Capital Markets Day

June 26, 2019

Jean-Pascal Tricoire, Chairman & CEO

Life Is On | Schneider Electric

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 Annual 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.

Life Is On | Schneider Electric

Energy efficiency

Energy Transition

Electrification

x3

Electricity consumption between 2020-2035 from pervasive adoption of Information & communications technology (ICT)

Schneider Electric estimate

Decentralization

50/50

Wind, solar, and storage will generate 50% of global electricity by 2050

BNEF, New Energy Outlook, 2018

Decarbonization

95%

of 2-degree carbon budget would be consumed come 2040 by existing infrastructures

IEA, world energy outlook 2018

Digitization

30%

energy cost savings on average, up to 85% cost saving potential from customer digital transformation projects

Schneider Electric digital transformation benefits report, 2019

Life Is On | Schneider Electric

Process efficiency

Industry 4.0

IIoT

x8

the total number of connected IoT devices will be 8 times as many as connected people by 2025

IDC 2019; GSMA, UN population stat

Big Data

x5

80Bn+ GB in 2017, 400Bn+ GB in 2021

Cisco

Digital Twin

75%

of Organizations Implementing IoT Already Use Digital Twins or Plan to Within a Year

Gartner, 2018

AI

x6

Worldwide spending on cognitive and AI systems 2017 – 2022

International Data Corporation

5G

35%

5G will contribute $2Tr+ to the global economy between 2019-2034, c35% of which will go to the manufacturing and utilities sector

GSMA Mobile Economy 2019 Report

Life Is On | Schneider Electric

Our unique positioning:
Energy and automation digital solutions for efficiency and sustainability

Energy Transition

Industry 4.0

Energy Management

Industrial Automation

Energy Efficiency

Up to

~65%

(Average 30%)

Productivity

Up to

-50%

CapEx (integration)

Reliability & Safety

Up to

50%

Fewer incidents

Sustainability

Aiming at

0

Carbon emissions

Serving 4 end-markets:

Buildings	Data Centers	Infrastructure	Industry

Life Is On | Schneider Electric

We provide **energy and automation** digital solutions for **efficiency and sustainability**

Life Is On | **Schneider Electric**

Our Journey

2003-13

Build

2008-18

Integrate

2016 onwards

Scale

Life Is On | Schneider Electric

Integration (2008-2018)

Integration of acquired assets during the build phase

Relentlessly building our digital capability and our common platform, EcoStruxure™:

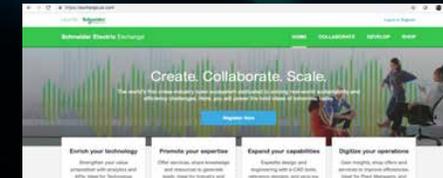| Transparent Factory	Plug-and-play control architecture	EcoStruxure boosted by cloud and digital services	Majority ownership of **AVEVA**
First Ethernet on industry shop floor	**First-generation EcoStruxure™**	**End-to-end IoT-enabled platform**	**Step change in Software capability** + **Schneider Electric Exchange**

First use of open protocols in factories

First step: Easy to connect products	Edge control platforms	Efficient IoT platform	Complete portfolio of Software + Marketplace

1997 ———— 2008 ———————————— Today

Life Is On | Schneider Electric

Triple Integration
for more Efficiency

1   2   3

Life Is On | Schneider Electric

Energy + Automation

= Significant value with concrete evidence thanks to cross selling

Left chart:

Buildings	
Data Center	
CPG	
MMM	
O&G	
WWW	
Utilities	

Legend: ■ MV ■ LV ■ Secure Power

Right chart:

CPG	
MMM	
O&G	
WWW	
Utilities	

Legend: ■ Industrial Automation ■ Energy Management
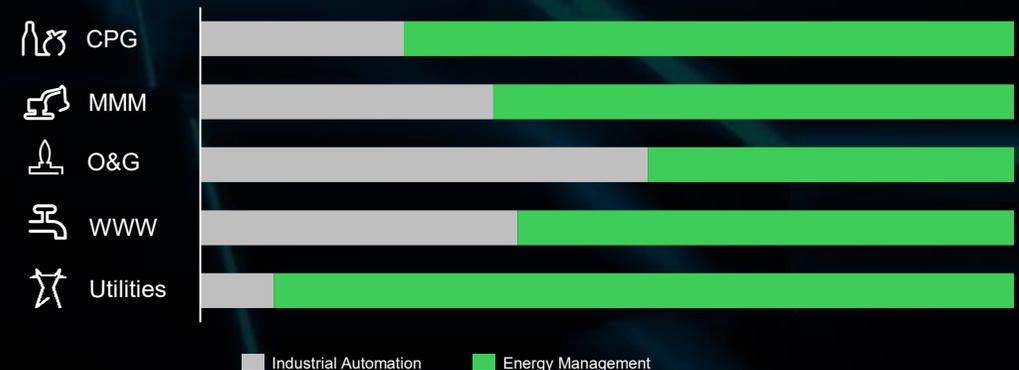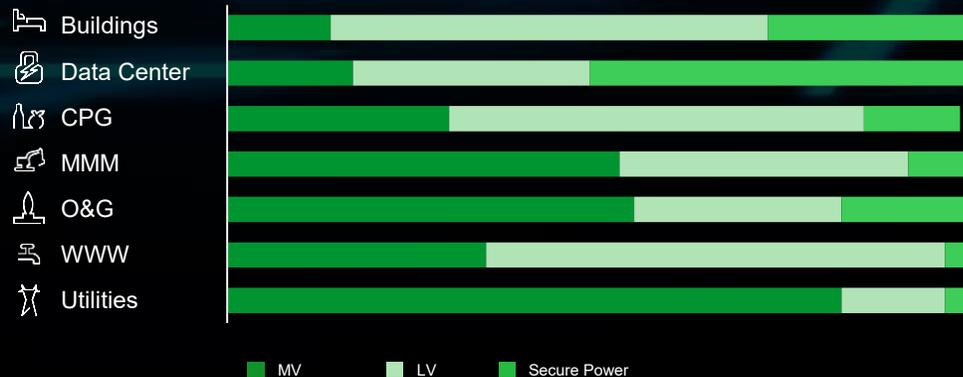
> - Resource efficiency
> - Cost reductions
> - Carbon footprint improvement
> - Simplification
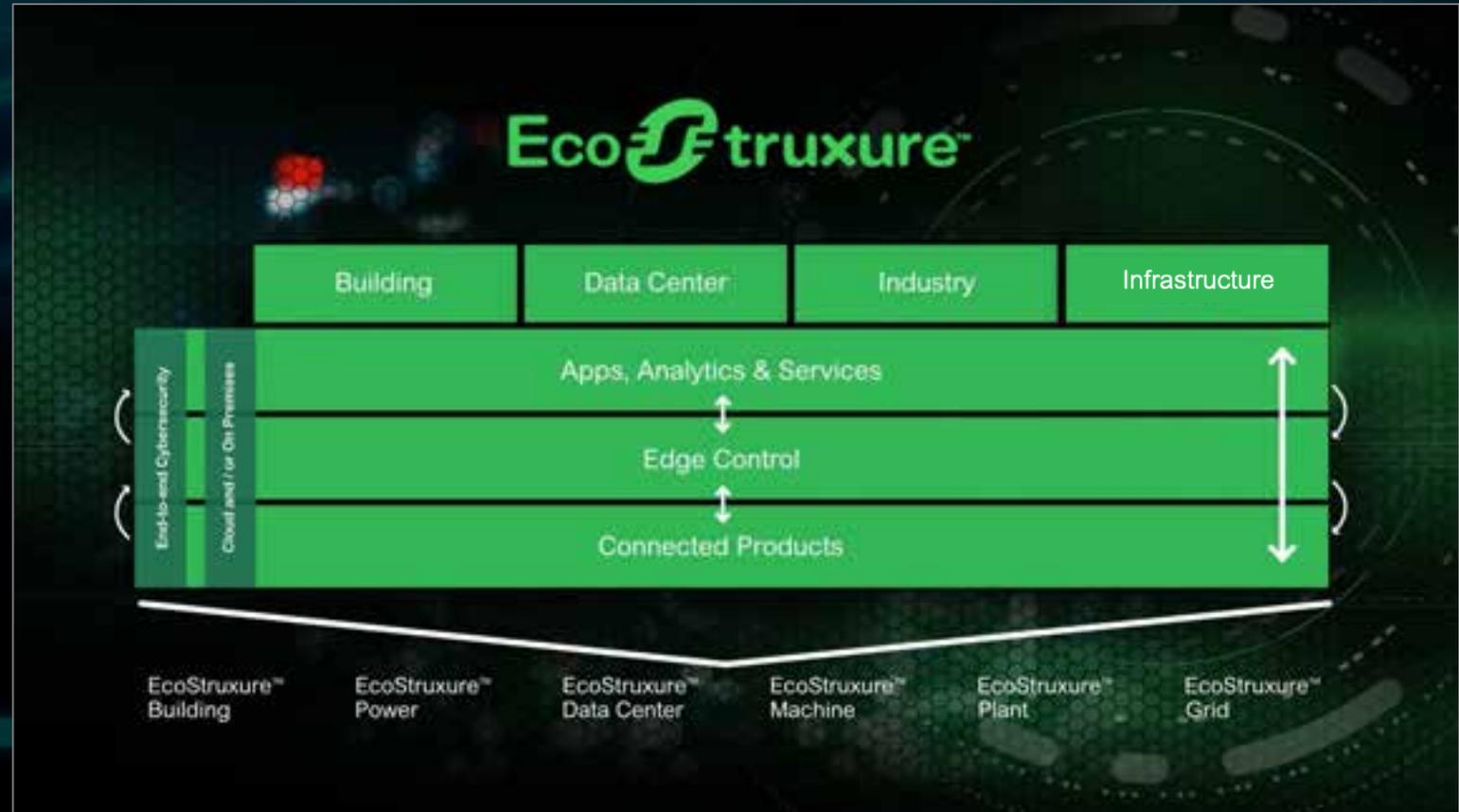
Life Is On | **Schneider Electric**

Cloud

Software
Advisors
Digital Services

End Point

Augmented Reality
Digital Assistants
Connected Products

Life Is On | Schneider Electric

Integrated software all along the lifecycle

CapEx   **OpEx**

Project phase   **Operation phase**

Design

EcoDial   Science Center
Data Center   IGE + XAO

Pro II   SimSci
DYNSIM

Build

EcoReal   EcoReach
Reference architectures

AVEVA NET & ENGAGE

AVEVA E3D   AVEVA ERM, AVEVA ProCon

OTS

Operate

Power Monitoring and SCADA
Facility, building fire and security expert

MES, Historian, APC,
Citect SCADA, Spiral

Maintain

Asset, Power, Facility, Building,
Workplace, Resource, Microgrid, IT advisors

Asset performance management
PRiSM, Optimizer+ IntelaTrac

Wonderware, Avantis.PRO

EcoStruxure™
Innovation At Every Level

AVEVA

Triple integration delivering strong results powering and digitizing the economy

Energy efficiency

Cost savings average

~30%

Operational efficiency

CapEx: Engineering Efficiency up to

60%

OpEx: Maintenance costs reduction up to

75%

Reliability

Equipment availability increase up to

50%

Safety

Workforce safety improvements up to

~20%

Sustainability

CO_2 footprint reduction up to

50%

*From monitoring and analysis of projects data

Life Is On | Schneider Electric

From Site-by-site to Integrated Company Management

Life Is On | Schneider Electric

The integrated company

Life Is On | Schneider Electric

Integrated: Sales

Distributors

Integrators

Machine Builders

End Users

> • One approach to customer with strong synergies
> • One distribution network
> • One CRM and PRM
> • Key account management

Life Is On | Schneider Electric

Integrated: Supply Chain

One Schneider Production System (SPS)

Leveraging global scale

One purchasing organization

One Schneider Electric quality system

Attractiveness to talent

Scale for digitization

Gartner
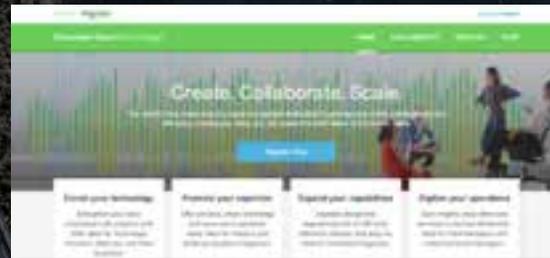Supply Chain Top 25
2019

Life Is On

Schneider Electric

Integrated: Digital

One EcoStruxure

One Cloud

One Exchange

One IT

Life Is On | Schneider Electric
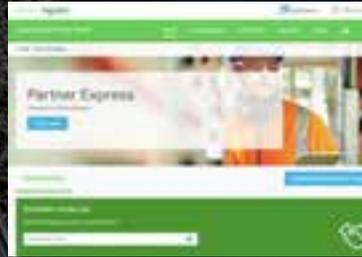
Integrated: Marketing

One Innovation
World Tour

One Unified
Brand Portfolio

One Country Commercial
& Marketing Blueprint

One PRM & CRM

One Digital
Customer Experience

One
Customer Care

Life Is On | Schneider Electric

Integrated: Organization and Management System

One Simple Organization

Countries | P&L

Business | Innovation

Supply Chain | Quality & Cost

Functions | Global Scale

One Management System

SE Performance System

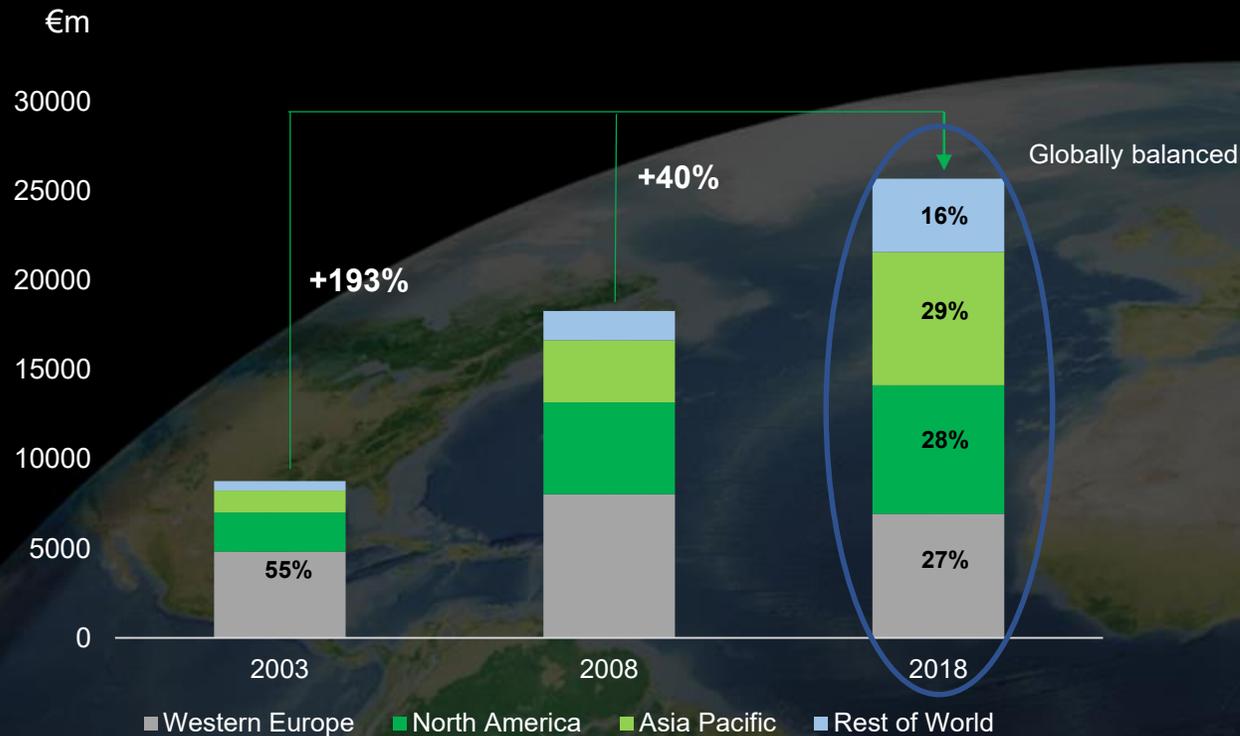Company Program

Management Cadence

Leadership

Life Is On | Schneider Electric

Multi-local
for Agility

We have prepared for a multi-local world

Powerful revenue growth with geographic diversification and rebalance

€m

Chart showing revenue (€m) by region for 2003, 2008, 2018:

- **2003:** Western Europe 55%
- **2008:** +193% (vs 2003)
- **2018:** +40% (vs 2008) — Globally balanced
  - Rest of World 16%
  - Asia Pacific 29%
  - North America 28%
  - Western Europe 27%

Legend: Western Europe | North America | Asia Pacific | Rest of World

Headcount rebalanced to reflect our global mix + growth at half the pace of our top line + more flexible cost base

Chart showing headcount by region for 2003, 2008, 2018:

- **2003:** Western Europe 58%, plus 'International'
- **2008:** +105% (vs 2003)
- **2018:** +20% (vs 2008) — Globally balanced
  - Rest of World 20%
  - Asia Pacific 31%
  - North America 22%
  - Western Europe 27%

Legend: Western Europe | North America | Asia Pacific | Rest of World | 'International'
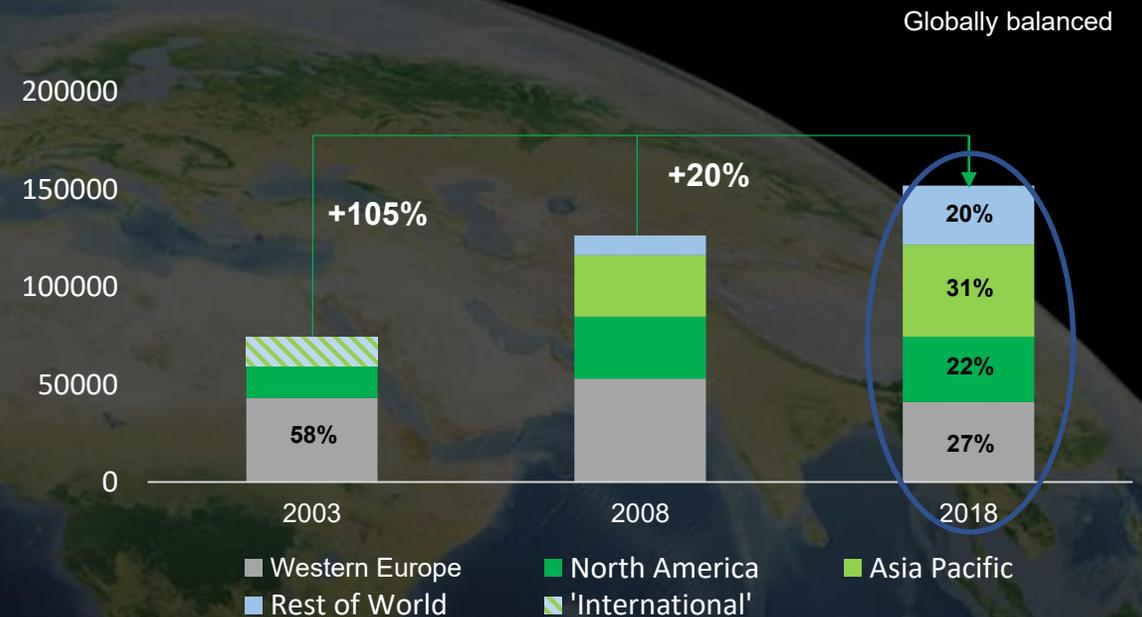
Note: headcount data shows average number of employees over the course of each year shown which includes contractors

Life Is On | Schneider Electric

Business & employees

28% **22**%
North America

27% **27**%
Western Europe

29% **31**%
Asia Pacific

16% **20**%
Rest of the world

● % of revenue by geography 2018   ● % of total employees by geography 2018

Life Is On | Schneider Electric

Multi-hub for multi-local

NEMA* R&D

IEC* R&D

CCC* R&D

Business

Business

Function

Function

Suppliers Supply Chain Sales

Suppliers Supply Chain Sales

Suppliers Supply Chain Sales

*Local electrical standards

Life Is On | Schneider Electric

Multi-hub, global & connected leadership

Executive Committee members

North America

Europe

Asia

Life Is On | Schneider Electric

Board diversity

Board members spread across all geographies

North America	Europe	France	Asia
3	5	4	2

Average age of directors	Female directors[1]	Independent Directors (83%)	Employee directors	Directors
58	**46**%	**10**	**2**	**14**

(1) To the exclusion of the employees' representative.

Life Is On | Schneider Electric

Sustainability

Our Purpose and Way

Life Is On | Schneider Electric

We empower all to **do more with less,** ensuring Life Is On everywhere, for everyone, at every moment

Life Is On | Schneider Electric

SCHNEIDER
SUSTAINABILITY
IMPACTS

CLIMATE

25%
increase in turnover for our EcoStruxure™ Energy & Sustainability Services

10 million metric tons
avoided CO_2 on our customers' end through our offers

80%
renewable electricity

10%
CO_2 efficiency in transportation

CIRCULAR ECONOMY

75% of sales
under our new Green Premium™ program

200 sites
labeled zero waste to landfill

100,000 metric tons
of avoided primary resource consumption

100%
recycled packaging

HEALTH & EQUITY

100%
of countries have fully deployed our Family Leave policy

1 medical incident per million hours worked

95%
of employees covered in the gender pay equity commitment

90%
of white-collar workers have an individual development plan

90%
of employees have access to a comprehensive Well-being at Work program

70%
scored in our Employee Engagement Index

100%
of workers received 12 hours of learning in the year

ETHICS

300 suppliers
under Human Rights & Environment vigilance received specific, on-site assessment

100%
of sales, procurement, and finance employees trained every year on anti-corruption

5 pts/100
increase in average score of ISO 26000 assessment for our strategic suppliers

DEVELOPMENT

400K
underprivileged people trained in energy management

x4
turnover of our Access to Energy program

12K
volunteering days thanks to our global platform

Life Is On | Schneider Electric

SCHNEIDER
SUSTAINABILITY
IMPACTS

CLIMATE

25%
increase in turnover for our EcoStruxure™ Energy & Sustainability Services

23%

10 million metric tons
avoided CO_2 on our customers' end through our offers

80%
renewable electricity

10%
CO_2 efficiency in transportation

CIRCULAR ECONOMY

75%
of sales
under our new Green Premium™ program

48%

200 sites
labeled zero waste to landfill

100,000 metric tons
of avoided primary resource consumption

100%
recycled packaging

HEALTH & EQUITY

100%
of countries have fully deployed our Family Leave policy

75%

1 medical incident per million hours worked

95%
of employees covered in the gender pay equity commitment

90%
of white-collar workers have an individual development plan

90%
of employees have access to a comprehensive Well-being at Work program

70%
scored in our Employee Engagement Index

100%
of workers received 12 hours of learning in the year

ETHICS

300 suppliers
under Human Rights & Environment vigilance received specific, on-site assessment

165

100%
of sales, procurement, and finance employees trained every year on anti-corruption

5 pts/100
increase in average score of ISO 26000 assessment for our strategic suppliers

DEVELOPMENT

400K
underprivileged people trained in energy management

200K

x4
turnover of our Access to Energy program

12K
volunteering days thanks to our global platform

Life Is On | Schneider Electric

Great people make a great company

Meaningful
Inclusive
Empowered

Life Is On | Schneider Electric

Open & Partners

Life Is On | Schneider Electric

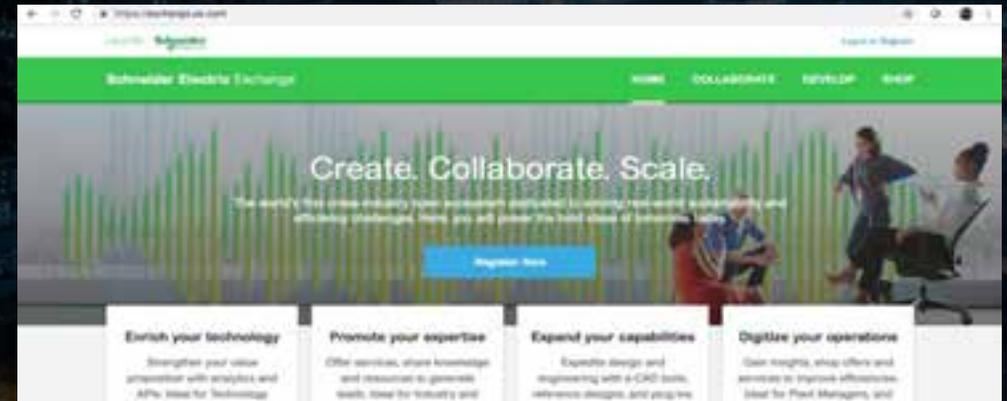# Open community & ecosystem

Network of Partners

480,000 sites deployed

Over 20,000 system developers and integrators

3,000 electricity companies

Over 650,000 service providers and partners
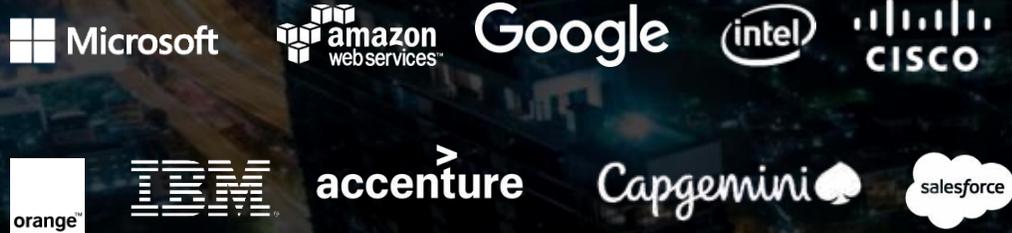
Schneider Electric Exchange

45,000+ registered users

200 apps developed

23 communities

Life Is On | Schneider Electric

Strategic technology partners & Innovation at the Edge

Strategic Technology Partners

Microsoft   amazon web services   Google   intel   CISCO

orange   IBM   accenture   Capgemini   salesforce

Innovation at the Edge

100+ Invested companies

40+ start-up partnership

JV AlphaStruxure with Carlyle Group

Life Is On | Schneider Electric
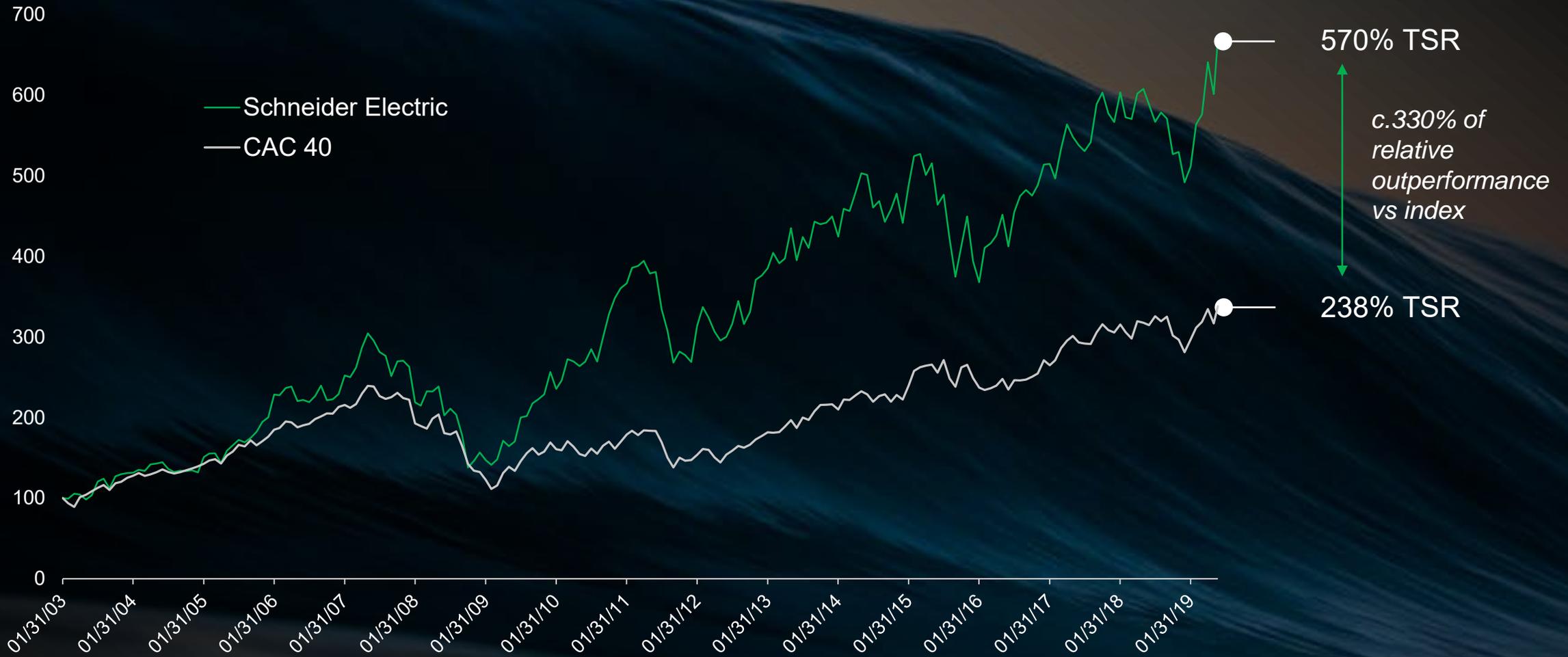
Strategy that delivers
Performance

Life Is On | **Schneider Electric**

Consistent strong operational performance

	2003		2018
Revenues	€9bn	+3x	€26bn
Adjusted EBITA	€1bn	+4x	€4bn
EPS	€0.97	+4x	€4.16
Market Cap	€10bn	+4x	€38bn
Enterprise Value	€11bn	+4x	€46bn

Life Is On | Schneider Electric

Delivering strong returns for shareholders

700
600
500
400
300
200
100
0

— Schneider Electric
— CAC 40

570% TSR

c.330% of relative outperformance vs index

238% TSR

01/31/03 01/31/04 01/31/05 01/31/06 01/31/07 01/31/08 01/31/09 01/31/10 01/31/11 01/31/12 01/31/13 01/31/14 01/31/15 01/31/16 01/31/17 01/31/18 01/31/19

Source: Factset, priced at market close 21st June 2019

Life Is On | Schneider Electric

A simple strategy that works & positions us for macro factors
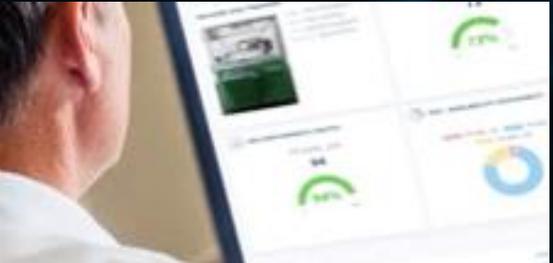
More Products
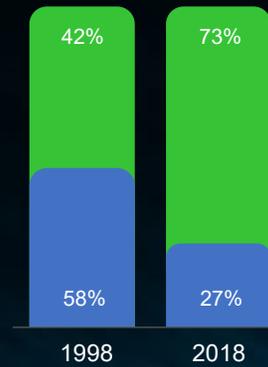
More Services

More Digital

Better Systems

Balanced, agile and resilient

Business Exposure

18%	28%	42%
82%	72%	58%
1998	2008	2018
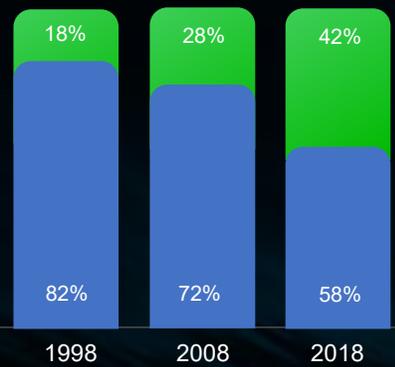
- Mature Economies
- New/Emerging Economies

People Footprint

42%	73%
58%	27%
1998	2018

- Western Europe
- Rest of the world

Less Cyclical

>50%	~40%
2008	2018
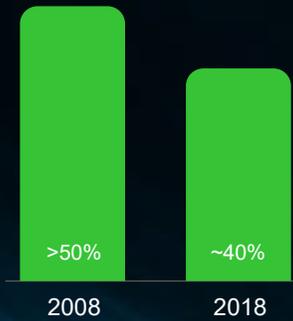
- Short Cycle

Growth In Software & Services

8%	16%	~20%
2008	2018	Future

- Software & Services as % group

Flexible Cost Base in 2018

30%

70%

- Fixed
- Variable

Life Is On | Schneider Electric
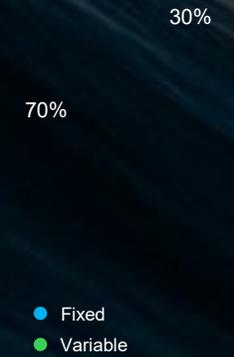
Our priorities for the next 3 years built upon strong foundations

What we achieved in 2016-2018

- More products, more software, more services
- Significant MV margin improvement
- Built a strong platform with AVEVA in Industrial Automation Software

Organic revenue growth: **+3%** on average

Adj. EBITA margin: **+140** bps

Portfolio optimization (€1.5Bn since 2014)

Simplification and efficiency

What we target to achieve in 2019-2021

- More products, more software, more services
- Further scale our digital offers
- Continue to work on efficiency: focus on the core and organization efficiency

Organic revenue growth: **+3%-6%** through cycle

Adj. EBITA margin: **+200** bps (pre-FX)

Portfolio optimization (€1.5Bn to €2Bn)

Further simplification and efficiency

Life Is On | Schneider Electric

Integrated

Multi-hub

Sustainability

Open

Life Is On | Schneider Electric

Life Is On | Schneider Electric