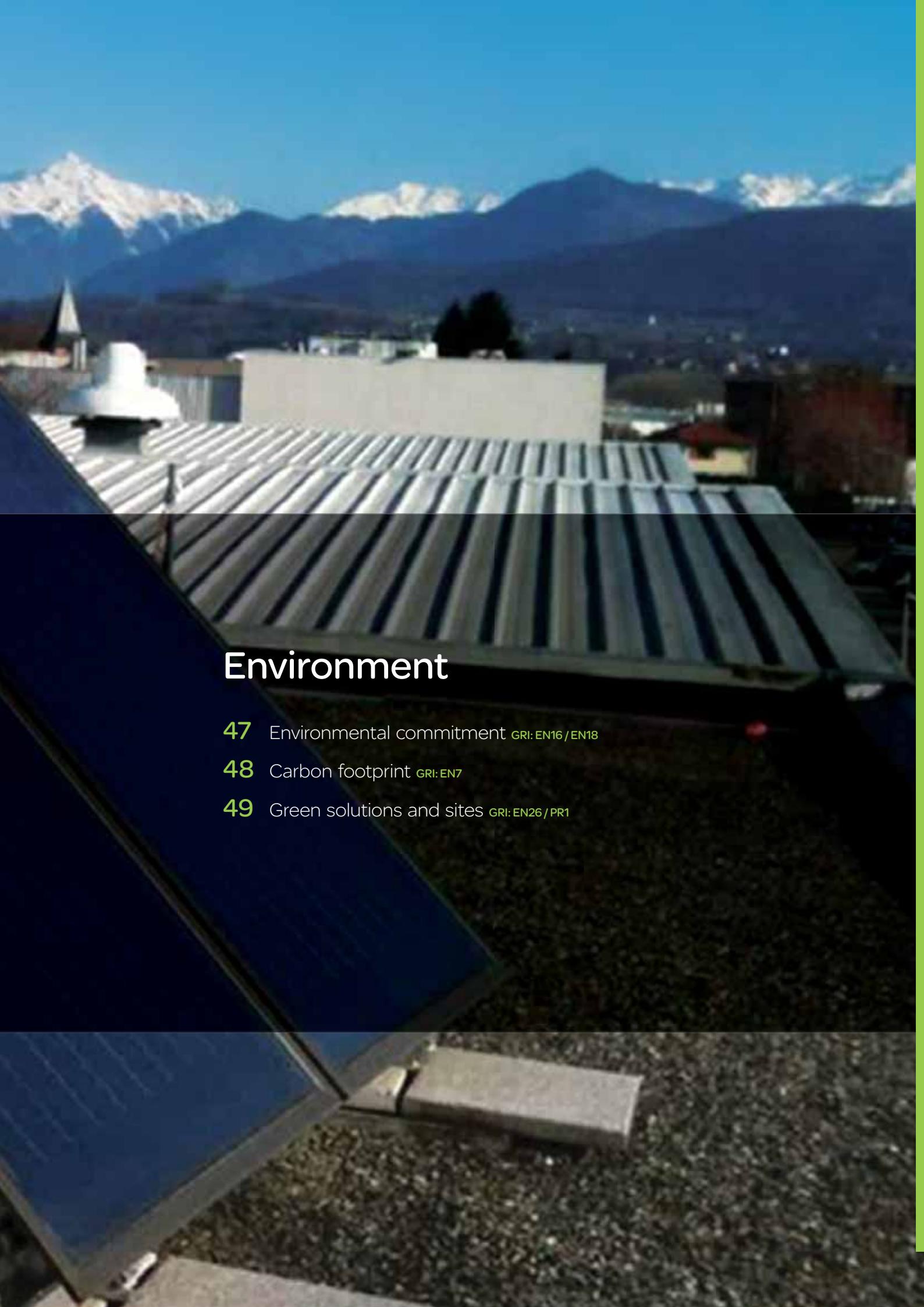
Learn more about BipBop online
schneider-electric.com/bipbop



Limiting our impact on the planet

As part of its One company programme, Schneider Electric has reaffirmed its ambition to reduce its carbon footprint, preserve the health of employees and customers, as well as the biodiversity of the planet, and to use fewer natural resources. These ambitions provide the framework for Schneider Electric's eco-design and eco-production programmes.

In Prodipact, Montmélian (Savoie), France, solar water heaters installed on a rooftop provide restroom hot water and eliminate hot water heating energy costs.



Environment

- 47** Environmental commitment GRI: EN16 / EN18
- 48** Carbon footprint GRI: EN7
- 49** Green solutions and sites GRI: EN26 / PR1

What drives our environmental priorities?

As the global specialist in energy management, we are mindful of our impact on the planet at all times – with the products we produce and sell, with the sites we operate, and with the energy we use. That can be a challenge when you have operations in more than 70 countries all over the world – and it's a challenge we welcome and meet every day.

265

Schneider Electric
sites audited
worldwide in 2010

411 177

metric tons of CO₂ emitted by
Schneider Electric operations
in 2010

75

sites are centrally
tracked with remote
energy monitoring
tools

Environmental commitment

Increasing productivity while limiting our impact on the planet



Schneider Electric employees at work in one of our logistics centres in Sant Boi, Spain.

Environmental concerns are rising on everyone's agenda. Our customers make no exception, and neither do we. As an energy management company with a worldwide industrial presence, we want to be exemplary in reducing our carbon footprint, particularly through energy savings. We also want to manage the environmental impact of our sites, and provide our customers with environmentally friendly products. To achieve this ambition, Schneider Electric has developed several initiatives. Since the creation of the ISO 14001 certification, we systematically certify our industrial and logistics sites. Moreover, we apply the most fastidious standards in eco-design in compliance with the REACH and RoHS directives. And to provide our customers and partners with reliable environmental information, we make all such data available seamlessly online.

In 2010, we more than doubled our CO₂ emissions reduction, significantly improved the percentage of eco-designed products that we produce, and widened the scope of our environmental management certification.

Planet & Society Barometer



Alain Digeon

Senior Vice President, Environment projects, Schneider Electric

'In 2010, Schneider Electric's headquarters was the first building to receive the energy management certification NF 16001. We have also acted as pilot sites for the future ISO 50001 certification – a good example of our commitment to walk the talk in environmental management in general, and especially in energy management on our sites'.

67 472

tons of CO₂ equivalent saved in 2010 vs. 2009, which equals 14 000 trips around the world by car* or 7,500 hectares of Brazilian forest

*Based on 130g of CO₂/km

Carbon footprint Focusing on reduced emissions

Schneider Electric is committed to reducing greenhouse gas emissions from its own businesses and from its clients' operations, notably with its products and services to enhance energy efficiency. Because we are not involved in heavy manufacturing, we are not subject to European CO₂ quotas. However, we report publicly on our approach by providing measurements each year to the Carbon Disclosure Project (CDP), a global initiative launched by investors and asset managers. The CDP is designed to help members make informed investment decisions by explaining the consequences of the carbon constraint and climate change for companies. In 2010, Schneider Electric had a carbon footprint of 411 177 tons of CO₂ equivalent, which is 15 per cent more than in 2009. We are particularly focused on three sources of CO₂ equivalent emissions:

- Energy consumption at our sites, where we must be exemplary
- SF₆, a gas present in some Schneider Electric products, which has a global warming potential (GWP) 23 000 times higher than CO₂ – that means 1 kg SF₆ released to the atmosphere has the same effect as 23 tons of CO₂
- Long-distance freight

Monitoring our sites to improve efficiency

Schneider Electric makes particular use of energy monitoring at our own sites to detect savings opportunities and deliver sustained savings. Through our Enterprise Energy Monitoring system, site energy data is captured via metering and made available through a variety of reporting tools. The system provides deep analytical and consolidation functions to support energy modeling, procurement, and programme management.

At the end of 2010:

- 256 sites report energy data
- 75+ sites are centrally tracked with remote energy monitoring tools, including 60 per cent of the top 100 energy-consuming Schneider Electric sites
- 10+ are metered
- 100+ have had formal energy audits
- More than \$11 million invested in Enterprise Energy projects, most with paybacks under three years

For 2011, our goal is to achieve an additional 4 per cent reduction compared to the 2010 baseline.

LEED certification for best practices

Our LaVergne facility in Tennessee (USA) obtained a certification in the U.S. Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED)[®] Silver programme. The North America headquarters of Schneider Electric's lighting and whole-home control business installed many of the systems it designs and manufactures within the facility to help achieve the necessary energy and atmosphere points available through the LEED rating system.



Tennessee, USA



Spotlight:

New logistics hub in Asia: aligning customer satisfaction and environmental performance

In 2010, Schneider Electric's logistics centre in Singapore became the regional distribution centre for our entire Asia zone. Hub Asia is a showcase of our commitment to customer satisfaction, productivity, people safety and engagement, and environmental respect. Highlights include:

- Double ISO certification – ISO9001 and ISO14001
- Systematic brief on safety rules and precautionary measures
- On-the-job training on machines and personal protective equipment
- Schneider Electric's Energy Management System for real-time tracking of power conditions

Green solutions and sites

Meeting demand for eco-friendly products with Green Premium

To ensure we are providing our customers with eco-friendly products that meet or exceed regulation, Schneider Electric developed its Green Premium products programme.



REACH & RoHS

Ensure compliance with stringent substance management regulations



PeP

Provide an environmental profile, with all product life cycle information – carbon footprint, substances, production ISO14001, etc.



End of life

Provide an end-of-life instruction manual to manage the product's destruction or recyclables properly



Learn more about the RoHS and REACH directives

schneider-electric.com/environment

'For Rexel, one of the world leaders in electrical supplies distribution, the transmission of REACH environmental information to customers is an opportunity to adopt new modes of functioning with our partners. We have complete confidence in the Schneider Electric approach with regards to this environmental data. In particular, the open access to the information on the Internet eliminates a heavy administrative load when we reply to the demands we receive!'

— Alexis Robert, Group Purchasing Manager, Rexel

75%

of Schneider Electric products in 2010 were compliant with REACH regulations

Guaranteeing a best-in-class eco-production standard

Since 1996, Schneider Electric has taken a systematic certification approach to ensure its sites meet the highest standards for eco-production. All industrial and logistics sites are certified ISO 9001, and must meet ISO14001 certification within two years of their acquisition or creation. In 2009, the scope of certification was extended to also include research centres and tertiary bodies of more than 300 employees. In 2010, 69 per cent of Schneider Electric employees worked in ISO14001-certified sites. This helps us to monitor the impact of our operations on the environment and manage it for the long term to protect the planet as well as the health and safety of our people.



Spotlight:

Schneider Electric World Headquarters certified

Schneider Electric's world headquarters was the first building in France to earn triple certification from NF EN 16001, ISO 14001, and HQE Exploitation standards for building operating performance. The NF EN 16001 standard defines the requirements for an energy-efficient building management system and provides recommendations for implementation. The ISO 14001 and HQE Exploitation standards officially recognize a building's operating performance with regard to environmental impact. The HQE label also takes occupant comfort and safety into account.

- 1,800 employees
- 35 000 square metres
- 110 kWh/sqm/year energy consumption in 2010
- One of 251 Schneider Electric sites that are ISO 14001-certified



Engaging employees to drive our mutual success

How do you earn your employees' loyalty while helping people to advance in their careers? How do you keep your core competencies fresh and cutting edge while transforming your company? How can you be global and local, diverse and 'one' – all at the same time?

**Schneider Electric employees collaborating at
our company headquarters in France.**



Our People

- 53** Schneider Electric values GRI: PR5 / LA7
- 54** Health and safety GRI: LA7
- 55** Diversity, development, and ownership GRI: LA11 / LA13

How do we develop our most important asset?

When you give people the means to succeed and ongoing opportunities to make a difference – for themselves, for their company, for their community, and for their planet – there is no limit to what they can accomplish.

95

nationalities are represented in our total employee population

1,700

talents from 72 countries participated in our leadership development programmes

84%

of our industrial sites have safety management systems based on ILO-OSH guidelines or OHSAS 18001

Schneider Electric values

Creating one team to meet the challenge



Schneider Electric values open communication and collaboration, as demonstrated by employees at our world headquarters in France.

Every day, people make the difference at Schneider Electric. As diverse as our more than 100 000 employees are, they share values that define who we are as a company and what we look for in our people and partners. And Schneider Electric employees embrace our company culture. Since its launch in 2009, 28 000 of our people took the e-learning course on our values.

> Passionate – We are passionate and positive about our business, customers, and people. We strive to create a true sense of partnership with customers, making it easy for them to do business with us. We develop talent pools, coaching people to reach their potential.

> Open – We think ‘outside’ the box and encourage others to do the same. We leverage the rich diversity of our company, promoting the sharing of expertise and learning. We show our willingness to collaborate to get things done.

> Straightforward – We believe people value directness and simplicity. We behave in line with expressed commitments and show consistency between words and actions. We treat people with respect and fairness, and give clear, motivating, and constructive feedback.

> Effective – We want to perform and get things done, not just talk about getting things done. We are pragmatic, not pretentious. We manage and reach ambitious goals, taking appropriate risks. We respond with flexibility to shifting priorities and rapid change.

Every employee's voice matters

We want our people to feel that Schneider Electric is a great place to work. So as part of our One company programme, we launched ONEvoice, a survey that helps us to take the pulse of the company each quarter. The survey includes an Employee Net Promoter Score (ENPS), which is calculated using the results that employees give to the question, ‘How likely are you to recommend Schneider Electric to a friend as a good place to work?’ By receiving feedback through ONEvoice and ENPS, we are able to translate our employees’ views into concrete improvement plans that will help to shape our company’s future



Karen Ferguson

Executive Vice President, Global Human Resources, Schneider Electric

'At Schneider Electric, each individual is empowered and supported to make the right decisions in their development and to manage their careers. Through this joint investment, we build a capability to continuously improve our individual and collective performance'.

Planet & Society Barometer

Objective: Improved and Above Target in 2010

10% annual decrease in the frequency rate of occupational accidents



Objective: Improved and Above Target in 2010

14 points increase in the Employee Net Promoter Score



Health and safety

Enhancing the well-being of our people

At Schneider Electric, all plant managers and global supply chain leaders have compensations and benefits linked to accident rates.



Hear what our employees are saying
schneider-electric.com/people

Our mission for safety is to protect our people by ensuring they have a safe, clean, and healthy work environment; to provide the knowledge, skills, and tools that allow them to work safely; and to teach and reinforce safe practices that they can apply at work, at home, and at play.

In 2010, the frequency of lost-time accidents declined by 19 per cent and the number of days lost due to these accidents dropped 8 per cent from 2009. These results reflect our emphasis on the key points of Schneider Electric's Health and Safety Policy, which are: preventing accidents and risk situations, ensuring continuous improvement, sharing good practices, involving all stakeholders, and creating conditions for physical, mental, and social well-being. This policy is aligned with the World Health Organization's definition of health and Schneider Electric's internal *Our Principles of Responsibility* document.

19%

decline in frequency
of lost-time accidents

8%

decline in the number
of days lost due to
lost-time accidents



Rich Widdowson

Vice President, Safety, Real Estate, & Environmental,
North America, Schneider Electric

'Efforts in 2010 included continuing to secure management commitment to our safety initiatives, creating leadership and coordination resources, and getting more employees actively involved in improving safety results. The organization has continued to focus on evaluating risks, training, internal audits, and ongoing deployment in the units of a safety management system based on OHSAS 18001'.

Diversity, development, and ownership

Building teams with wide-ranging talents

Schneider Electric strongly believes that diversity – and gender diversity in particular – is a key driver of innovation, performance, and profitability. This includes recognizing women and placing them in important roles in the business world and community. Our objective is to hire and foster the best talent while promoting diversity within all of our teams. We want to build management teams that reflect the diversity of our customers as much as possible. An awareness programme supported by an e-learning module was deployed to all of our management committees and employees in a sweeping initiative to address these issues. After acquisitions, we also paid attention to ensuring the smooth integration of newcomers to the Schneider Electric team. This has been the case particularly with our welcoming of 11 000 employees who joined us from AREVA Distribution.

'The benefits of the merger between AREVA Distribution and Schneider Electric are clear. Finally knowing what the other company is doing, after a long history of competition, is instructive and rewarding. The opportunity to become the world leader together is a challenge that we now all share. This is an enterprise of men and women with similar profiles who meet and create value on the basis of excellent exchanges.'

– **Thibault Godefroy**, director of four Schneider Electric production sites (two former AREVA Distribution facilities and two Schneider Electric sites in France and Spain)

Promoting professional development and awareness around energy management

Energy & Solutions University (E&SU) is a learning programme for Schneider Electric employees. It provides an education in solutions selling, marketing, project management, and management to better meet the increasingly complex needs of Schneider Electric's internal and external customers. E&SU also allows our energy management professionals to augment their skill sets by obtaining education chosen specifically for their career development, boosting their value within our organization.

An e-learning module explaining the environmental and business stakes of energy efficiency, as well as Schneider Electric offers in this area, has been deployed through E&SU. More than 23 000 employees completed the module since its launch in 2009.

Employees are our long-term partners

Schneider Electric believes that employee shareholding is instrumental to strengthening our company's human and financial capital, and that employee shareholders are our long-term partners. For those reasons, since 1995 we have been building an international employee shareholder base that is representative of the company's diversity. Our goal is to have employees own approximately 5 per cent of the capital, thanks to this programme. Currently, 4.11 per cent have ownership.



At the Actionaria Investor Fair on 19 November, Schneider Electric was awarded the **2010 Special Prize** (tie with Total) for communication to employee shareholders by the French Federation of Employee Share Owners (FAS). The prize is awarded to the company with the best communication practices to employee shareholders.



Spotlight:

Our people engaged for communities around the world

Employees are the cornerstone of our commitment to sustainable development, and nowhere is this more evident than in our Luli campaign. This international mobilization campaign helps young people get off to a successful start and offers support to disadvantaged young people through various associations.

- More than 120 projects supported in 70 countries in 2010
- Local leadership provided by the 100 delegates volunteering for the Schneider Electric Foundation

34%

of our total headcount are women

Planet & Society Barometer

Objective: Improved but Below Target in 2010

2,000 employees trained on energy management solutions



77%

of our employees are shareholders

Meeting our social responsibilities

Social responsibility is an integral part of Schneider Electric's corporate culture, embraced at all levels of our organization and reflected in our programmes and policies. The Group's commitment is driven by its Foundation and, above all, by the never-ending energy of its people.



**Students at a vocational training school in Beijing, China,
which is supported by the Schneider Electric Foundation.**



Social responsibility

59 The Schneider Electric Foundation GRI: SO1

61 Development in mature economies GRI: SO1

How do we make a difference in the communities where we work and live?

We want to keep in touch with real-life conditions in our local markets around the world. So wherever Schneider Electric operates, we make a strong commitment to our community partners.

€4 million

The Schneider Electric Foundation budget

50

countries where
the Foundation is
currently engaged

100

Schneider Electric Foundation
delegates worldwide

The Schneider Electric Foundation

Channeling energy to help young people

Created in 1998 under the aegis of the *Fondation de France*, the Schneider Electric Foundation is committed to projects that emphasize sustainable and practical training in energy management to advance the professional integration of disadvantaged young people. The Foundation bases its work around the following three objectives:

- 1.** Support the professional integration of young people in energy management
- 2.** Support reconstruction after natural disasters
- 3.** Support sustainability awareness



In the wake of the devastating earthquake that struck Haiti in 2010, Schneider Electric has launched a programme to train 2,000 young Haitians around the construction trade over the next two years to help rebuild the country.

Providing post-disaster relief and training in Haiti

After the earthquake that struck Haiti in January 2010, Schneider Electric committed to supporting reconstruction efforts and professional training around energy management for young Haitians. Working in concert with Aide et Action and the Schneider Electric Foundation, we launched an electrical skills programme in September 2010, and it is already producing tangible results. Currently, 40 Haitians have already been trained and many more are following the courses in 2011. These young people are the first participants in a programme that intends to develop the skill sets of more than 2,000 construction workers over a two-year period to help rebuild the country. Signatories to this agreement to provide relief and training to Haiti include Aide et Action, Schneider Electric, the French and Haitian education ministers, and the rector of Quisqueya University.

'Together with the support of Schneider Electric and its partners, Aide et Action has committed to setting up an innovative long-term project in Léogâne, which will allow hundreds of young Haitians to be trained in electrical skills and also in those skills needed in the building and public works sectors. Our aim is to enable the young people of Haiti to help with the reconstruction of their country at the earliest possible stage. The emergency of today is the reconstruction of tomorrow'.

— **Nesmy Manigat**, Regional director, Latin America and Caribbean Islands, Aide et Action

2,000

construction workers
to be trained over a
two-year period

The Schneider Electric Foundation (continued)

Supporting innovative projects around energy awareness



A smart grid to support research at the South Pole



Learn more about the Schneider Electric Foundation

schneider-electric.com/foundation

Schneider Electric provides a smart grid solution for the first 'zero emission' polar station, Princess Elisabeth Antarctica. The research facility, inaugurated in February 2009, uses wind turbines and solar panels for its energy needs. Schneider Electric oversees electrical distribution, energy management, and automation. We also supervise the station's remote communications. The extreme conditions in which the on-board technologies must operate demonstrate the quality and reliability of Schneider Electric's products and solutions.

Powering Solar Decathlon

Solar Decathlon is an annual contest that challenges students from approximately 20 universities from around the world to design, build, and operate energy-efficient, solar-powered houses. As the only energy management sponsor, we have played an integral role in supporting the competing teams with the donation of energy management products, solutions, and engineering services. In 2010, Schneider Electric contributions supported at least 50 per cent of the total projects. The Schneider Electric Foundation funded the Ecole Nationale Supérieure d'Architecture de Grenoble, providing the energy system for the school's house. The project was called the Armadillo Box, derived from the climate adaptation capacity of the US animal.



Schneider Electric supports cultural initiatives in the communities where it operates

In 2011, our commitment includes two major projects:

- Member of the 'Club des mécènes' of the Grenoble Museum, France
- Sponsor of the Forbidden City exhibition at the Louvre Museum in Paris, France. The exhibition will take place from September to November 2011

Development in mature economies

Nurturing economic and professional advancement

Schneider Electric chooses to be engaged at the community level all over the world, notably in the area of employment. Our objective is to contribute fully to local economic development, and numerous projects are always under way or on the drawing board.

Setting disadvantaged youth on professional paths

Since 2004, Schneider Electric has collaborated with French labour authorities to make the '100 chances, 100 emplois' network possible. The network connects disadvantaged young people with professional companies and thereby provides an opportunity for them to start on a career path. For most of these young people, integrating a profession into their lives would be difficult without such support. In 2010, the network's efforts resulted in 150 job placements.



Giving back through the Pelco Community Partnership Programme

Beyond the work of the Schneider Electric Foundation, many Schneider Electric entities are supporting community development initiatives. One example is the Pelco™ Community Partnership Programme, which encourages employees to give back to the community by matching up to 40 hours of volunteer community service. Pelco employees donate time to approximately 70 agencies around the world representing a wide range of outreach projects, including education, animal safety, the elimination of hunger, green practices, and healthy lifestyles. Last year, Pelco employees volunteered approximately 1,700 hours.



Spotlight:

Fostering energy management skills in Colorado

The State of Colorado in the United States is working to advance the development and utilization of renewable energy and energy efficiency while creating a culture of innovation and business development in a new energy economy. When it needed an energy management partner, Colorado turned to Schneider Electric. State officials were attracted by our company's integrated solutions for electric vehicle infrastructure, Smart Grid demand management, building automation, data centre efficiency, and renewable infrastructure. In a Memorandum of Understanding signed by both parties in September, Colorado and Schneider Electric agreed to explore and discuss energy management innovations in a broad range of applications.

Building on a responsible and sustainable growth

Every day around the world, more than 100 000 Schneider Electric employees must live up to the trust that our customers and stakeholders place in us. We are committed to delivering sustainable growth and value for them, while adhering to ethical conduct in all of our operations. We insist on the importance of responsibility and its place at the core of our corporate governance.



At right, Jean-Pascal Tricoire, Schneider Electric President and CEO, leads a workgroup dedicated to energy efficiency at the G20 Summit.

Governance and ethics

- 65** Governance and ethics GRI: 4.8 / 4.12 / 4.13
- 66** The Supervisory Board GRI: 4.1 / 4.2
- 67** Shareholders' Advisory Committee GRI: 4.4 / 4.7
- 67** Ethical stock indexes GRI: 3.13



What are the principles that guide our actions every day?

Our borders are expanding, our numbers are increasing, and our business activities continue to grow. When it comes to corporate behaviour, how do we ensure everyone is on the same page?

6

meetings of the
Supervisory Board
in 2010

42%

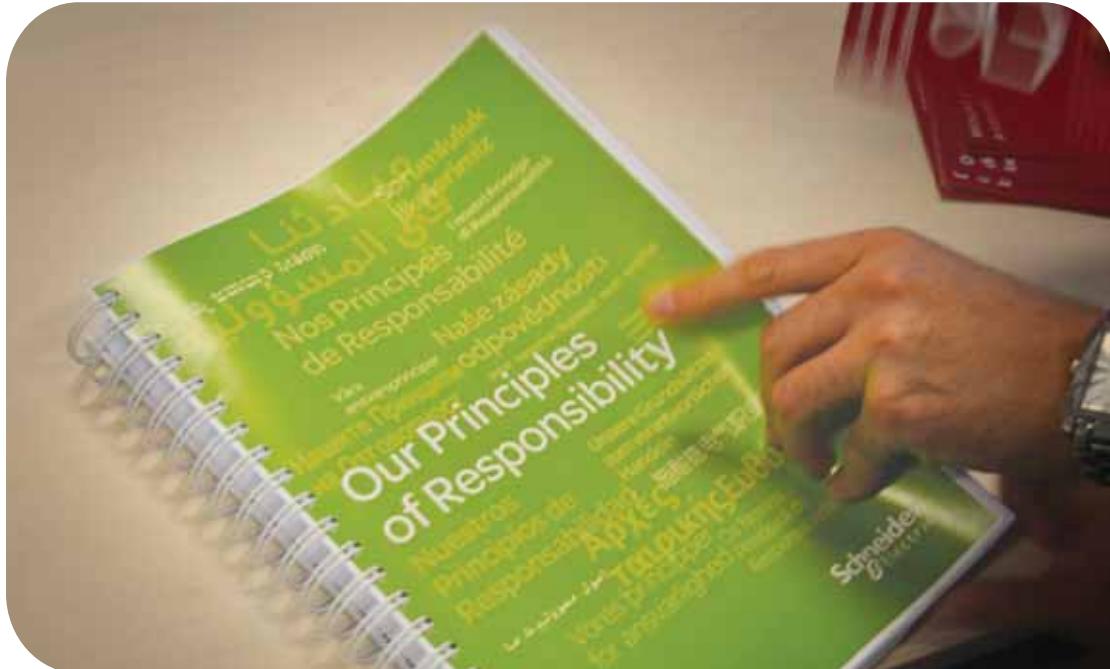
of our sales
are made with
suppliers who
signed the Global
Compact

€3.20

dividend paid out
per share

Governance and ethics

A common framework for how we act



Planet & Society Barometer

Objective: Improved but Below Target in 2010

60% of our purchases are from suppliers who support the Global Compact



Environmental concerns, harassment, discrimination, bribery, fraud, conflicts of interest... These issues can confront every employee at some point in his or her job. To guide our actions individually and as an organization, several frameworks are in place. With *Our Principles of Responsibility*, a set of guidelines first published in 2002 and updated in 2009, we give all our employees a common reference point for responsible behaviours. In 2010, we deployed new processes and organizations, including the Responsibility & Ethical Dynamics programme, to ensure employees are aware of our guidelines, and that there is support for them should they face an ethical dilemma.

External frameworks inform our actions, as well. As a member of the UN Global Compact, which we joined in December 2002, we are committed to aligning our operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, and anti-corruption. And in 2010, Schneider Electric joined the World Business Council for Sustainable Development (WBCSD), the world's leading organization to promote sustainable development. We became part of WBCSD right after the release of its *Manifesto for Energy Efficiency in Buildings*, a document urging companies to implement simple best practices to save energy in their buildings.

15 000

is the number of Schneider Electric employees who completed the e-learning about *Our Principles of Responsibility* in 2010

Spotlight:

G20 Summit: Raising awareness around energy efficiency

The G20 Summit in Seoul, held in November and seeking to address policy issues that included sustainability, publicly associated the business world with the debates taking place at the summit for the first time.

- Top executives of 120 leading companies delivered recommendations to gathered heads of state
- Jean-Pascal Tricoire, Schneider Electric President and CEO, was leader of the workgroup dedicated to energy efficiency

The Supervisory Board

Providing clear oversight

To support the ongoing implementation of Schneider Electric's growth strategy, the company has a two-tier management structure, with a Management Board and a Supervisory Board. The Supervisory Board exercises ongoing control over the Management Board's management of the company. To this end, it performs all the checks and controls that it considers appropriate and obtains copies of any and all documents that it considers necessary to allow it to fulfil its duties. In 2010, key topics reviewed by the Supervisory Board included corporate governance and strategy, the acquisition of AREVA D, and the review of the interim financial statements.

6

number of times the Supervisory Board met in 2010

4.5h

average duration of meetings

95%

attendance rate

Members of the Supervisory Board (as of 16 February 2011)

Henri Lachmann Chairman of the Supervisory Board, Former Chairman and CEO of Schneider Electric 71 years old

Léo Apotheker* Vice Chairman 56 years old

Noël Forgeard* Corporate Director 63 years old

Jérôme Gallot* Chairman of CDC Entreprises SAS 50 years old

Willy R. Kissling* Corporate Director 65 years old

Cathy Kopp* Corporate Director 60 years old

Gérard de La Martinière* Corporate Director 65 years old

Anand Mahindra Vice-Chairman & Managing Director of Mahindra & Mahindra Limited 55 years old

Gordon Richard Thoman* Corporate Director 65 years old

Claude Briquet Member of the Supervisory Board of the "Schneider-France-Germany" corporate mutual fund 49 years old

Serge Weinberg* 59 years old

Non-voting Directors

Claude Bébéar Corporate Director 74 years old

Dominique Senequier Chairman and CEO of Axa Private Equity 56 years old

5

number of times the Audit Committee met in 2010

Audit Committee

Gérard de La Martinière* Chairman

Noël Forgeard*

Jérôme Gallot*

7

number of times the Remunerations, Appointments, and Corporate Governance Committee met in 2010

100%

attendance rate

The Remunerations, Appointments, and Corporate Governance Committee

Henri Lachmann Chairman

Léo Apotheker*

Claude Bébéar*

Serge Weinberg*

Willy R. Kissling*



Cathy Kopp

Corporate Director, member of the Supervisory Board of Schneider Electric

'Our planet has never needed more attention than today, and humanity never needed more energy to live better. Schneider Electric addresses both of these paradoxical aspects, committing to its responsibility toward all its stakeholders. When it comes to sustainability topics, perfection does not exist, but progress must be constant and always accelerating. This is the ambition of Schneider Electric, its leaders and employees'.

*Independent members according to the definition contained in the AFEP-MEDEF corporate governance guidelines.

Shareholders' Advisory Committee

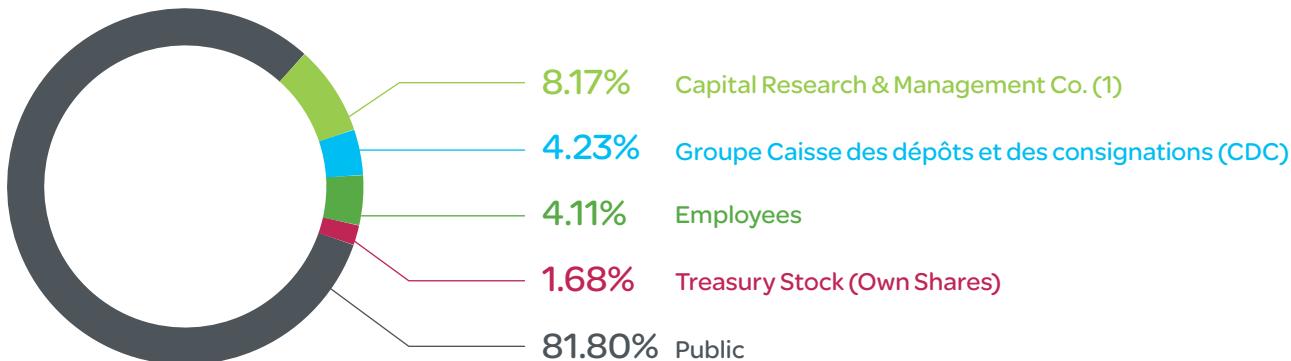
Voice of the shareholders

The Shareholders' Advisory Committee is designed to relay shareholders' concerns in the area of financial communication to the company. The committee reflects the geographic and professional diversity of Schneider Electric's shareholder base. It is currently made up of eight independent volunteers appointed by Schneider Electric for a three-year term. In 2010, the members met several times and participated in the numerous meetings organized with individual shareholders throughout the year.



Schneider Electric 2010 Shareholders' meeting received 3rd Prize for the General Meeting of the Year Award 2010 and a special prize for the best improvement.

Ownership structure by shareholder type



Earnings per share

€6.59



Dividends per share

€3.20



Focus on ethical stock indexes

Sustainability is an important factor for the worldwide investment community. The Socially Responsible Investment indexes track the financial performance of the leading sustainability-driven companies worldwide. Schneider Electric is listed in two of the most prominent indexes: the Dow Jones Sustainability Stoxx (Europe) Index and the ASPI Eurozone. In 2010, we were excluded from the DJSI World index for the first time because our responses to a number of new issues involving water consumption and the evacuation of wastewater on our sites were judged to be too vague. We have one year left in which to return to the DJSI World index before our current company programme ends, and a related action plan is currently under consideration.



Objective: Worsened and Below Target in 2010

Four major ethical stock indexes select Schneider Electric

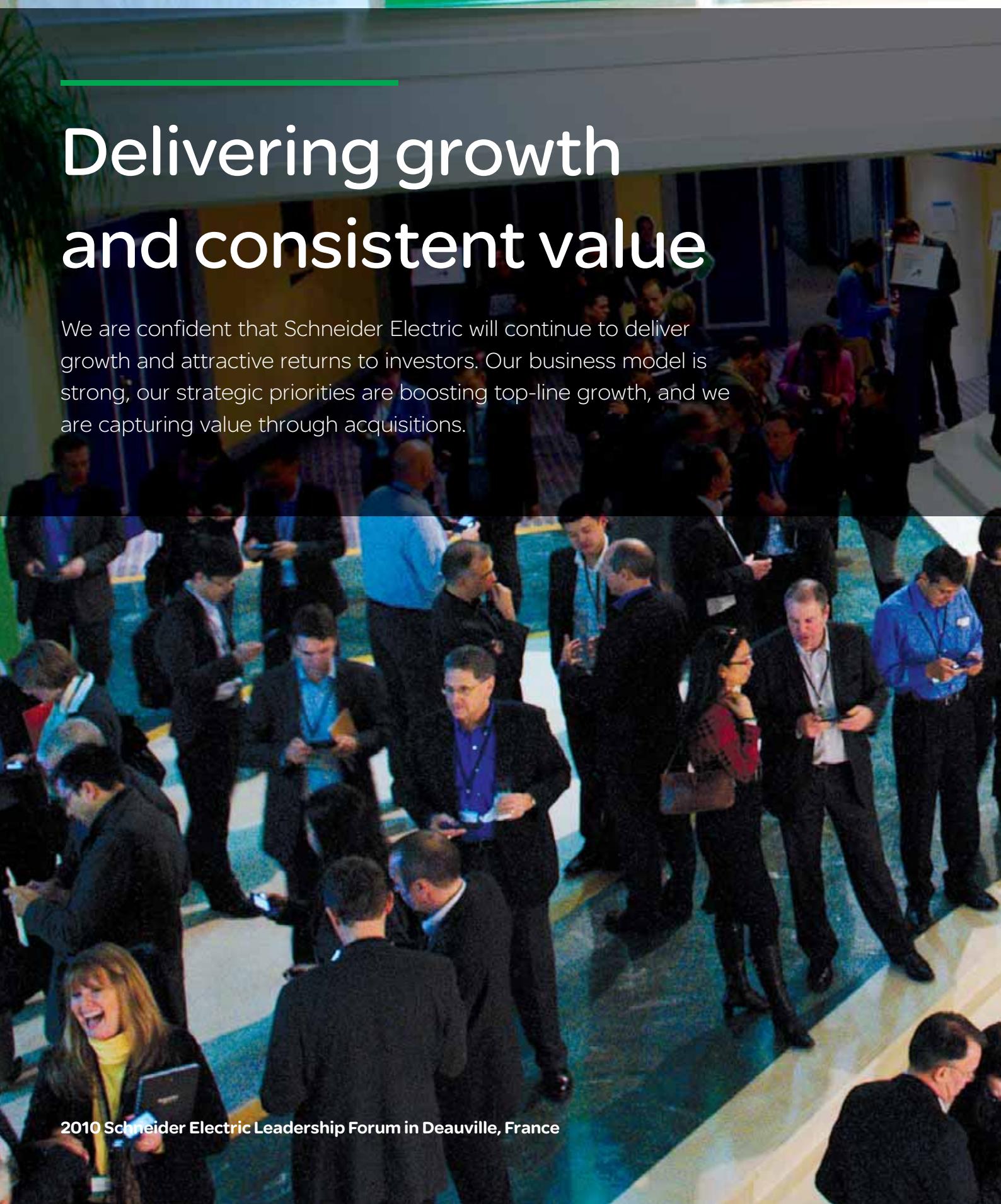


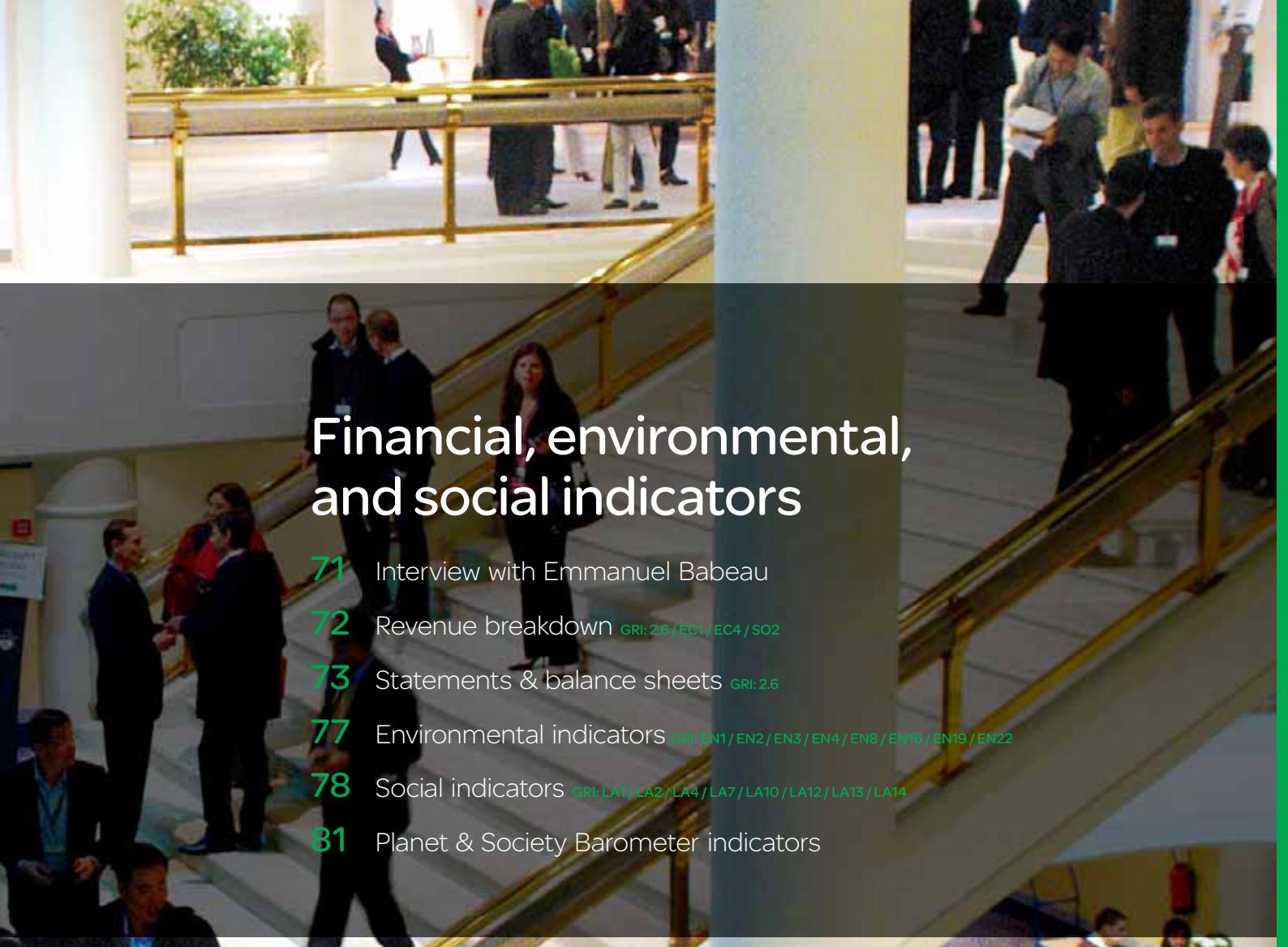
(1) to Schneider Electric's knowledge

*Recommended for shareholder approval at the annual meeting of April 21, 2011. Dividend ex-date on May 4, 2011.

Delivering growth and consistent value

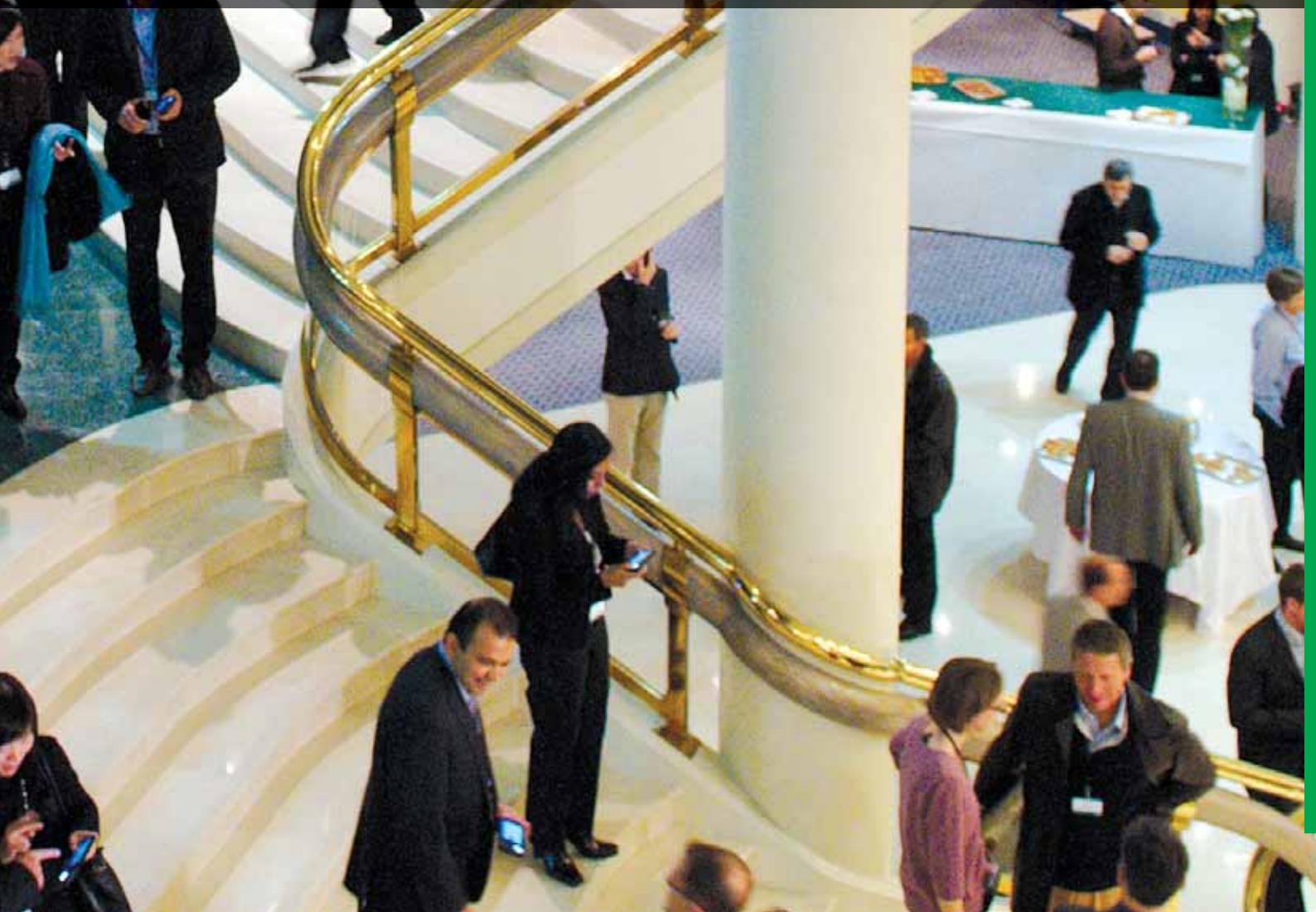
We are confident that Schneider Electric will continue to deliver growth and attractive returns to investors. Our business model is strong, our strategic priorities are boosting top-line growth, and we are capturing value through acquisitions.





Financial, environmental, and social indicators

- 71** Interview with Emmanuel Babeau
- 72** Revenue breakdown GRI:2.6/EC1/EC4/SO2
- 73** Statements & balance sheets GRI:2.6
- 77** Environmental indicators GRI:EN1/EN2/EN3/EN4/EN8/EN16/EN19/EN22
- 78** Social indicators GRI:LA1/LA2/LA4/LA7/LA10/LA12/LA13/LA14
- 81** Planet & Society Barometer indicators



What is fueling our success?

Thanks to a clear strategy and good execution, we have more than doubled our size in the last six years. Our success is the product of a balanced footprint by region, long-term growth opportunities driven by energy efficiency, the Smart Grid, and a robust presence in new economies, as well as value creation, and strategic acquisitions.

€20.2

billion pro forma sales
in 2010, first time in
the company's history

€3

billion reported EBITA
before restructuring
and AREVA Distribution
integration costs

€1.7

billion of free cash flow



Interview with Emmanuel Babeau

Executive Vice President, Finance, Member of the Management Board, Schneider Electric

In 2010, Schneider Electric had generated €19.6 billion in sales, up 9.3 per cent on an organic basis, and 24 per cent overall.

This excellent performance resulted from a dynamic that accelerated over the course of the year. This pace was maintained throughout the year in the new economies (+15 per cent on average), while the rebound was gradual in the more mature economies, with 6 per cent growth. All the company activities generated positive growth in 2010.

Thanks to clear recovery of margins, Schneider Electric posted record EBITA* of €3 billion (before restructuring costs and AREVA Distribution integration costs), or 15.6 per cent of sales.

The start of AREVA Distribution activities within Schneider Electric exceeded our initial expectations. We achieved continuity of operations, and front office teams were merged in all countries. The action plans rolled-out are expected to result in €120 million in synergies by 2014.

We should see another year of strong organic growth in sales. Our target is 6 per cent to 9 per cent growth, with a positive trend for all activities. We also expect the continued improvement of profitability, with 15.0 per cent to 15.5 per cent EBITA margin. Efficiency gains and volumes will be key factors, while our price increases will to a large extent offset the inflation of raw materials costs.

"Net income increased 109 per cent versus last year, to €1.72 billion. Our strong earnings allow us to propose to the shareholders at the Shareholders Meeting a dividend of €3.20 per share, fully paid in cash, representing a distribution of 50 per cent of 2010 net earnings".

*EBITA: EBIT before amortization and impairment of purchase accounting intangibles and impairment of goodwill



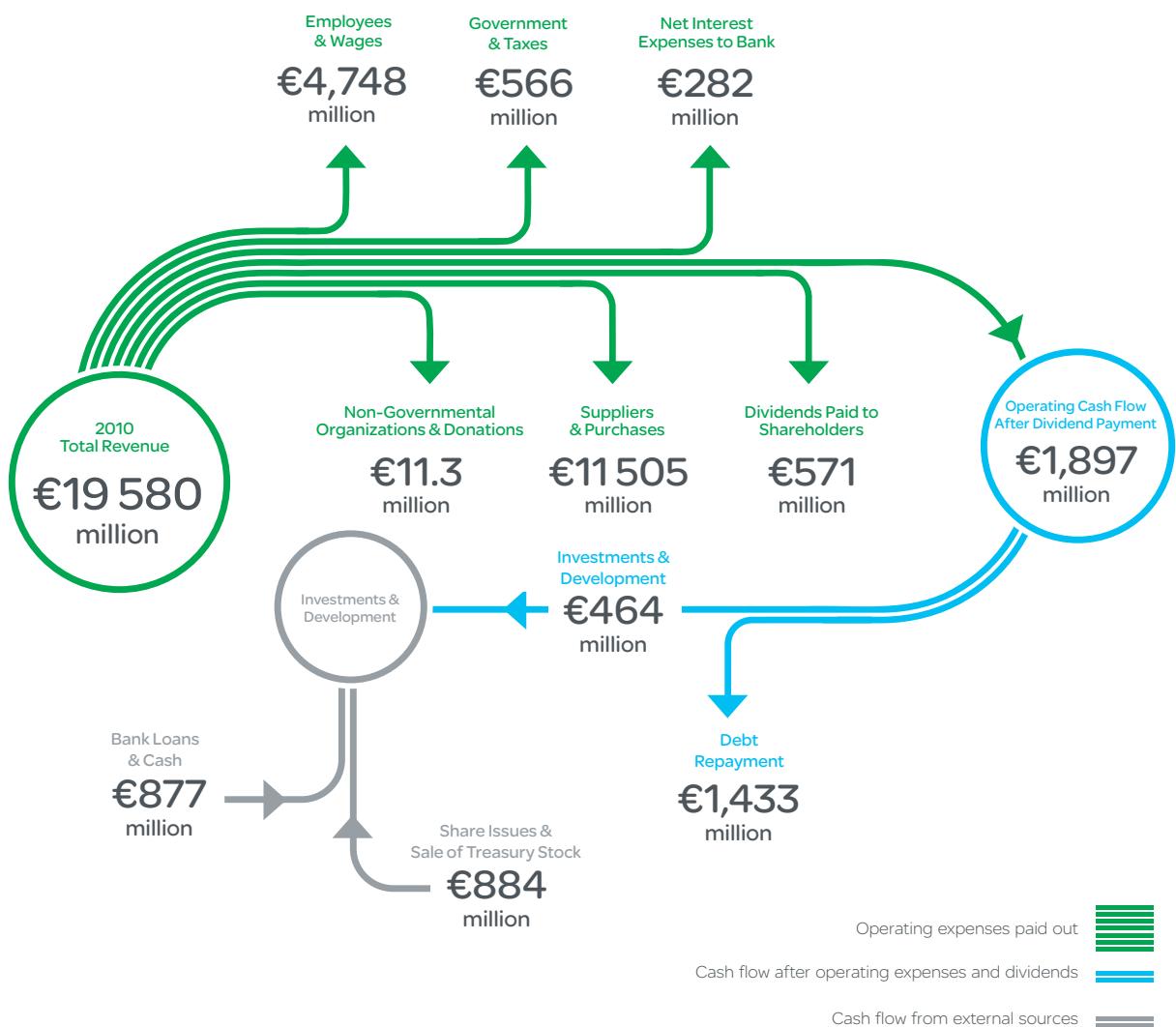
Read the full interview online
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| Key Figures (in millions of euros) | Full Year 2009 | Full Year 2010 | % Change | Pro forma [†] |
|--|----------------|----------------|-------------|------------------------|
| Sales | 15 793 | 19 580 | +24% | 20.2 |
| Organic growth | | | +9.3% | |
| EBITA before restructuring costs and AREVA Distribution integration costs | 2,018 | 3,052 | +51% | 14.5* |
| % of sales | 12.8% | 15.6% | +2.8 pts | |
| Attributable net profit | 824 | 1,720 | +109 | |

[†] Pro forma including AREVA Distribution acquisition on a 12-month 2010 basis

Revenue breakdown

Schneider Electric's financial performance affects the company's stakeholders all over the world, including employees, suppliers, non-governmental organizations, and public authorities, as well as local communities where we work, live, and actively invest. The diagram below delineates our revenue stream and how our earnings are distributed.



Revenue breakdown by country corruption risk

as defined by the Transparency International Corruption Perceptions Index

| | |
|--|-------------|
| 1 - Moderate risk regions (7.5 to 10) | 24% |
| 2 - Average risk regions (5 to 7.5) | 38% |
| 3 - High risk regions (2.5 to 5) | 31% |
| 4 - Very high risk regions (less than 2.5) | 7% |
| Total | 100% |

Countries ranked from 0 to 10 according to the perception index

Consolidated statement of income

(In millions of euros except earnings per share)

| | 2010 | 2009* |
|--|---------------|---------------|
| Revenue | 19 580 | 15 793 |
| Cost of sales | (11 842) | (9,572) |
| Gross profit | 7,738 | 6,221 |
| Research and development | (450) | (403) |
| Selling, general, and administrative expenses | (4,269) | (3,770) |
| Other operating income and expenses | 8 | 62 |
| EBITAR** | 3,027 | 2,110 |
| Restructuring costs | (96) | (313) |
| EBITA*** | 2,931 | 1,797 |
| Amortization and impairment of purchase accounting intangibles | (228) | (231) |
| Operating income | 2,703 | 1,566 |
| Interest income | 24 | 26 |
| Interest expense | (306) | (323) |
| Finance costs, net | (282) | (297) |
| Other financial income and expense | (65) | (87) |
| Net financial income/loss | (347) | (384) |
| Profit before tax | 2,356 | 1,182 |
| Income tax expense | (566) | (295) |
| Share of profit/(losses) of associates | 6 | (21) |
| Profit for the period | 1,796 | 866 |
| -Attributable to owners of the parent | 1,720 | 824 |
| -Attributable to non-controlling interests | 76 | 42 |
| Basic earnings per share (in euros) | 6.59 | 3.32 |
| Diluted earnings per share (in euros) | 6.55 | 3.31 |

* The 2009 figures are restated for the items mentioned in note 1.2 (acquisition costs and CVAE).

** EBITAR (Earnings Before Interests, Taxes, Amortization of purchase accounting intangibles, and Restructuring costs)

EBITAR corresponds to operating profit before amortization and impairment of purchase accounting intangible assets, before goodwill impairment and before restructuring costs.

*** EBITA (Earnings Before Interests, Taxes, and Amortization of purchase accounting intangibles)

EBITA corresponds to operating profit before amortization and impairment of purchase accounting intangible assets and before goodwill impairment.



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schneider-electric.com/finance

Consolidated balance sheet

(In millions of euros)

| Assets | 31 Dec 2010 | 31 Dec 2009* |
|--|----------------|-----------------|
| Non-current assets | | |
| Goodwill, net | 10 213 | 8,611 |
| Intangible assets, net | 4,258 | 3,919 |
| Property, plant, and equipment, net | 2,337 | 1,965 |
| Total tangible and intangible assets | 6,595 | 5,884 |
| Investments in associates | 447 | 75 |
| Available-for-sale financial assets | 410 | 245 |
| Other non-current financial assets | 144 | 102 |
| Non-current financial assets | 554 | 347 |
| Deferred tax assets | 1,023 | 1,010 |
| Total non-current assets | 18 832 | 15 927 |
| Current assets | | |
| Inventories and work in progress | 3,139 | 2,174 |
| Trade accounts receivable | 4,441 | 3,071 |
| Other receivables and prepaid expenses | 1,212 | 871 |
| Current financial assets | 38 | 77 |
| Cash and cash equivalents | 3,389 | 3,512 |
| Total current assets | 12 219 | 9,705 |
| Total assets | 31 051 | 25 632 |

* The 2009 figures are restated for the items mentioned in note 1.2 (acquisition costs and CVAE).

Consolidated balance sheet

(In millions of euros)

| Liabilities | 31 Dec 2010 | 31 Dec 2009* |
|--|----------------|-----------------|
| Equity | | |
| Share capital | 2,176 | 2,102 |
| Additional paid-in capital | 6,495 | 5,934 |
| Retained earnings | 6,133 | 4,645 |
| Translation reserve | (19) | (952) |
| Equity attributable to owners of the parent | 14 785 | 11 729 |
| Non-controlling interests | 204 | 131 |
| Total equity | 14 989 | 11 860 |
| Total long-term provisions | | |
| Pensions and other post-employment benefit obligations | 1,504 | 1,378 |
| Other long-term provisions | 588 | 375 |
| Total long-term provisions | 2,092 | 1,753 |
| Non-current financial liabilities | | |
| Bonds | 3,845 | 3,608 |
| Other long-term debt | 1,165 | 1,305 |
| Non-current financial liabilities | 5,010 | 4,913 |
| Deferred tax liabilities | 957 | 927 |
| Other non-current liabilities | 128 | 17 |
| Total non-current liabilities | 8,187 | 7,610 |
| Current liabilities | | |
| Trade accounts payable | 3,432 | 2,203 |
| Accrued taxes and payroll costs | 1,760 | 1,266 |
| Short-term provisions | 876 | 773 |
| Other current liabilities | 692 | 509 |
| Short-term debt | 1,115 | 1,411 |
| Total current liabilities | 7,875 | 6,162 |
| Total equity and liabilities | 31 051 | 25 632 |

* The 2009 figures are restated for the items mentioned in note 1.2 (aquisition costs and CVAE).

Consolidated statement of cash flows

(In millions of euros)

| | 2010 | 2009 |
|---|---------------------------|----------------|
| I - Cash flows from operating activities: | | |
| Profit for the period | 1,796 | 866 |
| Share of (profit)/losses of associates, net of dividends received | (6) | 21 |
| Adjustments to reconcile net profit to net cash provided by operating activities: | | |
| Depreciation of property, plant, and equipment | 358 | 339 |
| Amortization of intangible assets other than goodwill | 387 | 257 |
| Impairment losses on non-current assets | 29 | 132 |
| Increase/(decrease) in provisions | (51) | 131 |
| Change in deferred taxes | (50) | (114) |
| Losses/(gains) on disposals of assets | (21) | 39 |
| Other | 26 | 37 |
| Net cash provided by operating activities before changes in operating assets and liabilities | 2,468 | 1,708 |
| Decrease/(increase) in accounts receivable | (405) | 543 |
| Decrease/(increase) in inventories and work in process | (515) | 450 |
| (Decrease)/increase in accounts payable | 487 | (176) |
| Change in other current assets and liabilities | 227 | 22 |
| Change in working capital requirement | (206) | 839 |
| | Total I | 2,262 |
| | | 2,547 |
| II - Cash flows from investing activities: | | |
| Purchases of property, plant, and equipment | (376) | (337) |
| Proceeds from disposals of property, plant, and equipment | 84 | 27 |
| Purchases of intangible assets | (239) | (268) |
| Proceeds from disposals of intangible assets | 3 | 2 |
| Net cash used by investment in operating assets | (528) | (576) |
| Net financial investments | (1,754) | (63) |
| Purchases of other long-term investments | (5) | (40) |
| Increase in long-term pension assets | - | - |
| | Sub-total Total II | (1,749) |
| | | (103) |
| | | (679) |
| III - Cash flows from financing activities: | | |
| Issuance of long-term debt | 1,000 | 1,141 |
| Repayment of long-term debt | (1,160) | (110) |
| Sale/(purchase) of own shares | 249 | 22 |
| Increase/(reduction) in other financial debt | (273) | (881) |
| Issuance of shares | 305 | 158 |
| Dividends paid: Schneider Electric SA* | (195) | (317) |
| Non-controlling interests | (46) | (34) |
| | Total III | (120) |
| | | (21) |
| IV - Net effect of exchange rate: | 6 | 61 |
| Increase/(decrease) in cash and cash equivalents: I + II + III + IV | (129) | 1,908 |
| Cash and cash equivalents at beginning of period | 3,425 | 1,517 |
| Increase/(decrease) in cash and cash equivalents | (129) | 1,908 |
| Cash and cash equivalents at end of period | 3,296 | 3,425 |

* Dividends paid in 2010 totalled €525 million, of which €330 million were returned by shareholders who decided to reinvest their dividend.

Environmental indicators

| | 2010 | 2009 | 2008 |
|---|--------------|------------|-----------|
| Indicators | | | |
| Number of responding sites | 255 ▲ | 240 | 234 |
| Number of employees | 87 371 ▲ | 78 078 | 80 846 |
| Amount of waste produced (in metric tons) | 113 684 ▲ | 101 535 | 144 888 |
| Waste produced per employee (in metric tons) | 1.30 ▲ | 1.3 | 1.8 |
| Recovered waste (in metric tons) | 95 092 ▲ | 80 255 | 113 182 |
| Percentage of waste recovered | 84% ▲ | 79% | 78.1% |
| Energy consumption (MWh equivalent) | 1 186 864 ▲ | 1 066 173 | 1 124 638 |
| Energy consumption per employee (in MWh) | 13.6 ▲ | 13.7 | 13.9 |
| Water consumption (in cubic metres) | 2 664 824▲ | 2 493 351 | 2 374 035 |
| Water consumption per employee (in cubic metres) | 30.5 ▲ | 31.9 | 29.4 |
| Estimates | | | |
| CO ₂ emissions (in metric tons) | 411 117 ▲ | 357 513 | 388 125 |
| CO ₂ emissions per employee (in metric tons) | 4.7 ▲ | 4.6 | 4.8 |
| VOC emissions (in kg) | 492 192 ▲ | 409 219 | 479 172 |
| VOC emissions per employee (in kg) | 5.6 ▲ | 5.2 | 5.9 |
| ISO 14001 sites certifications | | | |
| Total certified sites | 251 ▲ | 244 | NA |
| Industrial and logistics | 236 | 233 | 216 |
| Tertiary | 15 | 11 | NA |
| New sites certified | 22 | 25 | 15 |
| Certified sites closed or regrouped | 15 | 8 | 1 |

▲ Audited data

Social indicators

| | 2010 | 2009 | 2008 |
|---------------------------------------|-----------|---------|---------|
| Total workforce | | | |
| Average workforce* | 123 482 | 116 065 | 126 481 |
| Fixed-term and open-ended contracts* | 118 819 ▲ | 104 853 | 113 904 |
| Average production staff* | 61 913 | 55 125 | 59 964 |
| Average non-production staff | 61 569 | 60 940 | 66 518 |
| New hires | 17 590 | 8,977 | 20 995 |
| Departures | 14 968 | 17 663 | 21 504 |
| Breakdown by region (per cent) | | | |
| Asia-Pacific | 27% | 25% | 25% |
| Europe | 42% | 43% | 42% |
| North America | 22% | 24% | 25% |
| Rest of the World | 9% | 8% | 8% |
| Men/women (per cent) | | | |
| Men | 66%* | 66%* | 65% |
| Women | 34%* | 34%* | 35% |
| Age (per cent) | | | |
| 14-24 years | 8.7%* | 7.9%* | 10.7% |
| 25-34 years | 31.4%* | 30.7%* | 32.1% |
| 35-44 years | 27.5%* | 27.9%* | 27.2% |
| 45-54 years | 22.3%* | 23.3%* | 21.1% |
| 55-64 years | 9.7%* | 9.8%* | 8.5% |
| > 64 years | 0.4%* | 0.5%* | 0.4% |
| Seniority (per cent) | | | |
| < 5 years | 43.9%* | 44.7%* | 50% |
| 5-14 years | 30.4%* | 29.2%* | 27.2% |
| 15-24 years | 13.7%* | 13.9%* | 12.1% |
| 25-34 years | 8.6%* | 9%* | 8 % |
| > 34 years | 3.4%* | 3.2%* | 2.7% |
| Gender and category (per cent) | | | |
| White collar | 53.6% | 54.6% | 55.60% |
| Men | 71%* | 72%* | 72.6% |
| Women | 29%* | 28%* | 27.4% |
| Blue collar | 46.4%* | 45.4% | 44.4% |
| Men ⁽⁴⁾ | 60%* | 60% | 57.4% |
| Women | 40% | 40%* | 42.6% |

▲ Audited data

(continued, see notes on Page 80)

Social indicators

| | 2010 | 2009 | 2008 |
|--|--------|-------|--------|
| Function (per cent) | | | |
| Marketing | 3.8% | 3.9% | 4.1% |
| Sales | 14.9% | 17.2% | 16.9% |
| Services & Projects ⁽⁴⁾ | 12.9% | 9.5% | 7.7% |
| Support | 16.8% | 16.3% | 16.4% |
| Technical | 7.6% | 7.2% | 7.1% |
| Production | 6.6% | 7.6% | 8.4% |
| Direct variable costs – employees linked directly to production of range core and adapted products | 46.4% | 45.4% | 44.4% |
| Type of contract (per cent) | | | |
| Flexibility rate (temporary staff/total average workforce) | 20.8% | 18.9% | 18.7% |
| New hires | | | |
| Type of contract (per cent) | | | |
| Open-ended | 58.5% | 56.6% | 65% |
| Fixed-term | 41.5% | 43.4% | 35% |
| Category (per cent) | | | |
| White collar | 41.1% | 40% | 47% |
| Blue collar | 58.9% | 60% | 53% |
| Breakdown by region (per cent) | | | |
| Asia-Pacific | 45% | 43% | 34% |
| Europe | 20% | 20% | 31% |
| North America | 12% | 13% | 25% |
| Rest of the World | 23% | 24% | 10% |
| Dismissals | | | |
| Number | 3,976 | 6,331 | 5,053 |
| o/w layoffs for economic reasons | NA | NA | NA |
| Type of contract (per cent) | | | |
| Open-ended | 75% | 91% | 84.3% |
| Fixed-term | 25% | 9% | 15.7% |
| Category (per cent) | | | |
| White collar | 39% | 44% | 46.7% |
| Blue collar | 61% | 56% | 53.3% |
| Breakdown by region (per cent) | | | |
| Asia-Pacific | 11% | 12% | 8% |
| Europe | 31% | 37% | 32% |
| North America | 42% | 40% | 51% |
| Rest of the World | 16% | 11% | 9% |
| Temporary workforce | | | |
| Average temporary workforce** | 12 048 | 8,463 | 12 365 |
| Category (per cent) | | | |
| White collar | 12.5% | 19.5% | 23.5% |
| Blue collar | 87.5% | 80.5% | 76.5% |
| Breakdown by region (per cent) | | | |
| Asia-Pacific | 59.4% | 61% | 49.5% |
| Europe | 29.5% | 24.2% | 38.1% |
| North America | 7.0% | 6% | 5.3% |
| Rest of the World | 4.1% | 8.8% | 7.1% |

(continued, see notes on Page 80)

Social indicators

| | 2010 | 2009 | 2008 |
|---|-----------------------|-----------------------|---------------------|
| Workweek organization and management | | | |
| Average annual hours worked | 243 999 107 ▲ | 199 050 694 | NA |
| Schneider Electric employees | 214 588 490 | 182 034 089 | NA |
| Temporary workforce | 29 410 217 | 17 016 605 | NA |
| Number of days lost | 14 624 ▲ | 15 678 | NA |
| Schneider Electric employees | 13 007 | 14 574 | NA |
| Temporary workforce | 1,617 | 1,104 | NA |
| Training | | | |
| Training costs by type of training (per cent) | | | |
| Health, safety, environment | 11.8%* | 9.9%* | 8.2% |
| Technical | 43.2%* | 33.5%* | 27.5% |
| Foreign languages and IT | 10.5%* | 14.9%* | 17.8% |
| Management and leadership | 18.4%* | 26.2%* | 25.6% |
| Other | 16.1%* | 15.5% | 20.9% |
| Training costs by category (per cent) | | | |
| White collar | 68%* | 75.5%* | 77.5%* |
| Blue collar | 32%* | 24.5%* | 22.5%* |
| Training hours by category (per cent) | | | |
| White collar | 68.6%* | 61.8%* | 68%* |
| Blue collar | 31.4%* ⁽³⁾ | 38.2%* ⁽²⁾ | 32%* ⁽¹⁾ |
| Average number of hours of training by category | | | |
| White collar | 30.1* | 28.9* | 36.5* |
| Blue collar | 14.4* | 19.4* | 19.9* |
| Average number of hours of training per employee | 22.6 ▲ | 24.3 | 28.6 |
| White collar | 30.8* | 28.9* | 36.5* |
| Blue collar | 14.3* | 19.4* | 19.9* |
| Health & safety | | | |
| Accident frequency rate | 2.51 ▲ | 3.06 | 4.48 |
| Schneider Electric employees | 2.37 | 2.99 | 3.88 |
| Temporary workforce | 3.50 | 3.11 | 11.24 |
| Severity rate | .06 ▲ | 0.08 | 0.09 |
| Schneider Electric employees | .06 | 0.08 | 0.08 |
| Temporary workforce | .05 | 0.08 | 0.12 |
| Accidents by category | | | |
| Total accidents | 611 | 609 | 929 |
| Schneider Electric employees | 507 | 544 | 740 |
| Temporary workforce | 104 | 65 | 189 |
| Fatal accidents | 1 | 2 | 0 |

(1) Data includes service DVC headcounts, 11% of all DVC

(2) Data includes service DVC headcounts, 16% of all DVC

(3) 19% of the direct variable costs

(4) Including services headcount, 8.9% in 2010, 7.1% in 2009, and 5.2% in 2008

* Data covering 80% of the workforce



Planet & Society Barometer: 13 indicators (2009-2011)

| | Start 01/01/09 | Results 31/12/09 | Results 31/12/10 | Target 31/12/11 |
|--|-------------------|---------------------|---------------------|--------------------|
| Overall performance of the Barometer (score out of 10) | 3.00 | 6.00 | 7.62 | 8.00 |
| Planet | | | | |
| 1 30 000 tons annual reduction of our CO ₂ equivalent emissions | 0 | -44 089 | -110 156 | -90 000 |
| 2 2/3 of our products' revenues achieved with Green Premium products | 0 | 2.6% | 26.1% ▲ | 66.7% |
| 3 2/3 of our employees work in ISO 14001-certified sites | 59% | 63.8% | 69.0% ▲ | 66.7% |
| Profit | | | | |
| 4 7 points above the Group's average growth gained by our energy efficiency activities | 0 | 5.3 | 8.3 ▲ | 7.0 |
| 5 10 countries set up a recovery process for SF ₆ gas | 0 | 3 | 3 | 10 |
| 6 1 000 000 households at the Base of the Pyramid have access to energy thanks to Schneider Electric's solutions | 0 | 260 000 | 891 058 | 1 000 000 |
| 7 60% of our purchases from suppliers who support the Global Compact | 30% | 33% | 42% ▲ | 60% |
| 8 4 major sustainability indexes select Schneider Electric | 3 | 3 | 2 ▲ | 4 |
| People | | | | |
| 9 10% annual reduction in the frequency rate of occupational accidents | 0 | -32% | -44% ▲ | -27% |
| 10 14 points increase in the company's employee recommendation score | 0 | -7 | +27 ▲ | +14 |
| 11 2000 employees trained on energy management solutions | 0 | 40 | 239 ▲ | 2,000 |
| 12 10 000 young people at the Base of the Pyramid trained in the electricity professions | 0 | 2,150 | 4,742 | 10 000 |
| 13 500 entrepreneurs at the Base of the Pyramid set up their activities in the electricity sector | 0 | 125 | 209 | 500 |

▲ Audited data

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