Schneider Electric: Company Overview

Make the most of your energy™
The energy dilemma is here to stay

**The facts**

×2

Energy demand
By 2050
Electricity by 2030

Source: IEA 2007

**The need**

÷2

CO₂ emissions to avoid dramatic climate changes by 2050

Source: IPCC 2007, figure (vs. 1990 level)

- Frequent power outages
- Rising energy prices
- Climate change
- Conflicts for resource access & control
Our answer:
Helping people make the most of their energy
More than 175 years of history

1836 Creation of Schneider at Le Creusot, France

Power & Control

1975 Merlin Gerin joins Groupe Schneider
1988 Telemecanique joins Groupe Schneider
1991 Square D joins Groupe Schneider
1996 Modicon, historic leader in Automation, becomes a Schneider brand

Energy Management

2000 Acquisition of MGE UPS Systems
2003 Acquisition of T.A.C
2005 Acquisition of Power Measurement Inc.
2007 Acquisition of APC corp. and Pelco
2008 Acquisition of Xantrex
2010 Acquisition of Areva's distribution activity
2011 Acquisition of Telvent

Steel Industry

19th century
20th century
21st century
Schneider Electric at a glance
The global specialist in energy management

Large company

24 billion € of sales in 2012

41% of sales in new economies

140 000+ employees in 100+ countries

4–5% of sales devoted to R&D

Diversified end markets

<table>
<thead>
<tr>
<th>Sector</th>
<th>FY 2012 Sales (billion €)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities &amp; Infrastructure</td>
<td>25%</td>
</tr>
<tr>
<td>Industrial &amp; machines</td>
<td>22%</td>
</tr>
<tr>
<td>Data centres</td>
<td>15%</td>
</tr>
<tr>
<td>Non-residential buildings</td>
<td>29%</td>
</tr>
<tr>
<td>Residential</td>
<td>9%</td>
</tr>
</tbody>
</table>

Balanced Geographies

<table>
<thead>
<tr>
<th>Region</th>
<th>FY 2012 sales Year-end 2012 employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>25%</td>
</tr>
<tr>
<td>Western Europe</td>
<td>30%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>27%</td>
</tr>
<tr>
<td>Rest of World</td>
<td>18%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

28 300
44 200
42 600
22 000
Schneider Electric North America

6.7 billion $ sales in 2012
25% of global sales
26,000 people in 3 countries

FY 2012 Sales

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>FY 2012 Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner</td>
<td>$2,861M</td>
</tr>
<tr>
<td>IT</td>
<td>$1,687M</td>
</tr>
<tr>
<td>Buildings</td>
<td>$896M</td>
</tr>
<tr>
<td>Industry</td>
<td>$638M</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>$635M</td>
</tr>
</tbody>
</table>

Market Leading Brands

Sales by Business Unit – FY 2012 sales

- Partner: $2,861M
- IT: $1,687M
- Buildings: $896M
- Industry: $638M
- Infrastructure: $635M
Schneider Electric U.S.A.

5.6 billion $ sales in 2012

18,000 people across the country

240 facilities across the country

- 40 Manufacturing facilities
- 6 Distribution centers
- 6 R&D centers
- Business, sales & services

FY 2012 Sales

- Partner 40.4%
- IT 26.7%
- Buildings 15.3%
- Infrastructure 8.3%
- Industry 9.3%
- Market Leading Brands

Market Leading Brands

- APC
- Square D
- Schneider Electric
- Pelco
Energy Management

• Making energy...
  Safe, Reliable, Efficient, Productive and Green

...with 30-70% savings everywhere
How do we do it?
Providing integrated solutions

Efficient & productive
- Measure and control energy, automate, provide relevant diagnosis
- Manage processes
- Make all the utilities of any Infrastructure more efficient

Reliable
- Prevent from power outage & quality variance

Safe
- Protect people and assets
- Transform and distribute power safely

Green
- Make the connection of renewable energy sources easy, reliable and cost-effective
Leading the development of the Smart Grid

Flexible Distribution
\(\text{(DMS, substations, feeders)}\)

Demand Response

Smart Generation
\(\text{(bulk, distributed \& renewable)}\)

Efficient homes
\(\text{(incl. EV charging infrastructure)}\)

Efficient Enterprise
\(\text{(buildings, industries \& datacenters \+ EV charging infrastructure)}\)

Smarter Demand + Smarter Supply + Demand Response = the Smart Grid
...and Smart Cities!

We deliver urban efficiency. Today.

- **Solutions** to cities' immediate challenges,
- **Integration** for increased efficiency,
- **Innovation** for a holistic sustainable future,
- **Collaboration** to make it all happen.

We understand what it takes. We make Smart Cities a reality.
Within an innovative eco-system for a simpler and greener future

We start today…

Partnering with 50+ best-in-class public and private organizations

Leading global projects for Intelligent buildings, renewables, nanotechnologies

Boosting standardization Zigbee, IEC, NEMA

Funding start-ups Schneider Electric Venture capital fund

So we can be…

Energy efficient

Environmentally friendly

Open and connected

Available 24/7, on site and remote

11000 R&D engineers 70 sites in 22 countries

Demand response, software breakthrough
Tackling the stakes of today and tomorrow to support Schneider Electric’s responsible growth

Green business

- Energy efficiency
- Renewables
- Electric Vehicles
- Smart cities and smart grids

Responsible company

- Access to energy
- Environment protection
- People well being
- Social commitment
- Ethics & responsibility

Measured commitment

Objective 2014: 8/10
January 2012 start: 3/10

- Communicate quarterly
- Audited annually
- Revised with each company programme
With people at the heart of our strategy

Individual behaviors driven by…
- Technology that makes things visible
- Regulations
- Incentives

Skills
- Renew competencies
- Build new educational programs
- Develop maintenance, audits, etc.

Collaboration
- Public-private partnerships
- Cross-business alliances
- Competitiveness projects

Respect and passion for diversity
- Loving difference
- Diversity for innovation
Our greatest reward: the satisfaction of our stakeholders
A recognized and awarded commitment

Reference Ethical Stock index and ratings

- Dow Jones Sustainability Indexes
  - Among the 300 selected companies in the DJSI world out of 3500

- CARBON DISCLOSURE PROJECT
  - Top 52/500 in transparency index
  - Top 29 on the performance index

- Vigeo
  - In the best-in-class companies for Vigeo CSR rating agency

- Oekom research
  - In the Prime category of the Oekom research ranking

- Top 5 of the best French listed companies in CSR

- Top 100 most ethical companies by Ethisphere, EU - For our ethics commitment and governance

Prestigious awards

- Gigaton award
  - By carbon war room, UK
  - For our commitment to smart grid and energy efficiency

- Zayed Future Energy prize
  - By Masdar, UAE
  - For our contribution to renewables and sustainable development

- Green Cross
  - By national safety council, US
  - For our health & safety practices

- Human Capital trophy
  - France
  - For our management internationalization policy