

Digital partner for Efficiency & Sustainability

2022.04.06

Schneider Electric - Japan Country President
Angelo SHIRAHATA

Schneider Electric provides energy and automation digital solutions for efficiency and sustainability

Key figures for 2020

5% of revenues devoted to R&D

€25.2 billion

2020 revenues

41%

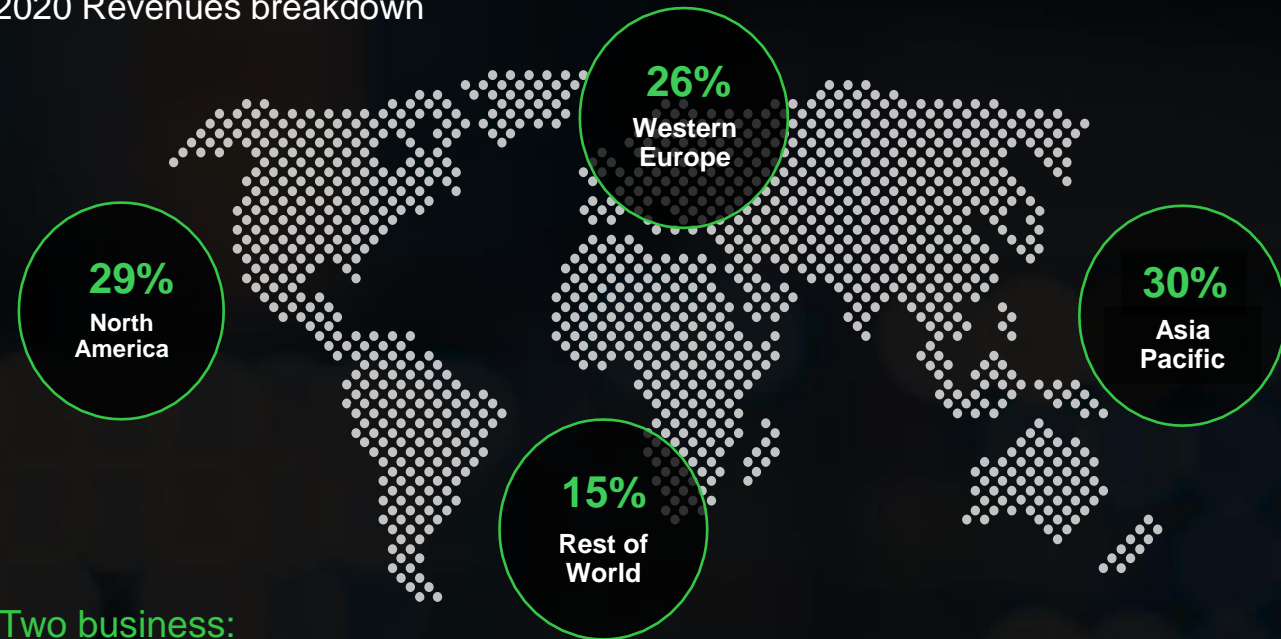
of revenues in new economies

128,500+

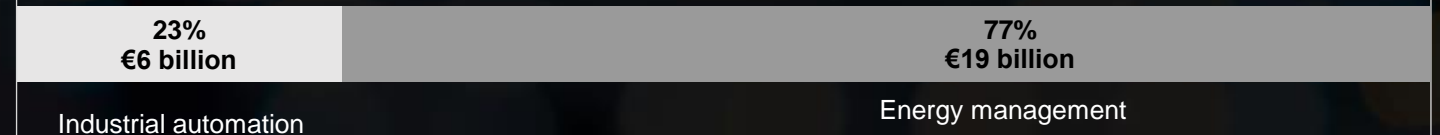
Employees in over 100 countries

A well-balanced global presence

2020 Revenues breakdown



Two business:



Our purpose is to **empower all to make the most of our energy and resources** bridging progress and sustainability for all

At Schneider, we call this **Life Is On**

Our mission is to be **your digital partner for Sustainability and Efficiency**

We continue to accelerate our commitment to Sustainability

Leading ESG
by example
in our ecosystem



Be the digital partner
for Sustainability
and Efficiency
for our customers

**Leading ESG
by example**
in our ecosystem



Most Sustainable Corporations in the World
GLOBAL100

Sustainability legacy over the last 15 years

Purpose & Mission

Building a New Electric World

Make the most of your energy

*We empower all to make the most of our energy and resources, ensuring **Life Is On** everywhere, for everyone, at every moment.*

2005 - 2008

2009 - 2015

2015 - current

Sustainability Barometer (SSI)

2005 - 2008
10 KPIs
8 out of 10

2009 - 2011
13 KPIs
9.38 out of 10

2012 - 2014
14 KPIs
9.52 out of 10

2015 - 2017
16 KPIs
9.58 out of 10

2018 - 2020
21 KPIs
(9.32 out of 10)

2021 - 2025
11+1 KPIs
(in progress)



Life Is On



SCHNEIDER SUSTAINABILITY

IMPACT

Aligned with the 17 UN SDGs

11
Global Impact



1
Local Impact

CLIMATE



- 1 Grow our **green revenues to 80%**
- 2 Deliver **800 megatons** of **saved and avoided CO2 emissions** to our customers
- 3 Reduce **CO2 emissions from top 1000 suppliers' operations** by 50%

RESOURCES



- 4 Increase **green material content** in our products to **50%**
- 5 100% of our primary and secondary **packaging** is **free from single-use plastic** and uses **recycled cardboard**

TRUST



- 6 **100%** of our **strategic suppliers** provide **decent work** to their employees
- 7 Measure the **level of confidence** of our employees to report unethical conduct

EQUAL



- 8 Increase **gender diversity**, from **hiring to front-line managers** and **leadership** teams (**50/40/30**)
- 9 Provide **access to green electricity to 50 million people**

GENERATIONS



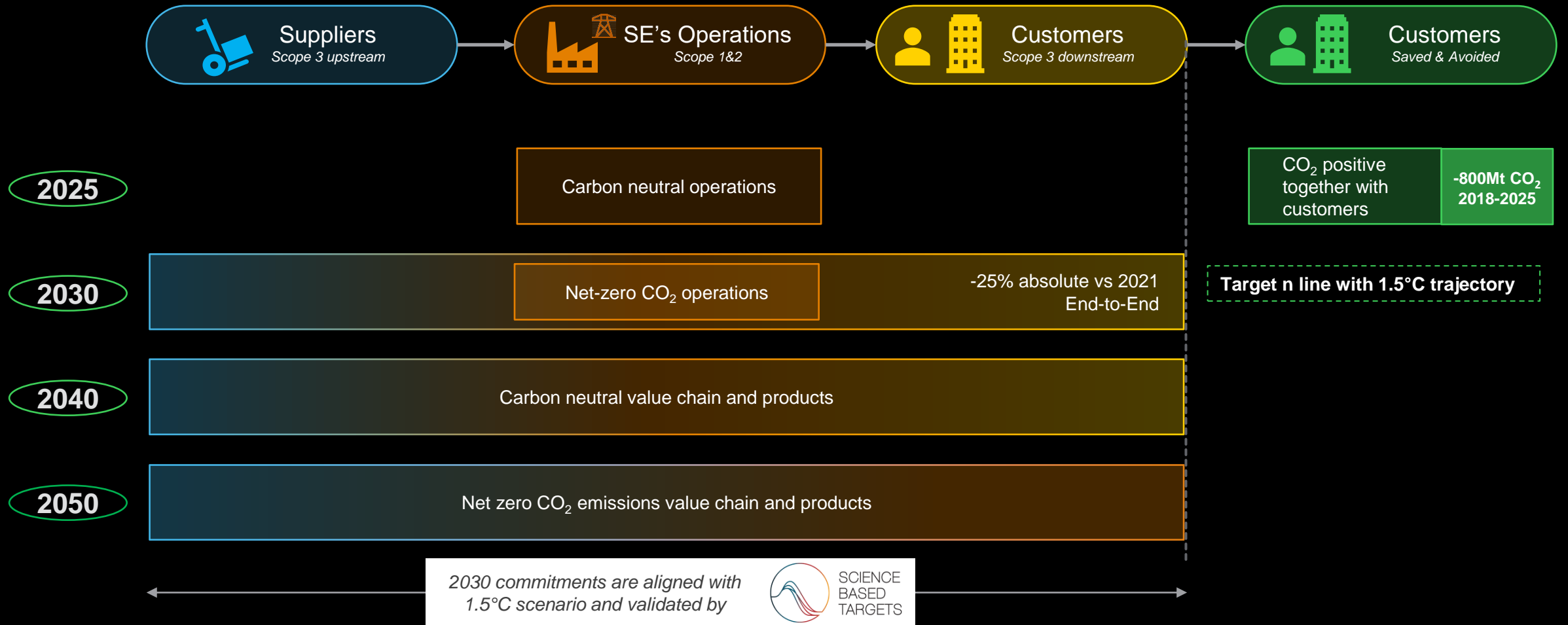
- 10 **Create opportunities for the next generation** – 2X number of opportunities for interns, apprentices, and fresh graduate hires
- 11 **Train 1 million people** in energy management

LOCAL



100% of Country and Zone Presidents define **3 local commitments** that impact their communities in line with our sustainability transformations

Carbon Pledge - leading the way towards 1.5°C climate objective





Powered by digital:

Schneider to operate 150 zero CO₂ sites by 2025



**EcoStruxure™
Resource Advisor**



**Zero CO₂ Distribution Center
Sant Boi, Spain**



**China, 19 solar powered plants
EcoStruxure solution**

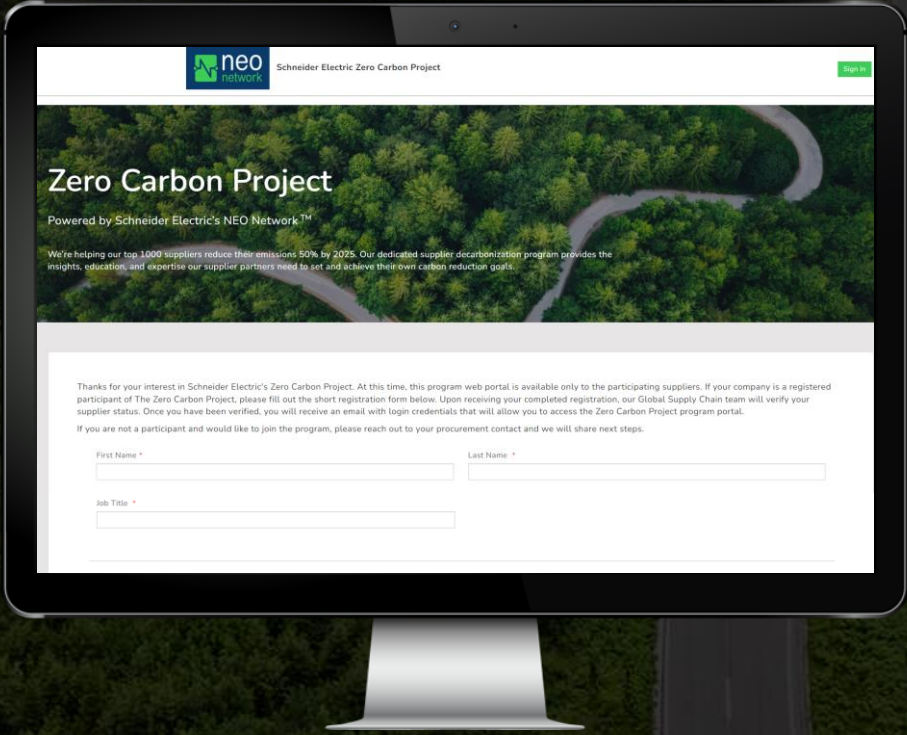
The Zero Carbon Project

Reduce CO₂ emissions from top 1,000 suppliers' operations **by 50%**

100%+ Suppliers have committed to join the program and actively reduce emissions

How the program works

- 1 Onboarding**
suppliers to the program
- 2 Capacity Building**
through educational content hosted by Schneider Electric
- 3 Explore and Implement Solutions**
all levels of decarbonization
- 4 Track Reduction**



Strong recognition of our commitment

#1

the 2021 world's most sustainable corporation



A List

(Climate) 11 years in a row

AAA

11 years in a row

From **2018**

Included since inception

Most Ethical Company

9 years in a row

Life Is On



Leading ESG
by example
in our ecosystem



Be the **digital partner**
for **Sustainability**
and **Efficiency**
for our customers

Despite challenges, 1.5° target is within reach

We need to **save 3x more** CO₂ emissions **by 2030**



3 Transformations required on the route to net zero **by 2050**



- Energy supply decarbonization **45%**
- Process Electrification **30%**
- Demand Optimization (Efficiency & Circularity) **25%**

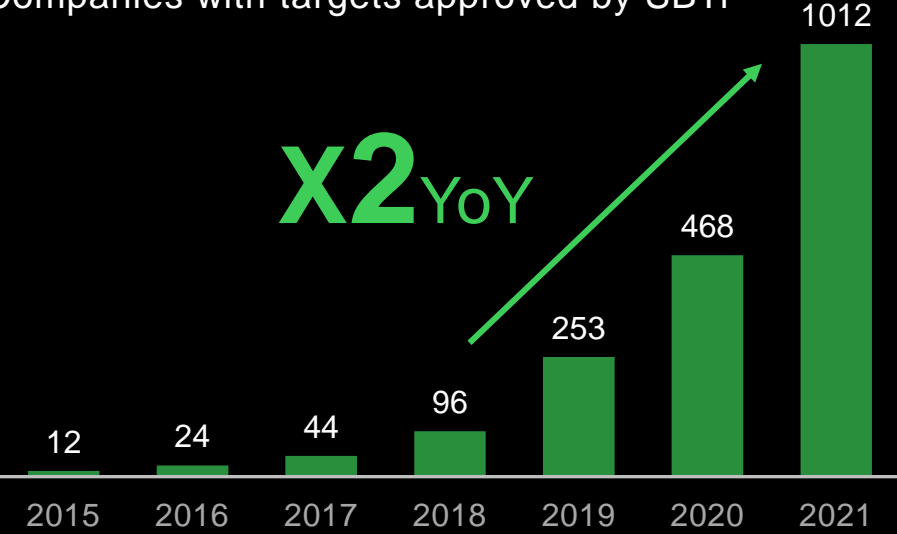
Source: Schneider Electric™ Research Institute

Scenario: Back to 2050

% impact of key transformations on decarbonization

Corporate focus on climate action is rising, but companies are struggling to deliver results

Companies with targets approved by SBTi



ONLY 16% Fortune 500 companies have set targets approved by SBTi (55% engage with Schneider)

Only 7% of companies are delivering on their Sustainability plan (source: Bain)

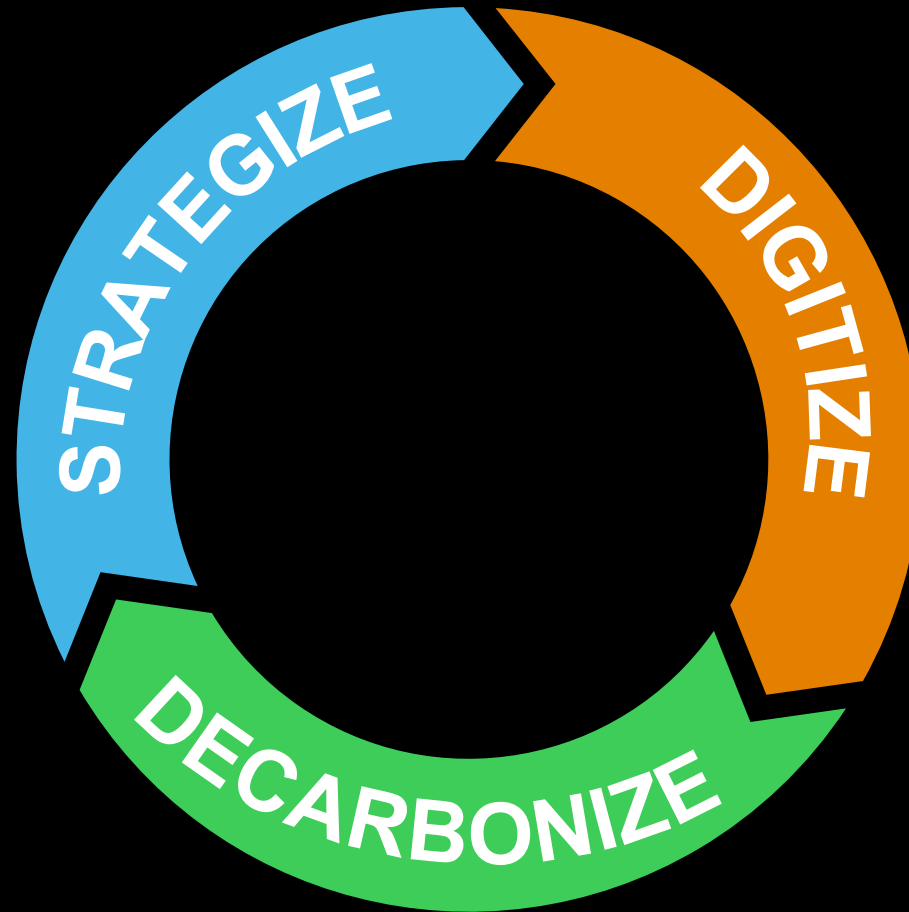
COMMON ROADBLOCKS

- Navigating reporting & assessment frameworks
- Tracking data
- Engaging ecosystem
- Structuring program

source: sciencebasedtargets.org
www.worldwildlife.org

Best-in-Class companies

follow a 3-step approach from strategy setting to execution to deliver results in line with climate ambition



Our unique value proposition

is to support our customers on climate, from strategy setting to execution

3-step approach



STRATEGIZE

Major steps involved

- **MEASURE** enterprise baseline
- **CREATE** decarbonization roadmap
- **STRUCTURE** program & governance
- **COMMUNICATE** commitment



DIGITIZE

- **MONITOR** resource usage & emissions
- **IDENTIFY** saving opportunities
- **REPORT** and benchmark progress



DECARBONIZE

- **ELECTRIFY** operations
- **REDUCE** energy use
- **REPLACE** energy source
- **ENGAGE** value chain

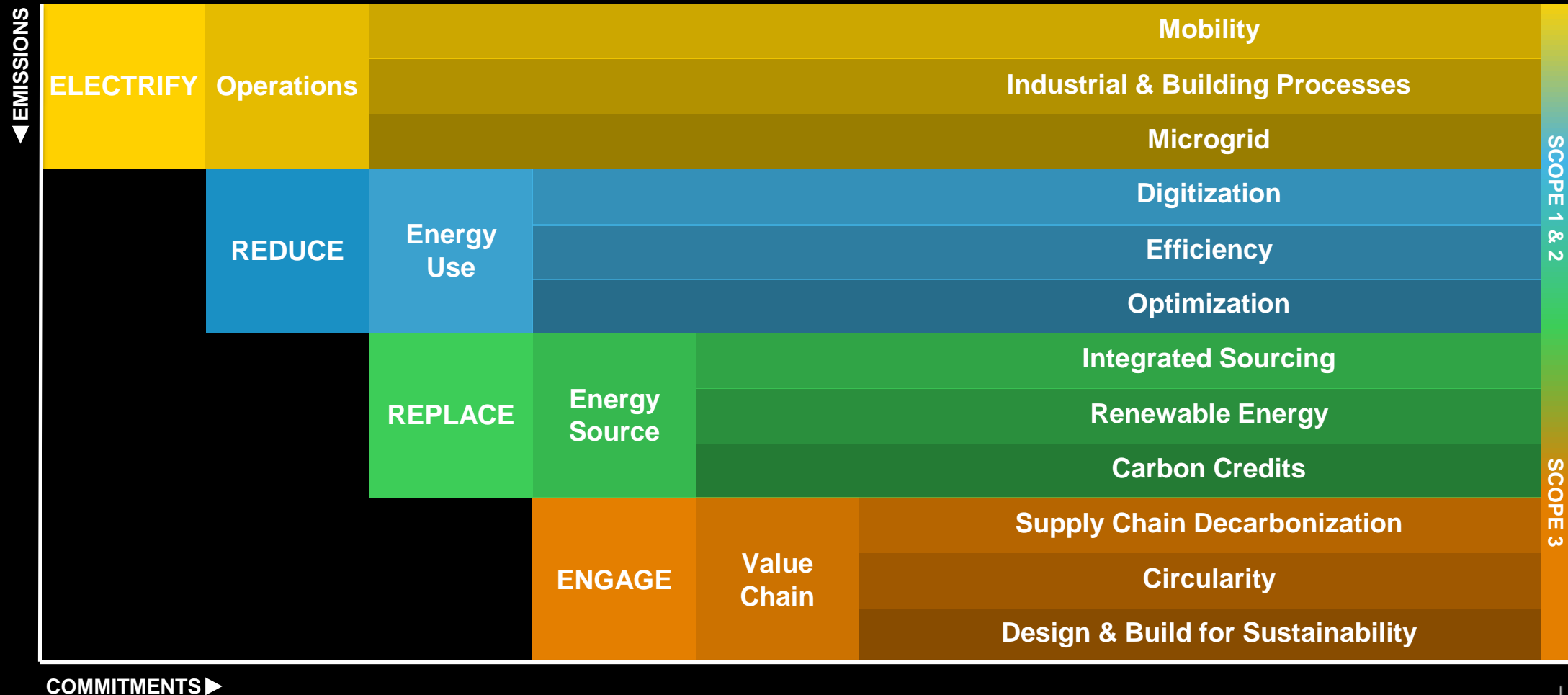
Schneider Solutions

Consulting (Agnostic)

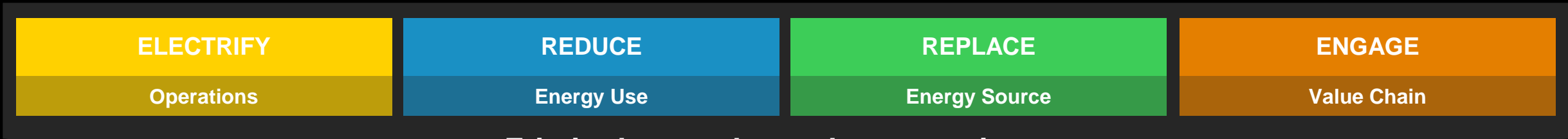
Digital Platform & Services (EcoStruxure Resource Advisor) (Neo-Network)

SE Solutions + Partner Ecosystem (Energy efficiency Electrification / Smart grid Green Premium products Services for circularity)

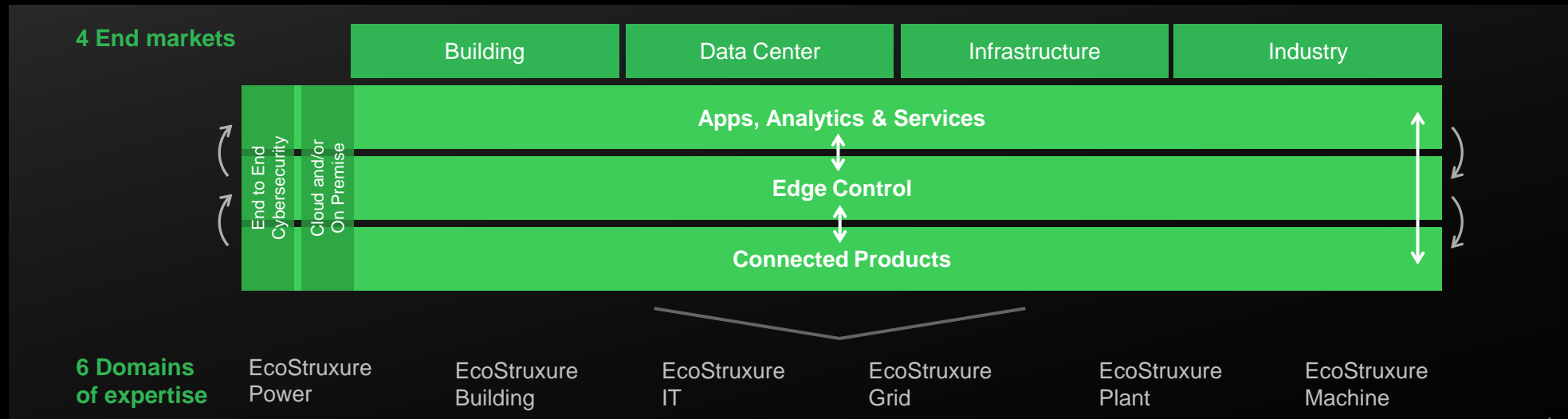
Take action on your decarbonization strategy through practical decarbonization levers



Accelerate your decarbonization journey through digital transformation using EcoStruxure















Frictionless and seamless experience



Life Is On



Complete portfolio of proven, digitally-enabled solutions to execute Decarbonization roadmap

| ELECTRIFY Operations | REDUCE Energy Use | REPLACE Energy Source | ENGAGE Value Chain |
|---|--|--|--|
| <p>Mobility</p>  <p>EV Solutions</p> | <p>Digitization</p>  <p>Power Logic Power Meters EcoStruxure Power Home automation WiFer™</p> | <p>Integrated Sourcing</p>  <p>Energy Portfolio Management</p> | <p>Supplier Chain Decarbonization</p>  <p>NEO Network Platform</p> |
| <p>Industrial & Building Process</p> <p><i>Electricity 4.0</i> <i>Industry 4.0</i></p>  <p>Consulting</p> | <p>Efficiency</p>  <p>AirSet SF6-Free Switchgear UPS Altivar Variable Speed Drives</p> | <p>Renewable Energy</p>  <p>Power Purchase Agreement (PPA)</p> | <p>Circularity</p>  <p>EcoFIT™ Retrofit services</p> |
| <p>Microgrid</p>  <p>EcoStruxure Microgrid Operation</p> | <p>Optimization</p>  <p>EcoStruxure Plant & Building Advisor Unified Operations Center AVEVA</p> | <p>Carbon Credits</p>  <p>Market Strategy & Advisory</p> | <p>Design & Build for Sustainability</p>  <p>MTWO Construction Cloud Software RIB etap Plant Design AVEVA</p> |

Becoming the preferred partner of corporates at all stages of their Sustainability journey



STRATEGIZE



DIGITIZE



DECARBONIZE



Blackstone



JPMORGAN
CHASE & CO.



JPMORGAN
CHASE & CO.



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Gigaton PPA (GPPA)

Situation

- Walmart's Project Gigaton aims to avoid one Gigaton (one billion metric tons) of carbon dioxide from its global value chain by 2030
- Opportunity to provide increased access for Walmart's US-based suppliers to renewable energy purchasing information and the chance to participate in the U.S. renewable market via an aggregated PPA

Solution

- Schneider Electric developed a signature program and educational curriculum to enable Walmart suppliers to join a first-of-its kind, aggregated approach to collective contracting for renewable energy
- GPPA Program gives Walmart U.S.'s suppliers who do not participate in the renewable energy market access to utility-scale PPAs



Energize

A Program to Increase Access to Renewable Energy for Pharmaceutical Supply Chains

Situation

- Creating life-saving medicines and services requires a lot of energy, much of it being used by the pharmaceutical value chain
- Opportunity to provide increased access for pharmaceutical suppliers to renewable energy purchasing information and the chance to participate in the European and North American renewable market via an aggregated PPA

Solution

- Schneider Electric developed a signature program and educational curriculum to enable pharmaceutical suppliers to join a first-of-its kind, aggregated approach to collective contracting for renewable energy
- Energize program gives suppliers who do not participate in the renewable energy market access to utility-scale PPAs and other renewable energy procurement options



Ready to go further, faster.

IMPACT Company

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