

GROWTH

Schneider Electric
First Quarter 2024 Revenues – April 25, 2024

Q1 2024 - Revenues up +5% organic; Full Year Target reaffirmed

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 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.

Q1 2024 – revenues up +5% organic



Group

€8.6bn **+5.3%**
Q1'24 revenues org. growth

Energy Management

€6.9bn **+8.9%**
Q1'24 revenues org. growth

Industrial Automation

€1.7bn **-6.6%**
Q1'24 revenues org. growth

Driven by Megatrends:

- 1 Digitization & Artificial Intelligence
- 2 Climate Change
- 3 Energy Transition
- 4 Evolution of Wealth
- 5 New Global Equilibrium

Growth in Q1 led by Systems and Field Services

PRODUCTS

53% of Q1 revenues

+2%

Q1 organic growth

- **Energy Management** up with consumer-linked segments mostly stabilized and good growth elsewhere
- **Industrial Automation** down due to continued weakness in discrete automation, notably in Western Europe and East Asia, while China saw growth
- Product **price** contribution returned to a normalized level, **volumes** were positive
- Headwind from fewer **working days** in Q1 compared to last year

SYSTEMS

28% of Q1 revenues

+14%

Q1 organic growth

- **Energy Management** up strong double-digit with continued strong demand, notably in **Data Center** and **Infrastructure** end-markets
- In **Industrial Automation**, good growth into **Process & Hybrid** markets, while **Discrete** markets remain impacted by weakness in OEM

SOFTWARE & SERVICES

19% of Q1 revenues

+5%

Q1 organic growth

- **One Software**¹ (c. €1.9bn of revenue FY23²)
 - ARR at **AVEVA** up +13%. Organic growth impacted by change of year-end. Strong growth in SaaS revenues
 - **Energy Management** software up mid-single digit; good underlying business and recurring revenue growth, lower license revenue due to subscription transition
- **Digital Services** (c. €1.0bn of revenue FY23)
 - Strong growth, led by Energy Management Advisors & Grid digitization
- **Field Services** up +12% with double-digit growth in both businesses

1. The Group's agnostic software offering under its 'One Software' strategy comprises AVEVA, RIB Software and ETAP

2. On a proforma basis adjusted for disposals at RIB Software in 2023

Sustainability Impact score continues to progress

2021-2025

SCHNEIDER
SUSTAINABILITY
IMPACT



CLIMATE

576M²

SSI #2 - Help our customers save and avoid 800 million tonnes of CO₂ emissions

In Q1 2024, Schneider Electric continued to help its customers save and avoid more millions of tonnes of CO₂ emissions thanks to its solutions and services, such as Variable Speed Drives and Power Monitoring solutions.

RESOURCES

65%

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

Schneider Electric's sustainable packaging transformation continued to progress this quarter, driven by a positive evolution in North America and in Pacific region.

EQUAL

48.1M³

SSI #9 – Provide access to green electricity to 50M people

Schneider Electric provided access to green and reliable electricity to an additional 1.66 million people this quarter alone. In India and in Bangladesh, the Group has supplied solar solutions to several health centers, facilitating access to quality healthcare for hundreds of thousands of people.

1. 2020 baseline 3/10, 2025 target 10/10

2. cumulated since 2018

3. Cumulated since 2009



Sustainability Impact Awards: 12 global partners, customers, and suppliers recognized for **outstanding performance in decarbonizing** their own operations or the operations of their customers



Schneider Electric launches **Materialize**. Uniting leading **critical resource and materials** companies to reduce supply chain emissions



Reduced pay gap to **less than 1%** for both women and men thanks to our holistic pay equity strategy

An Impact company driving Efficiency and Decarbonization



Data Center
France



Buildings
UAE

Large Water Utility

Infrastructure
Australia



Industry
India

Scope 1&2 emissions reduction:
-31% between 2022 & 2023

Eco Consult, Ecofit & Eco Care

1.5 billion litres of safe drinking
water per day

Smart Manufacturing

Digital Realty, a world leader in Data Centers, reduces its environmental impact in France through focus on Energy Efficiency

Schneider Digital Ecofit solutions enable Provis (a subsidiary of Aldar Properties) to extend the life cycle of their MV assets thus reducing the carbon footprint through this sustainable solution

Schneider solutions empower communities to manage their most critical resource: water as well as treating wastewater, and ensuring environmental sustainability

Fully integrated Plant to Enterprise Operations, cutting edge solution for achieving Sustainability targets and improving plant performance by visualizing and analyzing critical metrics information in near real time



Sourcing of 100% renewable energies, optimizing Energy from design to operation and working on scope 3 with suppliers and partners



Material saved: 7.9 metric tons
CO₂ emissions saved: 27.9 t CO₂eq
Water saved: 267.4 m³



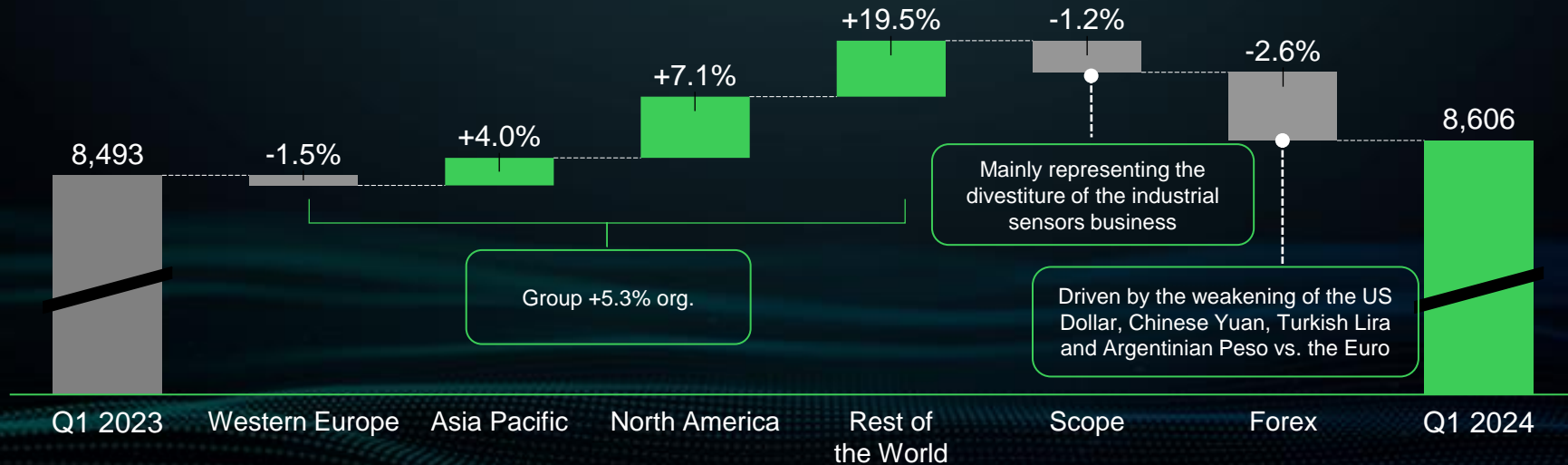
The power of collaboration in building a sustainable future for water management



Fully integrated one-stop Automation solution along with the latest digitization offer for all 10 plants

Q1 2024 up +5% organic

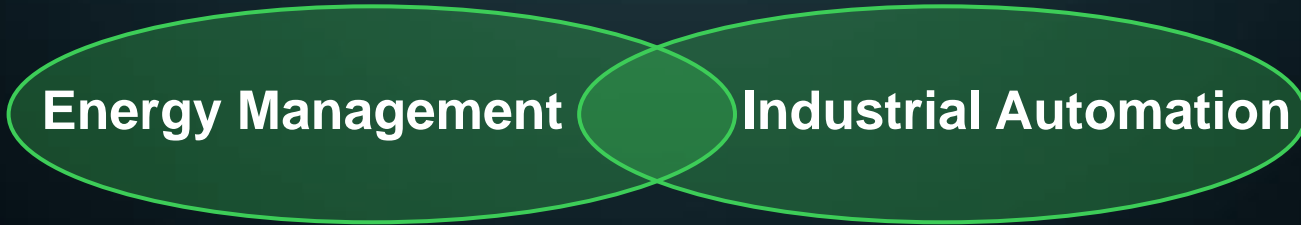
Analysis of Change in Group Revenues (in €m)



Based on current rates, the FX impact on FY 2024 revenues is estimated to be between -€200 million to -€300 million

The FX impact at current rates on adjusted EBITA margin for FY 2024 could be around -30bps

Q1 Business performance highlights by end-market



End Markets

Buildings

- **Resi stable** with regional variance – RoW growing, North America stable, parts of Western Europe soft
- Group benefits from exposure to **non-resi technical buildings**:
 - Good traction in **Hotels** and **Healthcare**
 - Performance supported by **completeness** of offer and renovation/retrofit trends

Data Center & Networks

- Very strong demand in **Data Center**, with strength across both Internet Giants and enterprise settings
- **Distributed IT** seeing solid growth in demand
- Sales growth follows **similar trends** up **strong double-digit** in Data Center and **mid-single digit** in Distributed IT

Infrastructure

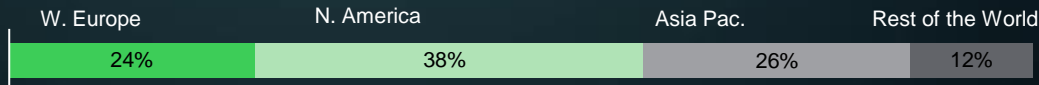
- Strong demand in **Electrical Utilities**, supported by booking of some large project wins
- **Transportation** demand stable at high levels
- Demand in **WWW** down overall though growing for IA offers, while EM offers faced high base

Industry

- **Discrete** demand down YoY though **improving sequentially** in many geographies
- Middle East strong and China returns to sales growth in Discrete, while W. Europe and E. Asia impacted by **high OEM stock**
- **Process & Hybrid** demand down, facing high base in MMM & CPG
- Automation sales into Process & Hybrid up **mid-single digit** despite high base

Energy Management +9% Q1 org. growth

Split of Q1 2024
revenue by geography:



North America +10%

- ▶ U.S. up double-digit, Mexico up low-single digit and Canada flat, with all three countries facing high base of comparison
- ▶ Strong growth in Systems revenues supported by trends in Data Center and Infrastructure end-markets
- ▶ Product revenue up low-single digit impacted by supply constraints (particularly Residential)
- ▶ Double-digit growth in Field Services

Rest of the World +23%

- ▶ Middle East up strong double-digit, led by Saudi Arabia and UAE with good traction in both the partner network and end-user sales
- ▶ Africa also grew strong double-digit, led by Morocco and seeing strong execution on Infrastructure projects across the region
- ▶ South America was flat when excluding impacts from Argentina, with strong growth in Brazil offset by weakness in Colombia
- ▶ Central & Eastern Europe delivered solid growth
- ▶ Argentina, Egypt and Turkey all saw double-digit growth in part due to pricing in response to currency devaluation

Western Europe +4%

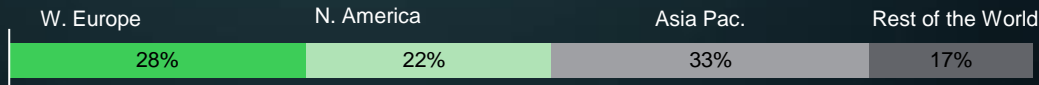
- ▶ Growth led by Italy, up double-digit, followed by Germany high-single digit, France mid-single digit, UK also growing while Spain declined. All 5 countries facing double-digit base of comparison
- ▶ Strong growth in Field Services linked to retrofit and modernization trends, supported by backlog execution
- ▶ Strong growth in Systems with continued traction for Data Center and Infrastructure projects
- ▶ Product demand remained subdued with Residential markets still impacted

Asia Pacific +6%

- ▶ China up high-single digit with strength in renewable power and transportation. Building markets remain weak, though with some opportunity in retrofit
- ▶ India grew double-digit with strength across end-markets, supported by capex investment in medium and large sized projects
- ▶ Australia grew mid-single digit, with strong activity in Data Centers, and linked to the energy transition
- ▶ Rest of the region down in aggregate, with weakness in construction markets across Southeast Asia

Industrial Automation -7% Q1 org. growth

Split of Q1 2024
revenue by geography:



North America -10%

- ▶ The **U.S.** was down impacted by timing at **AVEVA** despite good health of the underlying business, and continued pressure on **Discrete** automation.
- ▶ **Canada** grew double-digit with strong growth in sales to **Process & Hybrid** automation markets
- ▶ **Mexico** declined on a high base of project activity in the prior year and inventory normalization in **Discrete** automation

Rest of the World +10%

- ▶ **Middle East** up double-digit with strong growth in both **Discrete** and **Process & Hybrid** automation markets
- ▶ **Africa** saw good growth in **Process & Hybrid** supported by project execution across the region, while **Discrete** was down slightly excluding **Egypt**
- ▶ In **South America**, sales into both **Discrete** and **Process & Hybrid** markets were down excluding **Argentina**, as **Brazil** continues to recover from supply challenges
- ▶ **Central & Eastern Europe** declined, with **Discrete** following similar trends to **Western Europe**
- ▶ **Argentina, Egypt** and **Turkey** all saw double-digit growth in part due to pricing in response to currency devaluation

Western Europe -16%

- ▶ **France** down mid-single digit, better than the rest of the region due to strong growth at **AVEVA**
- ▶ **Germany, Italy, Spain** down double-digit against high base
- ▶ **U.K.** growing in **Discrete** and **Process & Hybrid**, but down overall due to timing at **AVEVA**
- ▶ **Discrete** automation markets remained weak across the region, notably in **Germany** and **Italy**, while the **UK** showed growth
- ▶ **Process** markets were relatively better oriented, with good growth in several countries, led by the **U.K.**

Asia Pacific -3%

- ▶ **China** up mid-single digit, with a return to growth in **Discrete**, while sales into **Process & Hybrid** remain strong
- ▶ **India** seeing good growth in both **Discrete** and **Process & Hybrid** against a high base, though slightly down overall due to timing of renewals at **AVEVA**
- ▶ **Japan** and **Korea** down, remaining weak in **Discrete** automation markets linked to **OEM** weakness in **China** and **East Asia**
- ▶ **Australia** grew strong double-digit, driven by performance at **AVEVA**

Expected trends in 2024

- Strong and dynamic market demand to continue on the back of structural megatrends
- Strong demand for System offers notably driven by trends in Data Centers, Grid Infrastructure investment and increased investments across Process Industries served by both businesses
- Continued focus on subscription transition in Software and growth in Services
- A gradual demand recovery for Product offers, weighted towards H2, linked with a recovery in consumer-linked segments and Discrete automation
- All four regions to contribute to growth, led by U.S., India and the Middle East

2024 Target reaffirmed

The Group reaffirms its 2024 financial target as follows:

2024 Adjusted EBITA growth of between +8% and +12% organic

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

- Revenue growth of **+6% to +8% organic**
- Adjusted EBITA margin up **+40bps to +60bps organic**

This implies Adjusted EBITA margin of **around 18.0% to 18.2%** (including scope based on transactions completed to-date and FX based on current estimation).

Further notes on 2024 FX & Scope available in slide 17

Capital allocation priorities in order of preference



Q&A

Investor Relations ready to engage

25 April	Q1 2024 Revenues
23 May	Shareholders' Meeting (Paris)
4 June	BNP Paribas Exane CEO conference (Paris)
12 June	JP Morgan European CapGoods CEO conference (London)
31 July	H1 2024 Results
4 September	Morgan Stanley Industrial CEOs Unplugged conference (London)
10 September	Kepler Cheuvreux Autumn Conference (Paris)
30 October	Q3 2024 Revenues

Investor Relations contacts

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To schedule an interaction with Schneider Electric please contact lorna.scrimshaw@se.com

Upcoming investor event

INDIA

(Q4 2024 – further details to follow)

Appendix

2024 additional notes

- ▶ **Foreign Exchange impact:** Based on current rates, the FX impact on FY 2024 revenues is estimated to be **between -€200 million to -€300 million**. The FX impact at current rates¹ on adjusted EBITA margin for FY 2024 could be **around -30bps**
- ▶ **Scope:** Around **-€300 million** on 2024 revenues and **around flat** on 2024 adjusted EBITA margin, based on transactions completed to-date
- ▶ **Tax rate:** The ETR is expected to be in a **22-24%** range in 2024
- ▶ **Restructuring:** The Group expects restructuring costs to decrease towards target of around **€100 million** per year

1. Forward exchange rates are volatile and difficult to predict. Consequently, the impact of such movement and possible impacts from hyperinflation technical accounting (IAS29) are not factored at this stage.

External recognition of our

IMPACT

in Q1 2024

A Global 100
**Most Sustainable
Corporation**



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



**2024 WORLD'S MOST
ETHICAL
COMPANIES™
ETHISPHERE
13-TIME HONOREE**

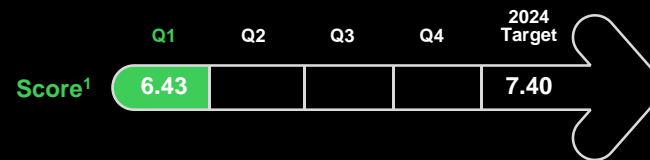


FTSE4Good



Corporate Knights & As You Sow's
**Carbon Clean
200 list**

Q1 2024 Results



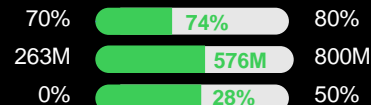
6 long-term commitments

CLIMATE



1. Grow Schneider Impact revenues*²
2. Help our customers save and avoid millions of tonnes of CO₂ emissions³
3. Reduce CO₂ emissions from top 1,000 suppliers' operations

Baseline Q1 2024 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 employees⁴
7. Level of confidence of our employees to report unethical conduct⁵



EQUAL



8. Increase gender diversity in hiring (50%), front-line management (40%) and leadership teams (30%)
9. Provide access to green electricity to 50M people⁶



GENERATIONS



10. Double hiring opportunities for interns, apprentices and fresh graduates²
11. Train people in energy management⁶



LOCAL



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



*Per Schneider Electric definition and methodology

¹ 2021 baseline 3/10, 2025 target 10/10

² 2019 baseline

³ cumulated since 2018

⁴ 2022 baseline

⁵ 2021 baseline

⁶ cumulated since 2009



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