Strong start to 2021 - Revenues up +13.5% organic in Q1
FY 2021 Target upgraded
Disclaimer

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

This presentation includes information pertaining to our markets and our competitive positions therein. Such information is based on market data and our actual revenues in those markets for the relevant periods. We obtained this market information from various third-party sources (industry publications, surveys and forecasts) and our own internal estimates. We have not independently verified these third-party sources and cannot guarantee their accuracy or completeness and our internal surveys and estimates have not been verified by independent experts or other independent sources.
Q1 Business Highlights

Hilary Maxson
CFO Schneider Electric
Strong growth in Q1

€6.5bn, +13.5%
Group Q1 2021 revenues org.

Energy Management
Energy Efficiency
€4.9 billion
+13.7%
Q1 org. sales growth

Industrial Automation
Process Efficiency
€1.6 billion
+12.9%
Q1 org. sales growth

End Markets
Buildings | Data Center | Industry | Infrastructure

C.50% c.50%
Well positioned to capture opportunities with future-ready portfolio

Electrification
Creating future-ready solutions across the lifecycle

Digitization
Enabling step changes in efficiency and reliability

Sustainability
Accelerating toward net-zero CO₂
Strong traction across strategic pillars in Q1

MORE PRODUCTS

- Okken™ & BlokSeT™ LV switchboards
- Galaxy VL Compact 3-Phase UPS
- New generation of TeSys Giga series Motor Starters
- Easy UPS 3L

MORE SOFTWARE & SERVICES

- IGE+XAO GROUP
- RIB
- AVEVA
- ALPI
- OSIsoft
- EcoStruxure
- Uplight

MORE SUSTAINABLE

- Launch of “Zero Carbon Project”
  Halving key suppliers CO2 emissions by 2025
- Scaling sustainability business worldwide
- Multiple project wins – consulting, PPAs, microgrids...
- Assets under Management of 4.5m, up +47%

The ETAP acquisition and Uplight investment are pending regulatory approval.
## Our end-markets are well oriented...

<table>
<thead>
<tr>
<th>Building</th>
<th>Data Center</th>
<th>Infrastructure</th>
<th>Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Positive</strong></td>
<td><strong>c. +20%</strong></td>
<td><strong>$2 tn</strong></td>
<td><strong>+17%</strong></td>
</tr>
<tr>
<td>ABI billings - first time since start of pandemic</td>
<td>Hyperscale CapEx YoY 2021</td>
<td>U.S. infrastructure plan</td>
<td>IoT CAGR to 2023E</td>
</tr>
</tbody>
</table>

## Long term trends

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>~40%</strong></td>
<td><strong>c. +19%</strong></td>
<td><strong>x6</strong></td>
<td><strong>97%</strong></td>
</tr>
<tr>
<td>of the world’s CO₂ emission comes from buildings</td>
<td>Edge infrastructure spend on compute &amp; storage to grow 5yr CAGR by 2024</td>
<td>renewable Electricity from Wind/Solar by 2040</td>
<td>of organizations are investing in big data &amp; AI</td>
</tr>
</tbody>
</table>
**Positive evolution of demand trends in Q1**

<table>
<thead>
<tr>
<th>Segment</th>
<th>Demand trends in trailing 3 quarters</th>
<th>Demand trends in Q1 21</th>
<th>Q1 trend relative to trailing 3 quarters*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Center - Colocation, hyper-scale, enterprise, edge, non-IT</td>
<td>+ +</td>
<td>+ +</td>
<td>↑</td>
</tr>
<tr>
<td>Machine Solutions - End User &amp; OEM</td>
<td>-</td>
<td>+ +</td>
<td>↑</td>
</tr>
<tr>
<td>Residential Buildings</td>
<td>+</td>
<td>+ +</td>
<td>↑</td>
</tr>
<tr>
<td>CPG - Consumer Packaged Goods</td>
<td>+</td>
<td>+</td>
<td>↑</td>
</tr>
<tr>
<td>MMM - Mining, Metals and Minerals</td>
<td>- -</td>
<td>+</td>
<td>↑</td>
</tr>
<tr>
<td>Utilities</td>
<td>+ +</td>
<td>+</td>
<td>↓</td>
</tr>
<tr>
<td>Oil &amp; Gas</td>
<td>- -</td>
<td>- -</td>
<td>↑</td>
</tr>
</tbody>
</table>

* Relative to weighted average demand in Q2, Q3, Q4 2020, based on non-GAAP orders in selected segments
**Key customer successes in recent months**

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>Solution</th>
<th>Benefits</th>
</tr>
</thead>
</table>
| Senior care facility             | U.S.             | Tailored Ecostruxure™ Microgrid solution                                | • Reliable energy supply for critical facilities  
• Grid optimization  
• Long-term service support |
| Swire Properties                 | Hong Kong, China | Cloud-based energy management across multi-site property portfolio      | • Coverage: Hong Kong & Chinese Mainland  
• Expect 10%-20% p.a. energy cost reduction  
• Expect to resolve up to 80% of issues remotely |
| Société du Grand Paris          | France           | Enabling Energy & Automation integration                               | • Reliable Energy & Automation partner  
• Supporting a new vision of Paris Area public transport  
• 3 Metro lines |
| SUPERNAP Italia                  | Italy            | Fully integrated & highly efficient Ecostruxure™ Data Center solution    | • Agnostic platform & easy IoT integration with 3rd party equipment  
• Simplify facility operation & maintenance  
• Maximize datacenter efficiency  
• Compliance with advanced industry standards |
| Emirates Waste to Energy         | U.A.E            | Comprehensive digital solution for Grid resilience & cybersecurity      | • EcoStruxure™ Electrical & Automation solutions  
• Real-time monitoring to improve energy efficiency & system optimization  
• Staff safety & cybersecurity of grid |

Investor Relations – Schneider Electric | Page 10
Accelerated sustainability journey continues

Score reached 3.38/10 in Q1 2021
good start toward end of year target of 3.75/10

Our Pledge

2025  ▶ Carbon neutrality in our operations (with CO₂ offsets)

2030  ▶ Net-zero CO₂ in our operations (no CO₂ offset)

Net-zero biodiversity loss in our operations

2040  ▶ End-to-end carbon neutral value chain (with CO₂ offsets, scope 1, 2, 3)

2050  ▶ Net-zero CO₂ supply chain (no CO₂ offset)

---

1. 2021 baseline 3/10, 2025 target 10/10
Our Sustainability Journey

Recognition

#1 the world’s most sustainable company

A List
(Climate) 10 years in a row

AAA
9 years in a row

From 2018
Included since inception

Most Ethical Company
10 years in a row

Net-zero biodiversity loss
in our operations by 2030

Replay of the 3rd edition of the One Planet Summit
Q1 Business Performance
Strong start to 2021 up +13.5% organic in Q1

Analysis of Change in Group Revenues (in €m)

Based on current rates, the FX impact on FY 2021 revenues is estimated to be between -€500 million to -€600 million.

The FX impact at current rates on adjusted EBITA margin for FY 2021 could be around flat.
Q1 Group revenue across regions

**NORTH AMERICA**
- **Group Sales**: 27%
- **Organic Growth**: +2%
- United States
- Canada
- Mexico

**WESTERN EUROPE**
- **Group Sales**: 28%
- **Organic Growth**: +11%
- France
- Germany
- United Kingdom
- Spain
- Italy
- Nordics

**REST OF WORLD**
- **Group Sales**: 14%
- **Organic Growth**: +9%
- Russia
- South America
- Middle East
- Africa

**ASIA PACIFIC**
- **Group Sales**: 31%
- **Organic Growth**: +32%
- China
- India
- Australia
- Indonesia
- Singapore
- Japan
Investor Relations – Schneider Electric | Page 16

Products: **Strong underlying demand drives growth**

**€3.9bn**  
60% of Group Q1 2021 revenues

+17% org.

**Q1’21 performance highlights**

- Double-digit growth led by short-cycle demand in Residential buildings and Industry & Infrastructure markets
- Growth supported by some customer *stocking* and carry-over of *price* actions
- Growth of product sales across both businesses and in both developed and emerging economies
- Leveraging complete product portfolio across strong global network of partners
Systems: Double-digit growth though process markets still weak

€1.5bn
22% of Group Q1 2021 revenues

+10% org.

Q1’21 performance highlights

- Strong demand across Energy Management technologies
- Energy Management strong across most end-markets, some parts of Non-resi buildings weaker, as expected
- Good OEM demand in Industrial Automation, driving growth
- Demand in Process & Hybrid end-markets remained weak, as expected
Software and Services: Good growth against a high base of comparison

€1.2bn
18% of Group Q1 2021 revenues

+6% org.

Q1’21 performance highlights

• Software and Digital services growing mid-single digit in Q1
  • AVEVA impacted by high base of comparison and timing of renewals
  • Remaining portfolio including Energy Management software and EcoStruxure Advisors growing double-digit organic

• Field Services grew strongly in both businesses

• Sustainability services seeing continued good demand
Energy Management - Q1 performance highlights

€4.9bn
76% of Group Q1 2021 revenues

Key performance highlights

- Strong performance in Residential buildings
- Non-Residential demand remains good in Hospitals, Healthcare, Life Science & Warehouse/Distribution
- Strong Data Center & Network demand across geographies, both in new Data Center construction & upgrade cycles; Offers well aligned to both large & small customers
- Industry & Infrastructure demand remains impacted in O&G; good demand from electric utilities including Smart Grids, microgrids; Transportation saw good demand
Energy Management - performance by geography

Q1 Org. Growth

Split of Q1 2021 revenue by geography: 27% 30% 29% 14%

North America +4%
- Good growth in U.S. and sequential improvement on Q4
- Strong demand in Residential, Data Center & Infrastructure markets
- Some third-party supply-chain disruption in February, but strong recovery in March
- Double-digit growth in Canada, Mexico down low-single digit

Rest of the World +10%
- Africa up double-digit supported by execution on an infrastructure project in Egypt
- Central & Eastern Europe & CIS up double-digit
- Middle East grew strongly, Turkey performed well, while Saudi Arabia saw good project execution
- South America delivered solid growth against a high base of comparison

Western Europe +13%
- France led the region with strong demand through distribution channels & Data Center project execution
- U.K. up double-digit with good demand in residential & Data Center markets
- Double-digit growth in Germany despite a high base of comparison
- Spain & Italy up double-digit recovering well from pandemic impact

Asia Pacific +29%
- China grew strong double-digit across end-markets, strong underlying demand supported by customer operations continuing through Lunar new year
- India grew strong double-digit led by demand for Residential and small building offers
- Good growth in Australia, though still subject to project delays
- South East Asia recovered well, though Indonesia remained weak
Industrial Automation - Q1 performance highlights

€1.6bn
24% of Group Q1 2021 revenues

Key performance highlights

- Sales into Discrete end-markets grew double-digit, led by OEM demand particularly in China
- Moderate performance in Process & Hybrid end-markets which continue to recover more slowly, remaining challenged in Q1
- Industrial software impacted by high base of comparison & timings of renewals
- CPG, Utilities and MMM saw good demand
- Good traction in Field Services
Industrial Automation - performance by geography

Split of Q1 2021 revenue by geography:

- **North America**: -9%
  - U.S. remained weak overall, though improving sequentially and positive toward end of Q1
  - Discrete automation segments grew strongly
  - Process & Hybrid weak in U.S. due to continuing economic impact in specific segments
  - Canada grew well while Mexico remained weak

- **Rest of the World**: +6%
  - South America grew strongly, led by OEM demand in Brazil
  - Good growth in Middle East, Turkey strong in discrete markets, Process & Hybrid remain weak in Gulf region
  - CIS, Africa and Central & Eastern Europe all around flat

- **Western Europe**: +4%
  - Strong growth in France in discrete automation led by distribution channels & OEM demand, while Software grew well
  - Italy grew well with acceleration of OEM demand
  - Germany was down but saw good level of demand towards end of Q1
  - U.K. down in part due to high base in Software, Discrete growing strongly
  - Spain was around flat

- **Asia Pacific**: +40%
  - China up strong double-digit led by OEM demand from customers in both domestic and export markets, and across applications
  - India up double-digit with strength in discrete automation
  - Strong growth in Australia, benefitting from Software demand
  - Japan & South Korea down due to Process & Hybrid end markets, rest of East Asia performing well

---

Q1 Org. Growth
Capital allocation: priorities unchanged

1. Strong Investment Grade Credit Ratings
2. Continued focus on Dividends
3. Portfolio optimization
4. Share buyback* (on hold in the near-term)

Near-term focus:
- Successful integration of recent acquisitions and deliver associated synergies
- Renewed progress on disposal program
- Small bolt-ons or partnerships linked to long-term strategy
2021 Target
2021 Target upgraded

Taking into account the strong demand witnessed in Q1 while also factoring the current view of the ongoing uncertainties linked to the COVID-19 pandemic, potential global supply-chain pressures and increased input costs, the Group targets:

2021 Adjusted EBITA growth of between +14% and +20% organic

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

- Revenue growth of +8% to +11% organic
- Adjusted EBITA margin up +90bps to +130bps organic

This implies Adjusted EBITA margin of around 16.7% to 17.1% (including scope based on transactions completed to-date and FX based on current estimation)
Further notes on 2021 FX & Scope available in slide 30
Investor Relations ready to engage

Proposing quarterly interaction with investors showcasing specific businesses, geographies or functions

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>28 April</td>
<td>Shareholders’ Meeting</td>
</tr>
<tr>
<td>1 June</td>
<td>Kepler Cheuvreux 2nd Digital Pan European ESG Conference</td>
</tr>
<tr>
<td>8 June</td>
<td>Exane CEO Conference</td>
</tr>
<tr>
<td>11 June</td>
<td>J.P. Morgan European Capital Goods Conference</td>
</tr>
<tr>
<td>15 &amp; 16 June</td>
<td>ODDO Sustainability Forum</td>
</tr>
<tr>
<td>30 July</td>
<td>2021 Half Year Results</td>
</tr>
<tr>
<td>9 September</td>
<td>Morgan Stanley Industrial CEOs Unplugged</td>
</tr>
<tr>
<td>17 October</td>
<td>Carbon-neutral Schneider Electric Paris Marathon</td>
</tr>
<tr>
<td>27 October</td>
<td>Q3 2021 Revenues</td>
</tr>
<tr>
<td>3 December</td>
<td>Societe Generale Premium Review Conference</td>
</tr>
</tbody>
</table>

Information on [www.se.com/finance](http://www.se.com/finance)
Investor Relations contacts

Amit Bhalla - Head of Investor Relations, amit.bhalla@se.com

Graham Phillips - Investor Relations Director, graham.phillips@se.com

Alban de Beaulaincourt - Investor Relations Director, alban.de-beaulaincourt@se.com
2021 additional notes

- **Foreign Exchange impact:** Based on current rates, the FX impact on FY 2021 revenues is estimated to be between -€500 million to -€600 million. The FX impact at current rates on adjusted EBITA margin for FY 2021 could be around flat.

- **Scope:** Around +€950 million on 2021 revenues and around +20bps on 2021 Adj. EBITA margin, based on transactions completed to-date.

- **Tax rate:** The ETR is expected to be in a 22-24% range in 2021.

- **Restructuring:** The Group expects restructuring costs of between €1.15 - €1.25 billion over three years (2020-2022) as previously communicated.

- **Industrial Productivity:** Over a three-year period (2020-2022) the Group expects Industrial Productivity of around €1 billion as previously communicated.
### 6 long-term commitments

#### CLIMATE
1. Grow our green revenues<sup>2</sup>
2. Help our customers save and avoid millions of tons of CO<sub>2</sub> emissions<sup>3</sup>
3. Reduce CO<sub>2</sub> emissions from top 1,000 suppliers’ operations<sup>4</sup>

#### RESOURCES
4. Increase green material content in our products<sup>4</sup>
5. Primary and secondary packaging free from single-use plastic and using recycled cardboard<sup>4</sup>

#### TRUST
6. Strategic suppliers who provide decent work to their employees<sup>4</sup>
7. Level of confidence of our employees to report unethical conduct<sup>4</sup>

#### EQUAL
8. Increase gender diversity in hiring (50%), front-line management (40%) and leadership teams (30%)
9. Provide access to green electricity to 50M people

#### GENERATIONS
10. Double hiring opportunities for interns, apprentices and fresh graduates
11. Train underprivileged people in energy management<sup>5</sup>

#### LOCAL
+1. Country and Zone Presidents with local commitments that impact their communities

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Q1 2021</th>
<th>2025 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CLIMATE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Grow our green revenues&lt;sup&gt;2&lt;/sup&gt;</td>
<td>70%</td>
<td>72%</td>
<td>80%</td>
</tr>
<tr>
<td>2. Help our customers save and avoid millions of tons of CO&lt;sub&gt;2&lt;/sub&gt; emissions&lt;sup&gt;3&lt;/sup&gt;</td>
<td>263M</td>
<td>276M</td>
<td>800M</td>
</tr>
<tr>
<td>3. Reduce CO&lt;sub&gt;2&lt;/sub&gt; emissions from top 1,000 suppliers’ operations&lt;sup&gt;4&lt;/sup&gt;</td>
<td>0%</td>
<td></td>
<td>50%</td>
</tr>
<tr>
<td><strong>RESOURCES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Increase green material content in our products&lt;sup&gt;4&lt;/sup&gt;</td>
<td>--</td>
<td></td>
<td>50%</td>
</tr>
<tr>
<td>5. Primary and secondary packaging free from single-use plastic and using recycled cardboard&lt;sup&gt;4&lt;/sup&gt;</td>
<td>--</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td><strong>TRUST</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Strategic suppliers who provide decent work to their employees&lt;sup&gt;4&lt;/sup&gt;</td>
<td>--</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>7. Level of confidence of our employees to report unethical conduct&lt;sup&gt;4&lt;/sup&gt;</td>
<td>--</td>
<td></td>
<td>--</td>
</tr>
<tr>
<td><strong>EQUAL</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Increase gender diversity in hiring (50%), front-line management (40%) and leadership teams (30%)</td>
<td>41/25/24</td>
<td>44/25/25</td>
<td>50/40/30</td>
</tr>
<tr>
<td>9. Provide access to green electricity to 50M people</td>
<td>30M</td>
<td>30.7M</td>
<td>50M</td>
</tr>
<tr>
<td><strong>GENERATIONS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Double hiring opportunities for interns, apprentices and fresh graduates</td>
<td>4,939</td>
<td>x1.11</td>
<td>x2.00</td>
</tr>
<tr>
<td>11. Train underprivileged people in energy management&lt;sup&gt;5&lt;/sup&gt;</td>
<td>281,737</td>
<td>287,601</td>
<td>1M</td>
</tr>
<tr>
<td><strong>LOCAL</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>+1. Country and Zone Presidents with local commitments that impact their communities</td>
<td>0%</td>
<td>84%</td>
<td>100%</td>
</tr>
</tbody>
</table>

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<sup>1</sup> 2021 baseline 3/10, 2025 target 10/10
<sup>2</sup> baseline 2019
<sup>3</sup> cumulative since 2018
<sup>4</sup> program in development
<sup>5</sup> cumulative since 2009
## Q1 Energy Management revenue across regions

### NORTH AMERICA

- **United States**: 30% Percent Business Sales, +4% Org. Growth
- **Canada**: Percent Business Sales, +4% Org. Growth
- **Mexico**: Percent Business Sales, +4% Org. Growth

### WESTERN EUROPE

- **France**: 27% Percent Business Sales, +13% Org. Growth
- **Germany**: Percent Business Sales, +13% Org. Growth
- **United Kingdom**: Percent Business Sales, +13% Org. Growth
- **Spain**: Percent Business Sales, +13% Org. Growth
- **Italy**: Percent Business Sales, +13% Org. Growth
- **Nordics**: Percent Business Sales, +13% Org. Growth

### REST OF WORLD

- **Russia**: 14% Percent Business Sales, +10% Org. Growth
- **South America**: Percent Business Sales, +10% Org. Growth
- **Middle East**: Percent Business Sales, +10% Org. Growth
- **Africa**: Percent Business Sales, +10% Org. Growth

### ASIA PACIFIC

- **China**: 29% Percent Business Sales, +29% Org. Growth
- **India**: Percent Business Sales, +29% Org. Growth
- **Australia**: Percent Business Sales, +29% Org. Growth
- **Indonesia**: Percent Business Sales, +29% Org. Growth
- **Singapore**: Percent Business Sales, +29% Org. Growth
- **Thailand**: Percent Business Sales, +29% Org. Growth
Q1 Industrial Automation revenue across regions

% Business Sales

Org. Growth

NORTH AMERICA

16%  -9%

United States  Canada  Mexico

WESTERN EUROPE

31%  +4%

France  Germany  United Kingdom  Spain  Italy

REST OF WORLD

16%  +6%

Russia  South America  Middle East  Africa

ASIA PACIFIC

37%  +40%

China  India  Australia  South Korea  Japan
Our distinctive DNA is externally recognized in Q1 2021

MEANINGFUL

GLOBAL100
Corporate Knights

Helsinki
SEAL Awards

FORTUNE
World’s Most Admired
Companies

INTERNATIONAL PROPERTY AWARD

INCLUSIVE

Bloomberg
Corporate Sustainability
Index

EMPowered

ICCC
International Chamber
of Commerce

Mind the Bridge

Cesar
Innovation Awards

BRITISH SAFETY COUNCIL

Partner Program Guide
2021

ENR
Engineering News Record

University of St.Gallen