



Q4 2022 Report

# Schneider Sustainability Impact

Our contributions to accelerate  
sustainability for all

Life Is On

**Schneider**  
Electric





“At Schneider Electric, we make meaningful impact by helping all of our stakeholders to improve their efficiency, reach for their sustainability goals, and bolster long-term resilience, performance and well-being.

In 2022, we were once again true to our purpose: to empower all to make the most of our energy and resources, bridging progress and sustainability for all.”

**Jean-Pascal Tricoire**

*Chairman & Chief Executive Officer  
Schneider Electric*

## Our 6 long-term commitments

### Act for a **climate-positive** world

by continuously investing in and developing innovative solutions that deliver immediate and lasting decarbonization in line with our carbon pledge

### Be efficient with **resources**

by behaving responsibly and making the most of digital technology to preserve our planet

### Live up to our principles of **trust**

by upholding ourselves and all around us to high social, governance, and ethical standards

### Create **equal** opportunities

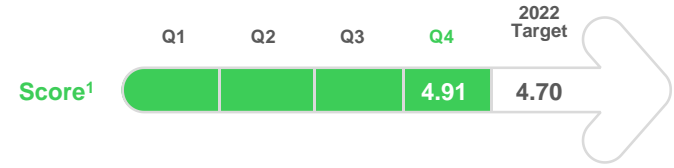
by ensuring all employees are uniquely valued and work in an inclusive environment to develop and contribute their best

### Harness the power of all **generations**

by fostering learning, upskilling, and development for each generation, paving the way for the next

### Empower **local** communities

by promoting local initiatives and enabling individuals and partners to make sustainability a reality for all



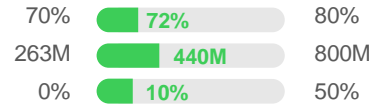
## 2022 full year results

### CLIMATE



1. Grow Schneider Impact revenues\*<sup>2</sup>
2. Help our customers save and avoid millions of tonnes of CO<sub>2</sub> emissions<sup>3</sup>
3. Reduce CO<sub>2</sub> emissions from top 1,000 suppliers' operations

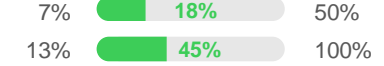
Baseline      Q4 2022      2025 Target



### RESOURCES



4. Increase green material content in our products
5. Primary and secondary packaging free from single-use plastic, using recycled cardboard



### 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>5</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<sup>6</sup>



### GENERATIONS



10. Double hiring opportunities for interns, apprentices and fresh graduates<sup>2</sup>
11. Train people in energy management<sup>7</sup>



### LOCAL



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



\*Per Schneider Electric definition and methodology

# Climate 2022 Highlights

“The climate and energy crises are deeply intertwined and far too big to tackle alone.

We need faster collaborative action to implement solutions that will deliver real short-term sustainability gains.”

**Gwenaëlle Avicé-Huet**

*Chief Strategy and  
Sustainability Officer*



Schneider Electric among the first to get **Net-Zero targets validated** for its entire value chain



Altivar Variable Speed Drive and SF<sub>6</sub>-free RM AirSeT recognized for their **verifiable carbon footprint reduction**



Pharma giants organize **renewable power purchasing** cohort powered by Schneider Electric



Our Intensity office uses **8X less energy** vs. comparable facilities in the EU



Helping our **suppliers reduce 10%** of their CO<sub>2</sub> emissions through our Zero Carbon Project



New partnership with MSCI **accelerates climate action** with ESG advisory services

Schneider Electric at the **top of ESG ratings** for the 12<sup>th</sup> year in a row

A Global 100  
**Most Sustainable Corporation**

Member of  
**Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA



Ranked by  
**MOODY'S** | ESG Solutions

# Resources

## 2022 Highlights

“It is not a matter of choosing between resilience or sustainability.”

Our continued investment to create a more sustainable supply chain in partnership with our suppliers and partners is enhancing agility and efficiency for our customers.”

**Mourad Tamoud**

*Executive Vice President of  
Global Supply Chain*



Reaching **100% use of recycled cardboard** in India, China and EU distribution centers



Introduced the first home energy solutions from **recycled ocean plastic** at CES Las Vegas



Joined the International Copper Alliance for more sustainable and **responsible material sourcing**



Aligning with industry-led initiative Responsible Steel to **reduce the environmental footprint** of our products



Committing to **deforestation-free wood** in our operations and supply chain



Adding two Schneider plants to a total of six facilities designated as **Sustainability Lighthouses** by the WEF

Schneider Electric recognized for **acting for nature** and biodiversity



**Sustainable  
Markets  
Initiative**



# Trust

## 2022 Highlights



Promoting a sustainable culture among our partners with the launch of the inaugural **Sustainability Impact Awards**



Deploying **cybersecurity and ethics training** to all employees around the world

“Earning trust from our stakeholders is key to deliver impact.



Launching the new ‘**Decent Work**’ program with our strategic suppliers



The new **Schneider Electric Sustainability School** delivered 6,000 hours of trainings to all employees

Our culture of trust is based on integrity, transparency, and resilience, and enables us to future-proof our company.”



**Most Honored Company in Europe** at The Institutional Investor’s Awards 2022



Organized the very first **Trust Month** to reinforce our Speak-up mindset

**Hervé Coureil**

*Chief Governance Officer  
and Secretary General*

Schneider Electric **advances ethical business** practices



# Equal 2022 Highlights

“A diverse, equitable, inclusive and caring company culture is key for creating a sustainable future.

It should be part of the experience and tools you offer to your employees, in order to unlock their potential to positively impact people, planet and performance.”

**Charise Le**

*Chief Human Resource Officer*



Recognized as “**International Employer of the Year**” for our mental health and wellbeing program



Enhancing income of **5,000+** female farmers through our **Access to Energy** program in Ranchi, India

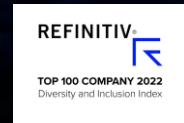


Joined The Valuable 500, a global business collective, and committed to **innovate on disability inclusion**



Launch of Homaya Pro, a smart **solar-hybrid solution for remote communities** to get reliable and clean energy

Schneider Electric **paves the way for equality and inclusion** for all



# Generations

## 2022 Highlights

“Through technological, social and entrepreneurial solutions and innovation, all generations can set the energy transition in motion.

By giving future generations the opportunities to change our world, they can help build a fairer, lower-carbon society and ensure universal access to energy for all.”

**Gilles Vermot Desroches**

*Corporate Citizenship  
Senior Vice President*



Bolstering **green job** economy with **+2,500** new Field Services Experts hired globally



22,000+ students competed for a brighter, more sustainable future with **bold ideas to Go Green**



Indonesia - France partnership sees **14,900 students & 1,300 trainers** upskilling themselves for impact



Enabling our senior employees to **plan the last stages of their career** based on their aspirations

Schneider Electric consistently **among the most attractive employers** worldwide



One of  
**The World's Most Admired  
Companies by Fortune**



# Local 2022 Highlights

“Global commitments are essential though in practice action comes from people in local teams.

Some of the best ideas and initiatives actually originate from countries, and it is our job to help bring them to life. This is what will take our impact the extra miles.”

**Xavier Denoly**

*Sustainable Development,  
Senior Vice President*



Schneider, with its Foundation and its employees **supported Ukraine** with €1.9M donations



Partnering with *La Fabrik à Yoops* in **France** to **provide energy-efficient houses for homeless people** looking for work



In **China**, **20,000 business partners, customers, and students trained** through energy and climate-related courses



**Serbia** organization **grants scholarships to assist university students** in gaining practical experience with mentoring



Creating the first **Schneider Food Forest in Belgium** with the planting of more than 700 food trees, plants and bushes



Colleagues contributed a total of **13,000 volunteering days** in favor of local social and environmental initiatives

**Schneider** Electric *Foundation*

On going mobilization of 85 Foundation delegates relaying global initiatives locally to support sustainability awareness, vocational training in the field of energy, volunteering and mentoring, and managing local NGOs partnerships for maximum impact

# Methodological note

Schneider Sustainability Impact (SSI), is Schneider Electric's continuous improvement process to deliver outstanding sustainability performance, in line with its business strategy. Progress is measured against a 2020 baseline, except for two programs measured against a 2019 baseline to mitigate COVID -19 impacts (#1 Impact revenues and #10 opportunities for the next generation), and one program measured against a 2021 baseline (#7 Level of confidence to report unethical conduct).

The SSI provides, on a scoring scale of 10, an overall measure of the Group's progress on its sustainability goals. This is done by converting each KPI's performance on a 10-point scale, considering that base year performance receives a 3/10 score, and the 2025 objective translates in a 10/10 score. For each KPI, the relevant score is obtained by linear interpolation, and rounded down to the second decimal. By construction, the score of an indicator cannot exceed 10/10, and cannot be lower than 0/10. The overall score of the tool is the average of each KPI's score with equal weight, excluding the Local commitment (SSI #+1). In 2022 exceptionally, the SSI #6 is excluded from the calculation as 2022 constitutes the baseline of this KPI. An external auditor provides a limited assurance on the KPIs of the SSI once a year – including the review of the methodologies and processes used to consolidate the different KPIs. In 2022, the Group obtained a “reasonable” assurance for SSI #8 and will progressively cover all externally assured KPIs with this new level of assurance.

Each year, the SSI performance impacts short-term incentives for the Group's executives and about 64,000 eligible employees, for 20% of the collective share.

## \*Note on Q4 2022 results

Regarding the SSI #6, Schneider Electric has built in 2021 and 2022 its Decent Work framework and training resources, and invited its suppliers to participate in H2 2022. As of end of 2022, more than 500 strategic suppliers committed to the program. In 2023, Schneider Electric will engage all remaining strategic suppliers and provide support to meet the decent work requirements.

Calculation methodology for SSI #8 has been expanded in Q2 2022 to include blue collar managers in the scope of front line managers. Due to this methodological change, the 2020 baseline for front line managers has been re-calculated (23% instead of 25%)

[se.com/sustainability](https://se.com/sustainability)

For further inquiries, please reach out to our Investor Relations team [here](#).

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