Q1 2022 revenues up +10% organic
FY 2022 Target confirmed in increasingly uncertain environment
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.
Action to support Ukraine

142 Employees
Manufacturing facilities: 0 factories & 1 Distribution Center

Facilitating employees & families relocating & providing temporary housing outside of Ukraine

2.5M€ for our employees and NGOs

For our employees the fund supports for housing and settlement, language lessons, legal and psychological support to employees and families

Partnering with NGO in relief efforts in the affected Ukrainian community, including equipping refugee camps with tents and electrical equipment with SOS Attitude in Moldavia, SOS Village d’Enfants in Romania, Poland and Lithuania, and a Project for Mental health by UN Global Compact

4M€ equipment donation to restore energy supplies – facilitated by World Economic Forum
Russia Operations

FY 2021 Footprint:
- ~3,500 Employees in Russia & Belarus
- Russia represents around 2% of Group revenues
- Manufacturing facilities: 3 factories & 2 Distribution Centers in Russia
- Largely local business serving domestic market
- Close to no export or supply chain sourcing from Russia

Since February 24, 2022:
New investments and international project orders on hold. Adherence to all sanctions and regulations

Announcement April 27, 2022:
Intention to sell Russia operations to local management
- Letter of Intent signed to sell Russian operations to local leadership team

Financial impact
Impacts below adj. EBITA to include:
- Write-off of up to €300m in Net Book Value
- €120m non-cash reversal of currency translation reserve (current estimate)
## China – COVID-19 related lockdowns

<table>
<thead>
<tr>
<th>Lockdown situation</th>
<th>Actions taken</th>
<th>Financial impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 4 factories and 1 distribution center in Shanghai impacted – presently operating at reduced capacity</td>
<td>• Supporting food supply and delivery for locked-down employees&lt;br&gt;• Employee assistance program launched&lt;br&gt;• Rebalancing supplies within China to ensure business continuity&lt;br&gt;• Close dialogue with supplier ecosystem&lt;br&gt;• Agile planning on multiple scenarios</td>
<td>• Negligible impact on Q1 sales&lt;br&gt;• Q2 to be impacted due to Shanghai lockdown&lt;br&gt;• China still expected to contribute to growth in FY 2022&lt;br&gt;• Currently assuming ramp-up of capacity in Shanghai through May</td>
</tr>
<tr>
<td>• Minimal impact on operations/plants in other provinces in Q1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Schneider Electric included in white-list of companies prioritized to ramp-up manufacturing capacity</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Strong demand, unique positioning

<table>
<thead>
<tr>
<th>Accelerating Markets</th>
<th>Electric Digital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incremental Growth Drivers</td>
<td>Services Software Sustainability</td>
</tr>
<tr>
<td>Unique Operating Model</td>
<td>Integrated Partnership Multi-Hub ESG</td>
</tr>
</tbody>
</table>

## Implications of recent events

- Inflation
- Complexity in supply chains
- More electrification, energy efficiency, digitization & sustainability

## Full Year 2022 target confirmed

- Pricing
- Multi-hub set-up
- More EcoStruxure, Software, and Advisory
Q1 Financial Highlights
Strong start to 2022

€7.6bn +10%
Group Q1 2022 revenues org.

Energy Management
Energy Efficiency
+10%
Q1 org. sales growth

Industrial Automation
Process Efficiency
+9%
Q1 org. sales growth

End-Markets
Buildings
Data Center
Infrastructure
Industry

Powered by
SUSTAINABILITY  +  DIGITIZATION  +  ELECTRIFICATION
Strong growth across strategic pillars in Q1

MORE PRODUCTS

+13%
Q1 organic growth

• Double-digit growth in both businesses
• Broadly balanced contribution between volume and price
• Price benefitting from carryover and Q1 actions
• Supply chain pressures constrain growth – primarily electronic component shortages

MORE SOFTWARE & SERVICES

+7%
Q1 organic growth

• Software & Digital Services up double-digit
  • Strong quarter at AVEVA with double-digit growth
  • Energy Management software performing strongly – strong growth from recent acquisitions
  • Digital services up strong double-digit
  • Field services grew low-single digit, impacted by shortages and site access

MORE SUSTAINABLE

Strong double-digit

• Growth led by North America
• Leveraging Sustainability consulting as catalyst for full portfolio
• Multiple customer engagements & wins

Assets under Management of 6.2m, up +46%

Normandy, France

Johnson & Johnson

• 10% reduction in energy cost
• Up to 25% reduction in carbon emission
Remaining focused on **sustainability transformations**

**CLIMATE**
SSI #2 - Deliver 800 million tonnes of saved and avoided CO$_2$ emissions to our customers

358M

Our solutions helped customers make significant decarbonization progress. Plastic Omnium and NSG Group have recently entrusting Schneider Electric for its support on renewable energy purchases.

**RESOURCES**
SSI #5 - 100% of our primary and secondary packaging is free from single-use plastic and uses recycled cardboard

30%

Packaging transformation is making great progress with 100% recycled cardboard already used in our distribution centers in India, China and Europe.

**GENERATIONS**
SSI #11 - Train 1 million people in energy management

335K+

Training activities have resumed post COVID-19 with new major partnerships launched in India and South America to train more young people in energy management.
Group organic growth +10%, all geographies contributing

Analysis of Change in Group Revenues (in €m)

Based on current rates, the FX impact on FY 2022 revenues is estimated to be between +€1.3 billion to +€1.4 billion.

The FX impact at current rates on adjusted EBITA margin for FY 2022 could be around +10bps.
Q1 Business performance highlights by end-markets

Energy Management

- Buildings
  - Strong demand for Group’s end-to-end offer suite
  - Residential strong sales growth with contribution from all regions
  - Healthcare/Retail continue strong growth, office/hotel demand recovery post COVID-19
  - Multiple wins in Smart Building and strong growth in related EcoStruxure advisors
  - Government funding schemes starting to support demand
- Data Center
  - Demand remains very strong
  - Customers seeking total solution approach combining hardware, software and services
  - High-single digit sales growth impacted by project timing and shortages
  - Major regions contributing to growth were North America & Asia Pacific
  - Strong growth in Distributed IT across regions
- Infrastructure
  - Demand remains strong in Electric Utilities
  - Growth supported by execution on large project in Egypt & E.U. recovery fund investments
  - Solid demand for Software & Services including double-digit growth in U.S. Smart Grid
  - Transportation demand stable
  - Water & Wastewater saw strong demand for offers from both businesses

Industrial Automation

- Energy Management
  - Buildings
  - Data Center
  - Infrastructure
  - Industry

Life Is On | Schneider Electric
Positive evolution of demand trends in Q1

<table>
<thead>
<tr>
<th>Segment</th>
<th>Q1 YoY</th>
<th>Q1 vs Average of 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Center</td>
<td>++</td>
<td>++</td>
</tr>
<tr>
<td>Machine Solutions / OEM</td>
<td>++</td>
<td>++</td>
</tr>
<tr>
<td>Residential Buildings</td>
<td>++</td>
<td>++</td>
</tr>
<tr>
<td>CPG</td>
<td>++</td>
<td>+</td>
</tr>
<tr>
<td>MMM</td>
<td>++</td>
<td>++</td>
</tr>
<tr>
<td>Utilities</td>
<td>++</td>
<td>++</td>
</tr>
<tr>
<td>Oil &amp; Gas</td>
<td>++</td>
<td>++</td>
</tr>
<tr>
<td>Transportation</td>
<td>++</td>
<td>++</td>
</tr>
<tr>
<td>WWW</td>
<td>++</td>
<td>+</td>
</tr>
</tbody>
</table>

Based on non-GAAP orders in selected segments
**Energy Management – Q1 org. growth performance by geography**

**Split of Q1 2022 revenue by geography:**

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>W. Europe</td>
<td>25%</td>
</tr>
<tr>
<td>N. America</td>
<td>31%</td>
</tr>
<tr>
<td>Asia Pac.</td>
<td>30%</td>
</tr>
<tr>
<td>Rest of the World</td>
<td>14%</td>
</tr>
</tbody>
</table>

**North America** +10%  
- U.S. up double-digit, Mexico strong double-digit, Canada high single-digit
- Strong demand from Buildings (Resi & non-Resi) and Data Center markets, some impact on growth from project timing & supply shortages
- Infrastructure markets impacted by shortages, grid digitization performing well
- Growth led by product sales, both end-user and through channel partners
- Sustainability offers growing strong double-digit

**Western Europe** +5%  
- All five major economies saw growth, led by Italy up double-digit
- Spain and France up high single-digit, despite the high base of comparison in France
- Germany up mid-single digit, modest growth in U.K. impacted by shortages
- Overall, Buildings markets starting to benefit from post COVID-19 renovation funding

**Rest of the World** +15%  
- Middle East, South America and Central & Eastern Europe all up double-digit
- Product growth in Turkey and projects in UAE supported growth in Middle East
- South America led by Buildings markets in Brazil and Argentina
- Africa grew mid-single digit, supported by execution on an infrastructure project in Egypt
- CIS grew mid-single digit with deceleration in March due to Russia/Ukraine war

**Asia Pacific** +12%  
- China up double-digit, against strong double-digit base of comparison, with strong demand in Data Center, Utilities and commercial building end-markets despite supply chain pressures
- China COVID-19 related lockdowns had a limited impact on growth in the quarter
- India up double-digit against a high base of comparison, with strength across the portfolio
- Australia up double-digit, with good growth in Residential buildings and Data Center
- Broad-based growth across the rest of the region, including Singapore up double-digit, although some countries in East and Southeast Asia remained challenged
Industrial Automation – Q1 org. growth performance by geography

Split of Q1 2022 revenue by geography:

<table>
<thead>
<tr>
<th>Region</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>W. Europe</td>
<td>28%</td>
</tr>
<tr>
<td>N. America</td>
<td>26%</td>
</tr>
<tr>
<td>Asia Pac.</td>
<td>32%</td>
</tr>
<tr>
<td>Rest of the World</td>
<td>14%</td>
</tr>
</tbody>
</table>

North America +28%
- U.S., Canada and Mexico each up strong double-digit
- U.S. and Canada led by strong growth in software through AVEVA
- Discrete automation markets in U.S. performing strongly, notably in material handling and hoisting segments
- Mexico benefitting from execution on large project in Process markets
- U.S. and Canada process markets around flat, improving sequentially quarter-on-quarter

Western Europe +8%
- Strong growth in Discrete, offset by weaker sales in Process, despite positive demand trends
- Component shortages impacted across the region
- Italy up strong double-digit, led by discrete automation
- U.K. up double-digit and Spain high-single digit, both with good growth in Software and discrete automation
- Germany up low-single digit with good growth in Discrete offset by weaker Process
- France grew strongly in Discrete and cybersecurity, against high base in software

Rest of the World +19%
- Middle East saw strong double-digit growth, led by discrete automation markets in Turkey
- South America grew double-digit with growth across both discrete and process & hybrid end-markets
- Africa up mid-single digit with growth across end-markets
- CIS declined as a consequence of the Russia/Ukraine war

Asia Pacific -2%
- Performance contrasted between demand from discrete automation markets, and weaker growth in Process & Hybrid
- China down low-single digit against exceptionally high base of comparison, and impacted by shortages, with good demand momentum in OEM
- India up strong double-digit against double-digit base of comparison, led by OEM demand
- Japan down due to continued weakness in Process markets
- Australia down sharply mostly due to high base of comparison in Software
- Strong growth in South Korea
Expected **trends in 2022**

The Group expects to grow both its revenues and profitability in 2022, in line with the framework for sustainable growth for the medium and long-term announced in its recent Capital Markets Day.

Recap of Group expectations for 2022:

- A continuation of **strong and dynamic market demand**, including further recovery in late-cycle segments
- All regions and all four end-markets expected to contribute to **growth**
- Sales to benefit from higher level of **backlog** exiting 2021
- Ongoing uncertainty linked to **health crisis**
- Ongoing global **supply chain pressures** continue to impact in coming months
- Increased pressure on **input costs**, including raw materials, labor, freight and the sourcing of electronic components
- Despite the overall inflationary environment, and current supply chain pressures, the Group aspires to be **net price positive** for the full year (including impacts of freight and electronics)

Recent evolution in expectations and assumptions:

- Heightened uncertainty in global supply chains
- Further inflation including in energy prices
- Easing of Shanghai lockdown with capacity ramp-up through May
- Results of Russia operations to remain in adj. EBITA until completion of transfer, which is subject to government approval
2022 Target confirmed

The Group expects the recent events in Russia and China to have a specific impact in Q2. However, based on its best judgement¹ of the current ongoing world events and their associated repercussions, the Group confirms its FY 2022 target², as follows:

2022 Adjusted EBITA growth of between +9% and +13% organic

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

- Revenue growth of +7% to +9% organic
- Adjusted EBITA margin up +30bps to +60bps organic

This implies Adjusted EBITA margin of around 17.6% to 17.9% (including scope based on transactions completed to-date and FX based on current estimation). The Group expects progress on these levers to be weighted towards H2.

¹ This assumes easing of lockdowns and a ramp-up of capacity in Shanghai through May; and with results from Russia operations to remain in adj. EBITA until the completion of the transaction which is subject to government approval
² The Group set its FY 2022 target on February 17, 2022
Q&A
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>5 May</td>
<td>Shareholders’ Meeting</td>
</tr>
<tr>
<td>11 May</td>
<td>Société Générale ESG/SRI Conference</td>
</tr>
<tr>
<td>9 June</td>
<td>J.P. Morgan European Capital Goods CEO Conference</td>
</tr>
<tr>
<td>14 June</td>
<td>Exane BNP Paribas 24th European CEO Conference</td>
</tr>
<tr>
<td>22 June</td>
<td>Berenberg SDG Conference</td>
</tr>
<tr>
<td>29 June</td>
<td>UBS ESG Conference</td>
</tr>
<tr>
<td>28 July</td>
<td>2022 Half Year Results</td>
</tr>
<tr>
<td>8 September</td>
<td>Morgan Stanley Industrial CEO Conference</td>
</tr>
<tr>
<td>27 October</td>
<td>Q3 2022 Revenues</td>
</tr>
<tr>
<td>30 November</td>
<td>Credit Suisse Annual Global Industrials Conference</td>
</tr>
<tr>
<td>2 December</td>
<td>Société Générale Premium Review Conference</td>
</tr>
<tr>
<td>8 December</td>
<td>Berenberg European Conference</td>
</tr>
</tbody>
</table>

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Appendix
2022 additional notes

▸ **Foreign Exchange impact:** Based on current rates, the FX impact on FY 2022 revenues is estimated to be between +€1.3 billion to +€1.4 billion. The FX impact at current rates on adjusted EBITA margin for FY 2022 could be around +10bps.

▸ **Scope:** Around +€150 million on 2022 revenues and around -10bps on 2022 adjusted EBITA margin, based on transactions completed to-date.

▸ **Tax rate:** The ETR is expected to be in a 23-25% range in 2022.

▸ **Restructuring:** The Group expects restructuring costs of between €850 million to €950 million over three years (2020-2022) as previously announced.
Key customer success in recent months

Full EcoStruxure™ offer differentiated by EcoStruxure™ Services Plan to support carpet manufacturer to expand and modernize facilities within short time

Unique and first in sector EcoStruxure™ solution with ProLeiT software to improve operation efficiency, product quality and optimize production of key materials for lithium batteries

Combined offers of SE, L&T Electrical & Automation and ETAP team to centralize monitoring & control of distribution network of 200+ substations to improve system reliability and efficiency

Turnkey EcoStruxure™ Data Center solution with Services to expand data center capacity of cloud provider by building sustainable, efficient and reliable Data center

Digital grid offer of EcoStruxure™ ADMS to digitize, upgrade and enable existing distribution control center to cover the whole city with integrated cybersecurity solution
Q1 Group revenue: **Strong growth across regions**

**NORTH AMERICA**
- United States: 30% +13%
- Canada
- Mexico

**WESTERN EUROPE**
- France: 14% +16%
- Germany: 31% +8%
- United Kingdom
- Spain
- Italy
- Nordics

**REST OF WORLD**
- Russia: 14% +16%
- South America
- Middle East
- Africa

**ASIA PACIFIC**
- China
- India
- Australia
- Singapore
- Japan

- % GROUP SALES
- ORG. GROWTH

Investor Relations – Schneider Electric | Page 24
## Snapshot of cost profile & raw material exposure

### COST PROFILE

<table>
<thead>
<tr>
<th>Description</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost of Goods Sold</td>
<td>€17 bn</td>
</tr>
<tr>
<td>Purchases</td>
<td>€13 bn</td>
</tr>
<tr>
<td>- o/w Raw Materials</td>
<td>€2.6 bn</td>
</tr>
<tr>
<td>- o/w Direct energy costs</td>
<td>€0.1 bn</td>
</tr>
<tr>
<td>Labor &amp; Other</td>
<td>€4 bn</td>
</tr>
</tbody>
</table>

The balance of purchases includes fabricated components, electronic components, project costs, freight and other.

### KEY RAW MATERIAL EXPOSURE

<table>
<thead>
<tr>
<th>Description</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Raw Materials</td>
<td>€2.6 bn</td>
</tr>
<tr>
<td>- o/w total non-ferrous</td>
<td>€1.5 bn</td>
</tr>
<tr>
<td>- Copper (within non-ferrous)</td>
<td>€0.8 bn</td>
</tr>
</tbody>
</table>

The main other non-ferrous raw material is Silver. The main other raw materials are plastic and steel.
<table>
<thead>
<tr>
<th>Q1 2022 Results</th>
<th>Baseline</th>
<th>Q1 2022</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 Schneider Impact revenues<strong>2</strong></td>
<td>70%</td>
<td>71%</td>
<td>80%</td>
</tr>
<tr>
<td>2. Help our customers save and avoid millions of tonnes of CO₂ emissions<strong>3</strong></td>
<td>263M</td>
<td>358M</td>
<td>800M</td>
</tr>
<tr>
<td>3. Reduce CO₂ emissions from top 1,000 suppliers’ operations</td>
<td>0%</td>
<td>1%</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</td>
<td>7%</td>
<td>11%</td>
<td>50%</td>
</tr>
<tr>
<td>5. Primary and secondary packaging free from single-use plastic and using recycled cardboard</td>
<td>13%</td>
<td>30%</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<strong>4</strong></td>
<td>—</td>
<td>In progress</td>
<td>100%</td>
</tr>
<tr>
<td>7. Level of confidence of our employees to report unethical conduct<strong>5</strong></td>
<td>81%</td>
<td>+0pts</td>
<td>+10pts</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>41/27/26</td>
<td>50/40/30</td>
</tr>
<tr>
<td>9. Provide access to green electricity to 50M people<strong>6</strong></td>
<td>30M</td>
<td>+5.3M</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<strong>2</strong></td>
<td>4,939</td>
<td>x1.29</td>
<td>x2.00</td>
</tr>
<tr>
<td>11. Train people in energy management<strong>7</strong></td>
<td>281,737</td>
<td>335,884</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>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Notes:**
1. Per Schneider Electric definition and methodology
2. 2021 baseline 3/10, 2025 target 10/10
3. Baseline 2019
4. Cumulated since 2018
5. Program in development
6. Baseline 2021
7. Cumulated since 2008
8. Cumulated since 2009
Our distinctive DNA is externally recognized in Q1 2022

**MEANINGFUL**

- Most Sustainable Corporation (Fast Company)
- World's Most Ethical Companies (Ethicsphere)
- Carbon Clean 200 List (Corporate Knights)

**INCLUSIVE**

- Global Gender Equality Index (Bloomberg)
- EQUILEAD Top 20 Globally for gender equality in 2022
- Best Employers (Glassdoor)

**EMPOWERED**

- Schneider Electric Innovation Award (CES)
- Manufacturing Leadership Awards (CRN)
- Superbrands Award (Guerrée's Choice)