



2023 Human Resources Report

The Next Frontier: Industrial Tech for Sustainable Impact

Life Is On

Schneider
Electric

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Great people make Schneider Electric a great company

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Context and goals

Great people make Schneider Electric a great company. The Group motivates its employees and promotes their involvement by making the most of its diversity, supporting professional development, and ensuring safe, healthy working conditions. Its ultimate ambition is to deliver sustained high performance and greater employee engagement, through best-in-class people practices that are enabled by its multi-hub model.

Schneider Electric is a people-centric company where employees come to work for a meaningful purpose and are empowered to deliver impact in an innovative and inclusive environment. The Group offers equal opportunities based on employees’ skills, and supports this commitment with common processes and consistent policies regarding recruitment, employment, talent identification, learning and development, and rewards.

The Human Resources function plays a key role in enabling performance and people development at Schneider Electric. Progress is characterized by sustained expansion and ongoing acquisitions that deliver growth in core markets and by momentum created through incremental growth drivers.

Over the last several years, the Group has made significant progress in many areas, including: a unique multi-hub model; a leaner organization structure; leadership and culture transformation; widely acknowledged diversity, equity, and inclusion practices including flexibility at Schneider; and setting up a transformation of skills to enable growth and innovation.

By 2025, Schneider Electric has committed to creating equal opportunities for all and harnessing the power of all generations. It will achieve this by ensuring all employees are uniquely valued in an inclusive work environment and by fostering learning, upskilling, and development for everyone. This report shares the progress on the key transformations under the Equal and Generations pillars of the Schneider Sustainability Impact (SSI) and Schneider Sustainability Essentials (SSE) programs.



“Through our People Strategy, we aim to unleash the potential of all, drive impact and innovate for our customers and society. Our people culture, leadership and technologies enable us to position our Company as a company of choice.”

Charise Le,
Chief Human Resources Officer

Progress of our Equal and Generations commitments

Schneider Sustainability	#	2021 – 2025 programs	Baseline ⁽¹⁾	2023 progress ⁽²⁾	2025 Target
Impact (SSI)	8.	Increase gender diversity in hiring (50%), front-line management (40%) and leadership teams (30%)	2020: 41/23/24	41/28/29	50/40/30
	10.	Double hiring opportunities for interns, apprentices and fresh graduates	2019: 4,939	x1.52	x2.00
Essentials (SSE)	18.	Reduce pay gap for both females and males	2020: F: -1.73% 2020: M: 1.00%	-1.00% 0.67%	<1% <1%
	19.	Increase subscription in our yearly Worldwide Employee Share Ownership Plan (WESOP)	2019: 53%	61%	60%
	20.	Pay our employees at least a living wage	2019: 99%	100%	100%
	21.	Multiply the number of employee-driven development interactions on the Open Talent Market	2020: 5,019	x1.5	x4
	22.	Support the digital upskilling of our employees	2020: 41%	78%	90%
	23.	Provide access to meaningful career development programs for employees during later stages of their career	2022: 43%	67%	90%
	24.	Increase our employee engagement level	2020: 69%	73%	75%

These programs contribute to UN SDGs



(1) The baseline year for each indicator is provided together with its baseline performance.
 (2) Each year, Schneider Electric obtains a "limited" level of assurance on methodology and progress from an independent third party verifier for all the SSI and SSE indicators (except SSI #+1 and SSE #12 in 2023), in accordance with ISAE 3000 assurance standard (for more information, please refer to the 2023 Universal Registration Document). The 2023 performance is also discussed in more details in each section of this report.

2023 Highlights



In November 2023, the Group was recognized as a Top 50 Diversity Leader by the Financial Times in their Diversity Leaders 2024 rankings, for the 5th year in a row, ranking 8th among 850 companies and 2nd in its industry



In 2023, Schneider Electric confirmed its inclusion in Bloomberg's Gender Equality Index among 484 companies for the 6th year in a row. The Group achieved an overall score of 81%, up from 77% vs. 2022 and well above the index average of 73%



Schneider Electric was included in the "World's Top Companies For Women 2023", list published by Forbes



Schneider Electric recognized by Brandon Hall Group with an HCM Excellence Gold Award in the Diversity, Equity, and Inclusion category for its Global Family Leave Policy

An “Impact Maker” for sustainability

For over 15 years, sustainability has been at the core of Schneider Electric’s transformation journey. The Group is now a world corporate leader in sustainability and a critical partner to our customers, suppliers, investors, NGOs, and other stakeholders using our services and products to accelerate their own energy efficiency and sustainability transition. Our purpose drives us in “empowering all to make the most of our energy and resources, bridging progress and sustainability for all”. Schneider Electric is an Impact Company.



At Schneider Electric, we pride ourselves on being an Impact Company because sustainability does not only inform what we do, it drives corporate decision making. This entails a responsibility to share learnings and keep raising the bar.

We are an Impact Company convinced that to do good, we need to do well, and vice-versa. To deliver sustainability impact, we must combine solid profitability with leading practice on all environmental, social, and governance (ESG) dimensions. At the same time, this positive impact supports the long-term resilience of the Company as we attract new customers, investors, and talents.


Our sustainability and business impacts converge to act for a climate positive and socially equitable world, while delivering solutions to our customers for sustainability and efficiency.

We bring everyone along in our ecosystem, from employees to supply chain partners, customers, as well as local communities and institutions. Building on a foundation of trust, our unique operating model with a multi-hub approach is set up to impact at both global and local levels. From a meaningful purpose, our culture builds on strong people and leadership values empowering all Schneider Electric people to make a great company.

1. Do well to do good and vice versa

 **Performance**
The foundation for doing good

 **Business**
Part of the solution

 **All ESG**
Dimensions

2. Bring everyone along

 **Model & culture**
Set up for global and local impact

 **All stakeholders**
in the ecosystem

An Impact model recognized in external ratings



In top 1% performance among 100,000+ companies, achieving Outstanding level



The only company in its sector listed as A List 13 years in a row

Corporate Knights:
A Global 100 Most Sustainable Corporation


Schneider has been featured on Corporate Knights' Global 100 list of sustainability leaders every year since 2012, ranking 7th in 2023

Moody's
ESG Solutions

Schneider is part of the Euronext Vigeo World 120, Europe 120, Euro 120, France 20 and CAC40 ESG indices

Dow Jones
Sustainability Indices

#1 among industry peers, scoring 88 out of 100 in the latest S&P Global Corporate Sustainability Assessment

 See our recognitions on the Awards page at www.se.com

Our 2025 sustainability commitments

With less than 10 years left to reach the 17 United Nations Sustainable Development Goals (SDGs), Schneider Electric has accelerated its impact and is making new, bold commitments to drive meaningful impact within the framework of its business activity. Schneider Electric's 6 long-term commitments are to:

<p>Act for a climate-positive world</p> 	<p>by continuously investing in and developing innovative solutions that deliver immediate and lasting decarbonization in line with our carbon pledge.</p>
<p>Be efficient with resources</p> 	<p>by behaving responsibly and making the most of digital technology to preserve our planet.</p>
<p>Live up to our principles of trust</p> 	<p>by upholding ourselves and all around us to high social, governance, and ethical standards.</p>
<p>Create equal opportunities</p> 	<p>by ensuring all employees are uniquely valued in an inclusive environment to develop and contribute their best.</p>
<p>Harness the power of all generations</p> 	<p>by fostering learning, upskilling, and development for each generation, paving the way for the next.</p>
<p>Empower local communities</p> 	<p>by promoting local initiatives and enabling individuals and partners to make sustainability a reality for all.</p>

Our unique transformation tool

Since 2005, Schneider Electric measures and demonstrates its progress against sustainability goals with a unique transformation dashboard today called Schneider Sustainability Impact (SSI).

The SSI is the translation of our six long-term commitments into a selection of 11 highly transformative and innovative programs executing our 2021 – 2025 sustainability strategy. It has been designed to focus on the most material issues, leveraging internal and external stakeholders' feedback.

Every quarter, the SSI provides, on a scoring scale of 10, an overall measure of all the programs' progress, which is shared with all our stakeholders together with financial results.

At the end of the year, 64,000 employees of the Group are rewarded for the progress achieved as the SSI constitutes 20% of their short-term incentive plans' collective share (STIP).

To ensure robustness, the SSI's performance and monitoring systems are audited annually by an independent third party and obtain a "moderate" assurance, in accordance with ISAE 3000 assurance standard (except for SSI #+1). In 2023, the Group obtained a "reasonable" assurance for SSI #8.

2021 – 2025
SCHNEIDER SUSTAINABILITY IMPACT

- 1. Focused on material issues**
- 2. Disrupting the status quo**
- 3. Transparent quarterly disclosure**
- 4. Robust assured by an independent third party**
- 5. Rewarding employees for performance**

Great people make Schneider Electric a great company

1 2025 People Strategy and Vision

1.1 Context

The world is moving fast and is at an inflection point: the desire for climate neutrality and energy transition are driving Schneider Electric's business strategy and pushing the Group towards sustainable growth. At the same time, Artificial Intelligence (AI), digitization, and changing societal needs demand greater inclusion.

The post-pandemic world with ever increasing supply chain constraints due to geopolitical issues is creating more opportunities for Schneider Electric to be the most local of global companies.

Being agile by demonstrating resilience and adaptability is the most important prerequisite for success in today's unprecedented environment of uncertainty. It requires the leverage of both human capabilities and digital technologies. Schneider Electric's People Vision and People Strategy help achieve this.

1.2 Schneider Electric's People Vision – Employee Value Proposition, Core Values, and Leadership Expectations

People Vision

Schneider Electric's People Vision provides the impetus to change the way we work and accelerate the cultural transformation of the Company. Comprising Employee Value Proposition (EVP), Core Values and Leadership Expectations, the People Vision is a strong anchor to the People Strategy.

The People Vision consists of the following:

- 1 Our EVP is our commitment to engage existing and future talent. It's the reason why people join, stay, and remain engaged and shows how we differentiate ourselves as an employer.
- 2 Our Core Values determine who we are, what we do, and define the way we work together and deliver on our EVP promises. Our values guide our choices and illustrate the behaviors we expect our employees to demonstrate.
- 3 Our Leadership Expectations show how we expect leaders to drive the Company for the future. They emphasize how our leaders will transform Schneider Electric by stepping up individually and collectively.

Employee Value Proposition

The Group is also looking to establish a strong name as an employer and communicate around its EVP, which is its promise to current and future employees.

The Group believes that great people make Schneider Electric a great company. They are driven by their meaningful purpose and continuously create an inclusive environment where employees are empowered to be at their best and innovate.

Its EVP continues to evolve in line with the business. Making the emotional connection as to "Why Schneider Electric?" is fundamental to the ability to not only attract the best talent and be an "employer of choice", but also to have it resonate as authentic with employees as a form of encouragement, motivation, and inspiration.

Our Employee Value Proposition

Meaningful	Inclusive	Empowered
Our mission is to be your digital partner for Sustainability and Efficiency.	We want to be the most diverse, inclusive, and equitable company, globally.	Freedom breeds innovation.
We empower all to make the most of their energy and resources , ensuring Life Is On everywhere, for everyone, at every moment.	We value differences , and welcome people from all walks of life.	We believe that empowerment generates high performance, personal fulfillment, and fun.
We adhere to the highest standards of governance and ethics.	We believe in equal opportunities for everyone, everywhere.	We empower our people to use their judgment , do the best for our customers , and make the most of their energy.

Over 2023, Schneider Electric launched a special project to revisit and evolve its EVP and Core Values, in alignment with the evolving business context of the Company. Its new EVP and Values will be released and communicated during 2024.

Core Values

CUSTOMER FIRST Above and beyond for our customers.	We surprise and delight customers as we would be nowhere without them. So, not only do we put ourselves in their shoes, but we also anticipate their needs and go the extra mile. We champion our sales people, because they are the face of our Company. Whatever our role, we can have an impact on the customer's experience.
DARE TO DISRUPT Constantly in beta.	Innovation is our middle name. Good is never good enough, and that's why we are constantly experimenting, taking risks, and disrupting the status quo. We think fast, and we act even faster. Setbacks don't hurt us. They motivate us. That's why we are not afraid to make our bets bigger and our decisions bolder to power the digital economy through energy management and automation. We, at Schneider, ensure Life Is On.
EMBRACE DIFFERENT Different is beautiful.	We are 100% committed to inclusion. "Exclusion" is not even in our vocabulary. We believe in equal opportunities for everyone, everywhere. This means welcoming people from all walks of life, ages, and cultures, embracing different perspectives and calling out bias when we see it, so that every person feels uniquely valued and safe to be at their best. To us, a stranger is simply a friend we haven't met yet.
LEARN EVERY DAY #Whatdidyoulearntoday?	To stop learning is to stop growing. We are genuinely curious, never done with learning. To us, there is no such thing as knowing it all or having all the answers. We believe in life-long learning. Every minute of every day brings a new chance to listen, open up our minds, and widen our horizons. We are never too experienced to learn.
ACT LIKE OWNERS All in. Together.	Entrepreneurs at heart, we take responsibility and ownership of everything we do. This is not somebody else's company. It's ours! We are individually empowered and collectively driven to collaborate and beat the competition together. In the end, we do what is right for Schneider first – always with integrity and honesty.

Our Leadership Expectations

SHAPE OUR FUTURE Disrupt ahead of the curve	In a world that is in constant flux, we cannot sit around and wait for the future. We have to imagine, disrupt and lead our industry. Be an entrepreneur of digital transformation with customers. Think big and be bold, create disruptive strategies and architecture ahead of the curve, and execute with agility, quality, and speed. Take initiative and learn from success and failure. After all, the only thing certain in the next normal is change.
FREE UP ENERGY Accelerate and Simplify	Free up your and your team's energy to focus on customers, transformation, and what really matters in life and work. Keep things simple, but never at the expense of ethics or safety. Remove roadblocks and unnecessary bureaucracy. Champion new ways of working – more digital, flexible, and efficient. Empower teams throughout multi-local, multi-hub model and agile methods. Speed is our ultimate differentiator.
BUILD THE BEST TEAM Coach and Care	Step up to lead in a digital world while building strong human connection with customers and colleagues. Give and ask for coaching and feedback every day. Care for your health and well-being and that of others. Be inclusive and build psychological safety. Hire great and diverse talent and develop them to their fullest potential. Drive team engagement and high performance. The sign of a great leader is a great team.
ACHIEVE TOGETHER Collaborate to Win	It all starts with making a human connection and working together with customers, partners, and colleagues. Connect across our teams with an "easy to do business with" spirit. Share information freely, don't hide it. Engage in constructive dialogue, don't avoid tough conversations. Collaborate with focus and in attitude; be inclusive but efficient on who to involve. Collaboration is the seed for innovation and winning.
USE YOUR JUDGMENT Empower and Trust	Ultimately, we are accountable and empowered to make the right decisions for the Company. Trust your own judgment and common sense and empower teams to do the same. Don't overcomplicate decision-making. Give clear direction in the face of ambiguity. Be agile and curious and use your best intuition and logic. Let "doing the right thing, in the right way" be your compass.



Read more about our on Leadership Expectations on the Trust Charter, available on www.se.com

Great people make Schneider Electric a great company

1.3 2025 People Strategy

Schneider Electric aspires to achieve its purpose and mission by empowering and developing its people to their fullest potential. The Group acts with agility and trust to innovate for its customers and strives to win in the market.

Schneider's People Strategy provides the Group with the framework to support business growth and culture transformation. To achieve the mission of its People Strategy and shape the workforce of the future, the framework includes three outcome-based themes:

Organizational agility – a growth and innovation culture, enabled by a leaner, agile, and multi-hub structure, customer proximity, and fast decision making, supported by new ways of working.

Future ready talent – a diverse, empowered, and digitally skilled team. All talents develop current and future skills through a personalized experience to realize their potential.

Leadership Impact – leaders deliver impact on results and transformation through disruption, collaboration, and inclusion. They build great teams, coach, and care to achieve together.

Schneider Electric assesses and refreshes its People Strategy from time to time, to enable the Group to achieve the "Next Frontier" of Growth. At Schneider Electric, a culture led and skills first organization enables the desired impact.

1.4 Governance

At Schneider Electric the three pillar model has been followed within the HR function by adapting the various responsibilities in accordance with organizational context.

HR Business Partners focus on defining and implementing strategic people transformations in their respective entities. They provide strategic support and deliver day-to-day local support towards operational activities for managers and employees.

HR Centers of Excellence shape the future in line with the People Vision, focus on a limited number of global priorities, define strategic transformation and priorities, develop global governance, policy & processes, and critical people and HR programs.

HR Services manage HR operations, standardize programs and systems, ensure data quality and compliance, simplify processes, and drive digital transformation to free up energy.

Since 2020, Schneider Electric reinforced the governance of the Group, the professionalism of its processes, and its foundations for trust. In line with its Corporate Governance directions, the Group follows HR Governance led by a single point of contact with corporate organizations such as M&A, Internal Audit, Internal Control, Ethics & Compliance, and Data Privacy, which facilitates an agile response to corporate directions.

1.5 Employee Engagement

Engaged employees are key to enable the Company to be at its best and support the achievement of the Group strategy. By measuring engagement and responding to feedback, Schneider Electric can foster an environment in which people feel connected to their work and strive to perform.

Key updates in 2023

- High survey response rate of 87%, with a 3-point increase vs. 2022 in engagement score at 73%.
- Employees continue to feel empowered in their work, with opportunities to renew their skills through learning and flexibility to enable how they work, while remaining connected to Schneider Electric's purpose in an inclusive environment.
- Gains observed in critical area of effectiveness at 70%, however continued attention needed on recognition and collaboration.

Participation

87%

113,901 responses
(+5,985 since 2022)

Engagement

73%

+3 points of employee
engagement since 2022

Action plans

77%

of employees agree on
the positive impact of the
action plans

Managers

42%

of managers have access
to a customized report

1. OneVoice Survey

As an inclusive company, all employees are invited to provide their honest feedback through the annual OneVoice survey, which evaluates their engagement and measures ten drivers of engagement, including leadership, development, and empowerment. This process helps the Group identify key avenues for improving employees' engagement and their unique life at work. Schneider's ambition is to achieve 75% engagement score by the end of 2025 (SSE #24).

The Top 5 Drivers of Engagement from the 2023 results demonstrate that employees feel empowered (80%) in their work, benefitting from flexible work arrangements (81%) and opportunities to renew their skills through learning (75%), while drawing inspiration from Schneider Electric's purpose and goals (76%) in an inclusive (76%) environment.

2. Turning insight into action

Supported by a global network of engagement partners, each year leaders communicate results to their teams, followed by formulating impactful action plans to drive change.

A holistic approach is taken to guide leaders on next steps following survey closure:

- Communicating the high priority of the topic.
- Ensuring full understanding of the why, what and how of engagement.
- Manager resources to facilitate action planning with their teams.
- Embracing transparency through open dialogue with teams on what could or could not be acted upon.
- Committing to continuous communication of the action plan progress.

Beyond acting at the team level, steps taken globally and regionally are also important to reinforce the listening lifecycle. Responding to effectiveness feedback, 2023 saw the global roll out of a newly refreshed intranet, Spice+, the digital home base for employees, built to simplify life at work and help optimize energy. Spice+ goes further than a traditional intranet by providing employees the ability to customize their experience, ensuring they always have what they want, while reducing noise from what they don't need. From accessing well-being resources, to catching up on the daily news or managing calendars and tasks, Spice+ is a one stop shop for all things Schneider.

Regionally, East Asia teams were empowered to implement actions at the country level to best respond to local feedback. Themes from across the region included recognition activities, in person cross-departmental interactions and employee team building events. As one highlight, teams in Thailand focused on improving recognition by celebrating achievements in monthly team meetings, encouraging appreciation through #WhoDidYouThankToday reminders, and providing opportunities for public recognition. Thanks to these focused actions, Thailand's recognition score increased to 81%, up 16 points since 2022.

Generations

SSE #24



8 INCREASED REVENUE GROWTH

17 IMPROVED PRODUCTIVITY

Our 2025 Commitment

75% employee engagement score

Attributable to a continued high participation rate, the results of the survey are robust and representative, empowering leaders to focus on the right topics. In alignment with being the most local of global companies, managers are empowered to work with their teams to generate action plans to drive meaningful change.

With an engagement score +3pts vs. 2022, and +5pts vs. the 2023 Global Average benchmark, the enthusiasm of employees is clear. The verbatim analysis indicates that employees appreciate a workplace sustained by positive peer and customer interactions, a company mission committed to sustainability, and a focus on well-being.

Our progress

2020 Baseline	2023 Progress	2025 target
69%	<div style="width: 100%; height: 15px; background-color: #4CAF50; position: relative;"> 73% </div>	75%

81%

feel they have flexibility to modify their work arrangements when needed

80%

feel empowered to choose how best to complete their work

61%

find the collaboration is good between entities

61%

say they receive appropriate recognition for their contributions and accomplishment

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1.6 Recognition and awards

glassdoor
BEST PLACES TO WORK 2023

The Company's Glassdoor rating is steadily increasing, recognizing Schneider Electric as one of the Best Places to Work for 2023.



Schneider Electric is one of Universum's Top 30 World's Most Attractive Employers according to students.



Schneider Electric is recognized by Equileap as one of the Top 100 Companies for Gender Equality Globally.



Schneider Electric is awarded by Golden Peacock Awards 2023 under "Golden Peacock Innovative Product/Service Award" category for its Competency Management tool (CoMET).



Schneider Electric recognized by Brandon Hall Group with an HCM Excellence Gold Award in the Diversity, Equity, and Inclusion category for its Global Family Leave Policy.



Schneider Electric recognized as Global Parity Alliance DEI Lighthouse by the World Economic Forum (WEF).



In November 2023, the Group was recognized as a Top 50 Diversity Leader by the Financial Times in their Diversity Leaders 2024 rankings, for the 5th year in a row, ranking 8th among 850 companies and 2nd in its industry.



In 2023, Schneider Electric confirmed its inclusion in Bloomberg's Gender Equality Index among 484 companies for the 6th year in a row. The Group achieved an overall score of 81%, up from 77% vs. 2022 and well above the index average of 73%.



Schneider Electric was included in the "World's Top Companies For Women 2023", list published by Forbes.



Schneider Electric achieved Global Living Wage Employer Certification from Fair Wage Network, valid from January 1, 2023, to December 31, 2023.

2 Diversity, equity, inclusion, and well-being

2.1 Context

At the turn of the decade, Schneider Electric observed a clear shift regarding the risks and expectations surrounding Diversity, Equity, and Inclusion and Well-being (DEI&W). With continuous global and local political, economic, and social challenges in the post-pandemic era, inclusion and care is needed more than ever. This paired, with the rising importance of Environmental, Social, Governance topics (ESG) for organizations, stakeholders, and investors puts DEI at the forefront of Schneider Electric's business, and people priorities.

Data shows that companies with a diverse set of employees experience greater financial performance. For example, one study mentioned in a Forbes⁽¹⁾ article found that companies with a higher level of DEI initiatives' integration and alignment with business strategy can enhance their competitive performance, agility, innovation, and brand performance. 75% of the companies with higher levels of DEI initiatives integration saw a very positive impact on their business's competitive position. The lack of care has also a high cost. For example, a 2022 study from the World Health Organization mentioned an estimated 12 billion working days are lost every year to depression and anxiety at a cost of US\$ 1 trillion per year in productivity. 83% of employees⁽¹⁾ on sick leave linked to stress, anxiety, or physical pain considered that their stoppage is directly linked to work conditions as per Salaries & Absenteeism Study by Diot-Siaci.

Well-being is our number one driver of employee engagement. Verbatim are teaching that if employees appreciate welfare and well-being activities that celebrate key events, our successes and service anniversaries, they are concerned about high workload and tight deadlines that may affect quality and work life balance. It is an opportunity to extend training for first-time managers on psychosocial risks and workload evaluation.

Regarding mental health, identifying and collecting significant data points per region, function, generation such as absenteeism, PTO usage, sick leaves will help the Group better understand root causes and address them efficiently.

Taking all of this into context, Schneider Electric is keenly aware of the ever-increasing need to focus on well-being and mental health. The pandemic has accentuated existing vulnerabilities. According to Mercer Marsh Benefits Health on Demand 2023 research almost half (47%) of employees feel stressed in their everyday lives and more than half (52%) have worked in the past year while feeling mentally unwell. Companies must make mental health a priority and integrate it into their overall inclusion and care efforts.

(1) The business Impact of Diversity, Equity & Inclusion, Forbes, April 2023.

2.2 Risks and opportunities

DEI and Well-being can be a unique competitive advantage if tackled properly and genuinely. Schneider has identified three main risks around those topics:

- Lack of representations of different diversities: this leads to less innovation, more turnover and difficulties to attract and retain talents with diverse backgrounds, skills, or identities if they do not feel represented.
- The lack of equity in our processes than can have negative consequences on engagement, attrition, performance, compliance, and even reputation.
- The risk of fatigue or burnouts is higher and higher in a post-COVID, constantly changing world.

On the flip side, the opportunities are huge when inclusion and care are by design in all processes and behaviors:

- Companies with more diverse management teams have reported 19% higher revenues due to innovation⁽¹⁾.
- Employees reporting a feeling of belonging, where they feel included and cared for are 3.5 times more engaged⁽²⁾.
- For every EUR 1 invested in well-being prevention programs and practices, a company saves 2.2 EU⁽³⁾.
- Overall, DEI and well-being are strong drivers of attraction and retention among all generations, especially the younger ones⁽⁴⁾.

Schneider Electric defines its strategy taking into consideration those risks and opportunities, internal and external trends, insights and feedback from leaders and employees, and its desire to become the most inclusive and caring company in the world. Schneider Electric believes this leads to greater engagement, performance, and innovation and access to the best possible talent pools around the globe.

2.3 Governance

The implementation of Schneider Electric's DEI strategy involves several different bodies and stakeholders, working hand in hand with the global DEI team.

The Global DEI team, led by the Chief Diversity Officer reporting to the SVP, Talent, Inclusion & Culture, defines the strategy and is accountable to deliver on Schneider Electric's DEI transformation, working with the Group's Executive Committee and the Group Global DEI Board. Progress and results of the DEI ambition are also reported to the Board of Schneider Electric (Human Capital and Remunerations Committee and Governance, Nominations and Sustainability Committee) on an annual basis. The team works in close collaboration with the HR Centers of Excellence (Talent Acquisition, Talent Management, Learning and Rewards), Sustainability, Compliance and Risk Management, Internal Communications, and Marketing and Employer Branding teams, as well as with the broader HR and Communication ecosystem.

Schneider Electric's Global DEI Board is a group of top leaders from all the Group's markets, sponsored by the Executive Committee, which acts as a sounding board for the Global DEI and Well-being strategy, and as internal and external DEI champions. In 2023, the DEI Board met four times to discuss topics such as gender and pay equity, inclusive and caring practices in meetings, discrimination and harassment, and accessibility.

Schneider Electric entities develop local DEI and Well-being action plans based on the global strategy and employee feedback, while meeting local regulations and addressing country-specific needs.

To support the local focus, leaders, ambassadors, and champions have been appointed in more than 100 countries/zones and entities to develop and lead local action plans. This global network convenes bi-monthly to share progress and best practices.

Beyond this governance structure, all employees at Schneider Electric are held accountable for our DEI and Well-being transformation through the core value, #Embrace Different, and the Schneider Sustainability Impact (SSI) and Schneider Sustainability Essentials (SSE) performance.

(1) How Diverse Teams Boost Innovation, Boston Consulting Group, January 2018.

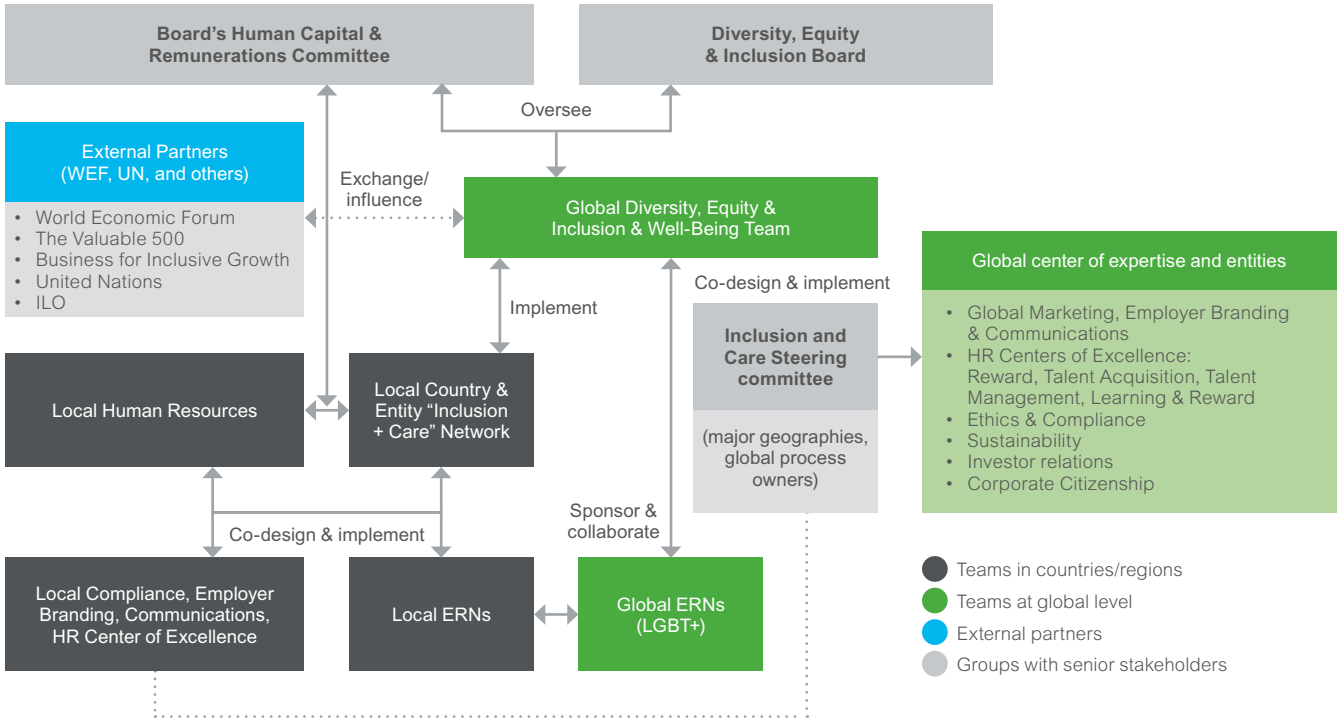
(2) The Surprising Power of Simply Asking Co-workers How They're Doing, Harvard Business Review, February 2019.

(3) Figures on stress and psychological risks, In Summary, Ecole du Stress 2023.

(4) The Future of Work Depends on Supporting Gen Z, Forbes 2022.

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Partnering inside and outside of the organization



2.4 Group policy

In its Trust Charter, Schneider Electric articulates that its DEI ambition aims to offer equal opportunities to everyone, everywhere. The Group wants its employees – no matter who they are, or where they live in the world – to feel uniquely valued and safe to contribute their best, free from harassment, victimization, and discrimination of any kind.

The Group's DEI Policy recognizes that diversity comes in many forms; visible and non-visible, including cognition, experience, education, gender and gender identity, age, nationality, race and ethnicity, color, sexual orientation, disability status, religious, cultural, socio-economic background, life experience, location, and more, depending on local adaptations. In 2023, the Group's DEI Policy was revised and translated into 15 languages.

 Read more about our DEI Policy on the Diversity and Inclusion page on www.se.com

On top of the global DEI Policy, Schneider Electric has targeted global policies around inclusion and care, including Global Family Policy Leave, Flexibility @ Work, Global Anti-Harassment and Discrimination, and Pay Equity.

Looking ahead with the United Nations Sustainable Development Goals (UN SDGs) as a compass, Schneider's strategy has been extended to embrace DEI and Well-being. The Group brings its ambition to life by empowering all employees to develop inclusive practices and behaviors, ensure fairness and equity in core people processes and policies, and advocate internally and externally for change with partners, like UN Women through the Generation Equality Forum, and the World Economic Forum (WEF). Schneider is committed to becoming the leading inclusive and caring company in the world.

2.5 Schneider Electric’s “Inclusion and Care by Design” Strategy

The Group’s new DEI strategy is known as Inclusion and Care by Design. With this strategy the Group’s ambitions are:

- **Thriving individuals and teams:** Schneider Electric is committed to making sure every individual feel respected and safe to be their unique self. Leaders coach and care with respect, empathy ,and well-being in mind.
- **Diversity and equity, at every level:** Schneider Electric is committed to reflecting the diversity of the communities in which it operates. The Group continues its efforts to hardwire equity and inclusion at all stages of its employee experience, ensure fairness in people processes and policies, and foster a culture of care and inclusion at all levels.
- **Impact the planet and society:** Schneider Electric is committed to driving change within its broader ecosystem and society at large, through advocacy and role-modeling. The Group works closely with its strategic partners and suppliers and invests in local actions through the Schneider Electric Foundation.



To continue raising the bar on Schneider Electric’s ambition to be one of the most inclusive and caring companies in the world, the Group is focused on hardwiring equity, inclusion, and care into all processes and behaviors. The Group seeks to achieve Inclusion and Care by Design in everything it does.

How we get there

In all processes

- Schneider hardwires inclusion and care in all its processes.
- End-to end, with clear accountability.
- From employee to customer interaction and business process.

In our behaviors

- Schneider leads with Respect and extend Trust.
- Living its EVP, Core Values and Leadership Expectations.
- Demonstrating empathy, care, and openness.

2.6 Thriving individuals and teams

Built on a foundation of trust and respect, the Group’s inclusive practices seek out and embrace different perspectives, support flexible ways of working, and protect each individual’s well-being.

Building a culture of inclusion and respect

Zero tolerance for harassment and discrimination

Schneider Electric has zero tolerance for harassment, victimization, discrimination, and retaliation of any kind at all levels of the organization. In 2018, the Group formalized its zero-tolerance stance on harassment by launching a Global Anti-Harassment Policy. The policy explicitly prohibits any kind of harassment (sexual or non-sexual) in the workplace, and states that “no Schneider Electric employee shall be subjected to harassment, victimization, or retaliation based on – including but not limited to – ethnicity, sex, national origin, religion, political opinion, age, medical status, disability, gender, marital status, pregnancy, sexual orientation, or gender identity”.

The policy sets clear and consistent expectations of workplace conduct, outlines the roles and responsibilities of employees, managers, and witnesses in creating a workplace free of harassment of any kind, and highlights the different reporting channels available to report concerns, while maintaining confidentiality and protection against retaliation.

Lastly, the policy lays out the type of corrective or disciplinary actions that can be taken in case of discriminatory behavior or harassment, or failure to report such incidents. The policy is reviewed regularly and a revised and expanded Anti-Harassment and Discrimination Policy was launched for all employees globally in 2023.



Read more about our anti-harassment policy on the Ethics and Compliance page on www.se.com

Great people make Schneider Electric a great company

Creating a standard of inclusion and care for all

The Group's Core Values, and Trust Charter ensure all employees, managers and leaders are trained and held accountable to a standard of inclusion and care for all. Also, the Group believes that transparency leads to greater trust, and drives better outcomes for all; and has committed to more transparency in data, ambitions, partnerships, and initiatives.

To support cultural awareness and understanding, as well as celebrate the uniqueness of the Group's global teams, the Group hosts events, webinars, communications, and more for International Women's Day, Pride Month, International Men's Day, Global Accessibility Awareness Day, Global Mental Health Day, International Day of Persons with Disabilities. In 2023, these campaigns reached than 3 million people through external social networks.

Inclusion and respect building programs:

- **Uncomfortable Conversations:** In 2023, a global series of webinars was conducted to have open conversations on topics such as ageism at workplace, LGBTQ+ community, equity at workplace, amongst others to create awareness, and educate our employees.
- **"Overcoming Hidden Bias" and "Building a Culture of Respect"** e-Learnings: These e-Learnings help employees understand what hidden bias means, explore clear steps to keep decision-making objective, and how to call out bias when seen and explore the importance of building a culture of respect, learn to recognize the different forms of harassment, and understand the actions to take (as employees and managers) when witnessing such conduct.
- **Employee Resource Networks (ERNs):** Employee volunteer led networks, globally and locally, made up of individuals with similar backgrounds, experiences, characteristics and/or who share a passion or interest, play a key role in building an inclusive and equitable culture. ERNs within the Group include, Women professionals, Emerging professionals, Black, Hispanic and Asian professionals, LGBT+, and People with Disabilities and Allies networks.

Supporting employees' well-being, mental health, and unique lives and work

The worldwide context with climate change challenges, geopolitical issues and technology has accelerated the need for employee care to make all stronger and more resilient. Schneider Electric firmly believes that well-being generates performance and performance generates well-being.

In 2020, the Trust Charter included a chapter on well-being and new ways of working, highlighting behavior expected from managers and employees.

In 2023, the Group revisited and enlarged its definition of well-being: "A subjective state of health, happiness, and satisfaction where individuals thrive and contribute their best for their own benefit, and that of Schneider Electric, the society, and our planet." In 2023, Schneider also reintroduced a specific well-being question to the annual OneVoice engagement annual survey. Results showed that 74% of our employees agree that "Schneider Electric actively looks after the well-being of its employees" (vs. 73% external global average) and is the top employee engagement driver.

Built on a foundation of trust and respect, Schneider Electric continuously implements and improves its policies, education, and practices to support employees and respect their unique lives and ways of working.

Flexibility @ Work

Schneider Electric's Global Flexibility@Work Policy creates a global standard to work from home (WFH) two days a week for all eligible employees, and one day for employees working in distribution centers and plants⁽¹⁾. This global standard was introduced in response to feedback in the Group's 2020 global employee survey in which a large proportion of employees stated that they preferred a hybrid work model (mix of WFH and "work from office"). The policy addresses hybrid work holistically, providing employees with mental health resources and training on best practices. The policy also reflects the broader shifts of a global, digital, and ever-changing environment, and contributes to a more agile, inclusive, empowered, and trusting Group culture. At the end of 2022, 99% of the countries have implemented the new Flexibility@Work Policy. In 2023, the Executive Committee reaffirmed its commitment to flexible and hybrid work for employees, while also reinforcing the value of being on-site to generate teamwork, innovation, and human connection. Leaders were especially encouraged to role model the hybrid work mode and bring their teams and customers together in person whenever possible.

(1) Eligibility is based on employee's role and requirements for on-site work and is determined by country/territory with additional input from managers. Some essential roles, e.g., Plant & Distribution Center blue-collar workers, and Field services engineers, due to role specifications are excluded from this two-day WFH policy. Recognizing that many critical roles need to be on site, this policy was adjusted to one day for the eligible Plant & Distribution Center specific roles.

As part of this new Flexibility@Work Policy, countries can explore additional measures such as flexible working hours, flexible holidays, part-time work, and volunteering. Some examples of Schneider Electric countries raising the global standards with no fixed limit on the number of WFH days are Estonia, Finland, Latvia, Lithuania, Netherlands, Australia, New Zealand, Slovakia, Germany, the UK, and the US, operating with a fully flexible, output driven philosophy.

Global Family Leave

Schneider Electric's Global Family Leave Policy supports all employees globally with personal time at critical life stages and empowers them to manage their unique life and work so that they can be at their best. To find out more about our Global Family Leave Policy please refer to section 4 on page 26.

Support employees with cancer and chronic diseases

In 2023, Schneider Electric joined the #WorkingwithCancer foundation launched at the WEF in Davos, on January 17. An internal pledge was published in March with sponsorship from the CEO, in addition to participation in best-practice survey and data collection. In 2024, Schneider plans to internally launch the initiative and to support employees and managers to define minimum standards of practice to support #workingwithcancer for employees and families and to break the overall stigma of discussing and addressing the topic.

Mental health support

Mental health is a vital aspect of Schneider's overall DEI and well-being program. Schneider Electric integrated mental health into its global well-being focus in 2019, and has provided all employees with a playbook, and series of trainings (available in multiple languages) on how to deal with mental health challenges. In addition, the Group actively participates in World Mental Health Day, and a volunteer-based global mindfulness team holds annual events to support employees and annually in October.

In 2023, 76% of new hires completed "We All have Mental Health," an e-learning module focused on what mental health means, and how to recognize the signs of mental health challenges and take action. Nearly 3,800 employees shared mental health tips and personal commitments on Schneider Electric's internal social media platform reaching many through the #MentalHealthMatters. In 2023, 83 mindfulness practice sessions were organized, in English, Spanish and French by internal trainers.

Other examples of global and local practices

As of 2020, 90% of employees worldwide have access to a comprehensive workplace wellness program, including medical coverage and dedicated programs to educate and support employees on new, smarter ways of working, mindfulness in the workplace and working in a hybrid world.

Schneider Electric has implemented many services at its sites throughout the world (gym facilities, concierge, creativity rooms, cultural events, mindfulness activities, back-up dependent care, and more) to support all employee's mental load, energy recovery, and overall resilience.

The Group's global benefits standard is reviewed annually by the rewards and benefits teams for compliance with its global benefit policies and principles. This review ensures that the Group's inclusive global benefit standards are delivered for everyone, everywhere. More details on Schneider Electric's compensation and benefits are provided page 26 of this report.

Local examples:

- **East Asia:** Holistic Framework of Flexi-Work, Well-being and Flex Benefits
- **Singapore:** Well-being Recreation Club
- **Schneider Oman:** Medical Health Campaign
- **Dubai:** Positive Emotions and moods
- **Germany, Austria and Switzerland:** Well-being webinars lead by internal speakers: HR Business Partners, HR Specialists, Sales Manager, and WB-Champion
- **France:** launch of a game "the village of allies"

Great people make Schneider Electric a great company

2.7 Diversity and equity at every level

Schneider Electric desires to be among the most inclusive and caring workplaces. This includes visible and non-visible dimensions of diversity, including cognition, experience, education, gender and gender identity, age, nationality and ethnicity, color, sexual orientation, disability status, religious, cultural and socio-economic background, life experience, location, and more, depending on local requirements. To achieve this ambition, the Group recognizes that it must continue to build an understanding of the demographic makeup and experiences of inclusion by its employees. As a global organization, the Group collects limited demographic information on its global workforce (gender, generation, and nationality) aligned with globally accepted definitions and legalities. In addition, the Group's local operations collect additional demographic information based on local regulations (race/ethnicity in the US; disability status in the US, France and India, etc.).

Fair and equitable talent processes

Schneider Electric is committed to transparent and equitable access to career opportunities, growth and development to the fullest potential, and equal pay for equal work for all its employees worldwide.

Talent decisions are based on skills, values, performance, and potential, and the Group counts on each leader to be fair and equitable when making a hiring or promotion decision to help advance its overall goal to create a skilled and diverse workforce for the future. To check and mitigate hidden bias in its main human resource programs, the Group has built in reminders and prompts for moments that matter, including performance and salary review processes.

Fair and equitable pay is a core component of the Group's compensation philosophy, in line with the principle of equal pay for equal work. More details on the Group's compensation and benefits are provided on page 27 of this report.

2025 Gender Diversity Commitment

Schneider Electric began its journey to becoming a gender-balanced organization more than 15 years ago and has identified increasing the share of women in its workforce and leadership as a business imperative. To support this aim, the Group has stated ambitions on increasing female representation in the overall workforce and seeks to engage all genders in the journey.

In 2021, Schneider Electric renewed its commitment to gender balance with the 2021 – 2025 SSI gender balance ambition, SSI #8, 50/40/30 – with women representing 50% of all new hires, 40% of frontline managers, and 30% of senior leadership by 2025. This commitment is a testament to the progress the Group has made, and a clear signal that it intends to double-down on its efforts to achieve more gender balance across all levels of the organization.

While significant progress has been made in the representation of women, especially on the Board and Executive Committee level (respectively, 46% and 41% female as of end of 2023), the Group recognizes that there is more work to do at all levels in the organization.

Equal SSI #8



5
GOALS
TARGET

10
AREAS
PRIORITY

Our 2025 Commitment

Increase gender diversity in hiring (50%), front-line management (40%), and leadership teams (30%)

The Group is advancing gender equity through innovative programs designed for experienced professionals who have spent two or more years out of the traditional workforce. Through a structured program, the “returnees” receive nurture-based coaching, hands-on work experience, and a built-in support system to aid their return to work. The program focuses on soft skill development and technical upskilling, with a specific focus on the Schneider Electric business. At the end of the program, they become eligible for full-time or extended contracting work in varied roles across the Group, including pricing, marketing, customer success, supply chain, and finance.

Our progress

2020 Baseline	2023 Progress	2025 target
41/23/24	41/28/29	50/40/30

89%

of Country Presidents are either Local or Regional

55%

of employees are in new economies, of which 30% in leadership roles

184

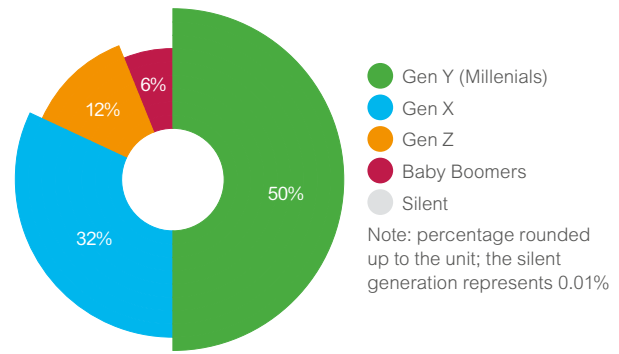
nationalities represented in our global workforce across 109 countries

12

countries with data for people with a disability

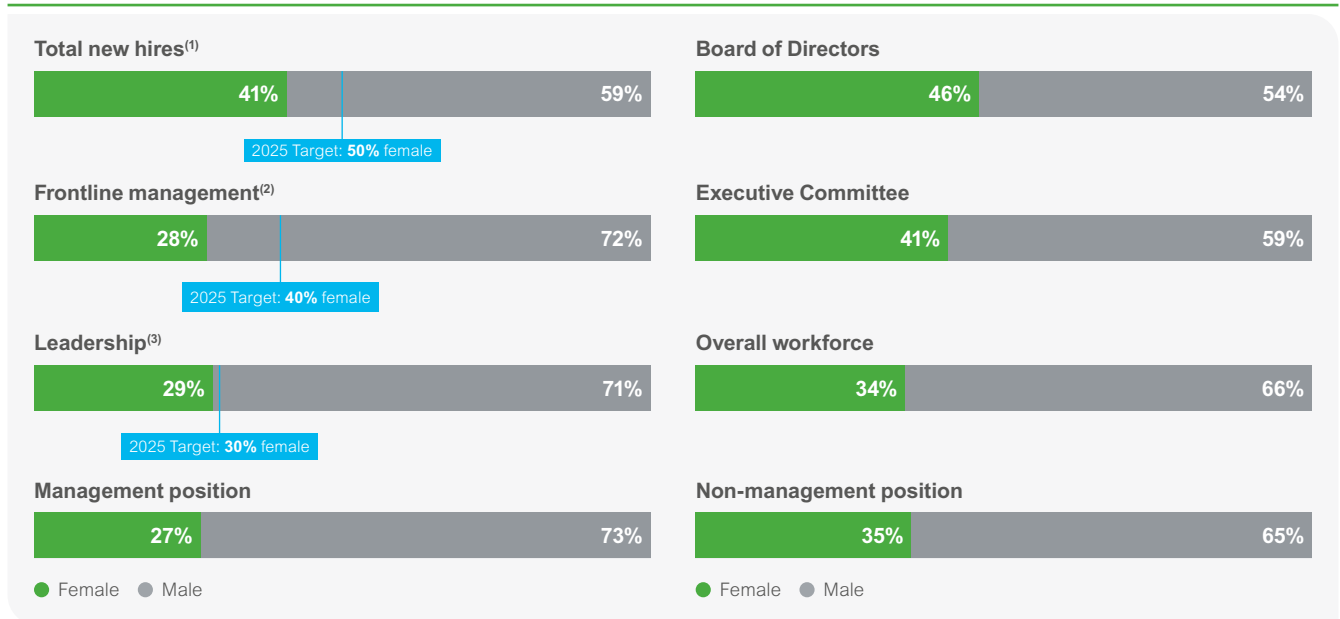
Generational diversity

For the five generations working at Schneider, the Group seeks to foster life-long career development and knowledge exchange for and across all generations to boost learning and innovation. The Group is committed to creating new opportunities for the next generation through apprenticeships, internships, and its annual global student competition for innovation, Schneider Go Green. With tailored career development opportunities including Career Days, upskilling, coaching, development plans, and mutual mentoring the Group is harnessing the power of all generations. With this, Schneider Electric is equally committed to supporting talent in the later stages of their career to have meaningful and fulfilling development, and to recognize and leverage their unique expertise and experience to boost learning and innovation across generations. For more information, see section 3 on page 18.



Generation breakdown

Breakdown of women in our workforce



(1) Total new hires – all new hires in 2023.

(2) Frontline management – junior and mid-level management whose direct reports are individual contributors only.

(3) Leadership – Vice-Presidents and above, excluding direct reports to the CEO.

Great people make Schneider Electric a great company

Origin, ethnicity and nationality

Schneider Electric believes in a multi-local world with locally tailored solutions supported by diverse teams across the globe to best meet its customers' needs with customization, quality, and speed. The Group's multi-hub model is key to delivering on this ambition with teams that represent diverse origins, nationalities, ethnicities and races, locations, and cultural backgrounds. The multi-hub model focuses on attracting and developing local talents for global and local roles, and ensuring leadership reflects the diversity of nationalities and ethnic backgrounds present in local markets. The opportunity for Schneider Electric to be the "most local of global companies" with a balanced multi-hub footprint to enable customer proximity, innovation, speed, collaboration, and diversity, is a key differentiator for long-term success.

Because these diversity of origin dimensions are addressed differently depending on the local context and culture, and their categories and definitions vary widely from country to country, there is no internationally accepted criteria and our local country teams drive local ambition and actions.

Initiatives in the US – NSBE

Schneider Electric US is committed to evolving the racial and ethnic diversity of its employee population, with a specific focus on increasing ethnic representation. To support its ambition, Schneider Electric US is proudly an active member of the National Society of Black Engineers (NSBE) and the Board of Corporate Affiliates. The Group's SExNSBE organization has 240 dedicated employees who put in over 500 volunteer hours this year. Employee Resource Networks (ERNs) in the US include Black, Hispanic, and Asian professionals, and play a vital role in our diversity and inclusion initiatives. These employee-led networks celebrate equality and inclusion for all individuals, advocate for the recruitment, development, and retention of their specific affinity groups, and provide opportunities for allies to gain exposure to cultural learning.

Disability inclusion and accessibility

Since January 2021, Schneider Electric has been a member of the International Labour Organization (ILO) Global Business and Disability Network (GBDN), and is committed to promoting and including people with disabilities throughout its operations worldwide. As a follow up to this commitment, in March 2022 the Group established the Global Disability Inclusion and Accessibility Office, addressing the holistic needs of people with disabilities through a strategy of Inclusion and Care by Design, for people with disabilities. This is underpinned by global awareness and education about what is the largest minority group in the world, consisting of 1.3 billion people. The Group focuses on all dimensions of disability: visible, invisible, permanent, and temporary. These include Physical Motor or Physical Health, Sensory, Cognitive, and Neuro diversities, and Psychological, Emotional, or Behavioral.

The Group's approach of "accessibility by design" creates holistic disability inclusion through four pillars:

1. Customer First design: Fully accessible product, software, and UI/UX design.
2. People, processes, and tools: Accessibility by design in all processes (recruitment, procurement), platforms and tools.
3. Brand and Communication: For all events and communication – internal and external, digital, physical, and virtual.
4. Physical Workplace: Accessible buildings and workplaces applying Universal Design principles, local legislation, and the International Accessibility Standards.

In 2023, the Disability Inclusion and Accessibility Office announced their C-Suite governance consisting of two Executive Sponsors, the Chief Human Resources Officer and the Chief Digital Officer, along with a Steering Committee of six Executives covering all aspects of the Groups aforementioned pillars.

Building awareness and education on disability, inclusion and accessibility is a key element to moving the needle. Schneider Electric ran two global campaigns in 2023. Global Accessibility Awareness Day in May, with the presence of the CEO, Peter Herweck, and UN International Day of Persons with Disabilities in December whereby our two Executive Sponsors shared their stories and advocacy during a live global webinar.

Additional Partnerships

- The Valuable 500 (V500) – a global business collective made up of 500 CEOs and their companies, innovating together for disability inclusion – with a commitment to:
 - Ensure that disability inclusion is on our senior leadership agenda.
 - Make at least one firm commitment to action.
 - Share our commitment with the business and the world.
- Business Disability Forum (BDF), the leading business membership organization in disability inclusion. Trusted partners working with business, government, and disabled people to improve the life experiences of disabled employees and consumers, by removing barriers to inclusion.
- Disability:IN, empowering leading companies to achieve disability inclusion and equality.

LGBT+ inclusion

Schneider recognizes and celebrates the Lesbian, Gay, Bi, Trans and Intersex People (LGBT+) community and its members. The Group aims to build awareness and advocate for the community and wants its employees to be allies, playing a decisive role in creating an open and safe community where individuals are comfortable bringing their whole authentic self to work.

Schneider Electric is committed to the United Nations Free and Equal Standards of Conduct for Business on Tackling Discrimination against LGBT+ People, standing up for equal rights and fair treatment for LGBT+ people everywhere. Across the globe, Schneider Electric has also made public statements of support to advance LGBT+ inclusion. By adopting these standards, the Group pledges to respect and stand up for the human rights of LGBT+ workers, customers, and members of the public; to support our LGBT+ employees, further build inclusion in the workplace, and to prevent discrimination, including workplace discrimination, against LGBT+ people.

Building allyship

- **LGBT+ and Allies Employee Resource Network (ERN):** A volunteer, employee-led network of employees focused on co-creating internal and external awareness and education campaigns and feedback and design of the Group's benefits and policies. In 2023, the ERN established a global leadership team and secured Executive Sponsorship by our Chief Marketing Officer.
- **Focus on Mexico:** In 2023, for the second year in a row, Schneider Electric was ranked as best place to work for the LGBTQ+ community by Human Rights Campaign Corporate Equality Index in Mexico. The Human Rights Campaign's Equidad Mexico is the national leading benchmarking tool on corporate LGBTQ+ inclusive policies and practices.
- **Focus on France:** Schneider Electric France within its agreement with the unions, includes a new "Agreement on Professional Equality Between Women and Men" and included an amendment of its Global Family Leave Policy to be inclusive to all family types. In the updated policy, all types of families and welcoming of a new child are included and benefits are the same. This means that no matter the gender of the parents, or the way the baby joined the family (including adoption and surrogacy), the leave benefit for the parent is the same.

2.8 Impact the planet and society

Schneider Electric is committed to driving change within its broader ecosystem and society at large, through advocacy and role-modeling. The Group works closely with its strategic partners and suppliers and invests in local actions through the Schneider Electric Foundation, with the goal of addressing systemic inequities and becoming a leader in corporate citizenship. In addition, Schneider Electric US has committed to diversifying its supply chain through its Supplier Diversity program (see section 2.2.12.13 "Supplier diversity program in the United States" on page 147 of the 2023 Universal Registration Document).

Global Strategic Partnerships:

- United Nations Generation Equality Forum (GEF), a global multi-stakeholder initiative that brings together representatives from the private sector, Member States, United Nations Entities, and civil societies, including youth organizations and networks, to accelerate progress for gender equality around the world.
- United Nations Women's Empowerment Principles (WEPs): Schneider Electric became the first multinational Group to achieve 100% commitment to the WEPs across its global leadership team. All new country leaders now make this commitment as part of their onboarding process.
- World Economic Forum Global Parity Alliance, a global, cross-industry community whose goal is to facilitate peer sharing between companies and showcase DEI best practices/ research, and WEF Good Work Alliance, a partnership to promote peer exchange between companies on Future of Work topics. In 2022, Schneider Electric endorsed the 'Good Work Standards'; a global, cross-industry partnership aiming to pave the way in building a healthy, resilient, and equitable future of work.
- The Valuable 500 (V500), a global business collective made up of 500 CEOs and their companies, innovating together for disability inclusion.
- ILO Global Business and Disability Network (GBDN), a business-to-business support network promoting disability inclusion in the workplace.
- Business Disability Forum (BDF), trusted partners, working with business, government, and disabled people to improve the life experiences of disabled employees and consumers, by removing barriers to inclusion.
- Disability:IN, a leading nonprofit resource for business disability inclusion worldwide.
- Business 4 Inclusive Growth (B4IG) DEI Working Group. B4IG is a partnership between the OECD and a global, CEO-led coalition of companies fighting against inequalities of income and opportunities. In 2022, Schneider Electric contributed to the publication of the group's Operational Recommendations on Ethnic Diversity & Inclusion.
- WeQual is on a mission to achieve 50/50 gender parity at the top of the world's largest companies.

3 Talent attraction and development

3.1 Context

In today's landscape, the ability to attract, develop, and retain talent is paramount for ensuring the sustained success of companies. Business growth in markets around the globe, in conjunction with the rapidly evolving world, requires focused acquisition and accelerated skill development, especially in technical and digital areas, of the workforce. Schneider is committed to preparing and executing a robust build, buy, borrow workforce and talent plan to optimize our human capital assets and overall work culture for employees and leaders.

3.2 Risks and opportunities

Due to the current talent scarcity in the market, the current VUCA (volatile, uncertain, complex, ambiguous) world and the unprecedented changes in the future of work, Schneider is not immune to talent and skills attrition risk.

The risk of not attracting, developing, and retaining the best talent in the market, especially for critical skills, would have an impact in terms of:

- Cost of recruiting and onboarding;
- Gaps in critical skills to drive growth and innovation and to stay ahead of the competition;
- Succession pipeline for critical expert and leadership positions;
- Schneider's employer brand.

At the same time, with the right policies and programs in place, these risks become opportunities for the Group to strengthen its brand as a leading employer and talent developer for everyone, everywhere. Signature policies and programs from the Group include:

- A new talent acquisition platform to simplify the overall candidate experience, migrate to more digital, borderless, and self-paced offers to attract talent, and create a more equal playing field for those interested in joining Schneider.
- A robust talent management system to review annually the development plans for all employees, identify key talent such as experts and high potentials, prepare key successions and developments via local and global talent reviews, and make talent selections in people committees (including for executive positions).
- An annual performance and development approach with fair, transparent, and competitive rewards and development, supported by regular meaningful career conversations.

- A digital ecosystem powered by AI to enable access to development opportunities (internal mobility, project, and mentoring) via Open Talent Market (OTM).
- Learning and Development programs for employees at different stages of their professional career and specific talent segments (e.g., Digital, AI, Software, Services, Electronics, Supply Chain, and Sustainability), with a strong focus on digital skills, commercial excellence, leadership, technical, and functional expertise.
- A Global Flexibility@Work Policy and a balanced multi-hub footprint to enable its employees to have more flexibility and manage their unique life and work in the way that works best for them.

These key policies and programs ensure the investment in the attraction and development of talent at all levels, creating equitable opportunities and the environment for employees to learn and grow, while empowering them to own their career. In this line, Schneider Electric has reflected its commitment to its long-term sustainability goals to create equitable opportunities and harness the power of all generations in its Trust Charter.

3.3 Governance

The Executive Committee regularly discusses the overall health of the global workforce, leadership pipeline, and succession strength for top positions, including during the monthly Executive Committee People Committee and the year-end global talent reviews with the CEO and Chief Human Resources Officer. In addition, the Executive Committee meets regularly to make critical selection and succession decisions and review specific talent attraction and development strategies, for example expert talent, digital talent, and global top potential talent. This is supported by integrated HR information systems and analytics platforms which provide data and analysis in the areas of workforce planning and talent management. In addition, Regional, Business, and Function People Committees also meet regularly to review talent in their perimeter.

3.4 Group strategy

Schneider Electric believes that all employees are talent and empowers people to grow to their fullest potential, developing new skills and building careers for today and tomorrow, enabled by the Group multi-hub organization. Establishing a strong brand as an employer, the promise to current and future employees is communicated in their EVP (Meaningful, Inclusive, Empowered), driven and anchored by a meaningful purpose. In addition, the Group invests in learning and development for the wider ecosystem, including universities and schools, partners, customers, and the wider community.

The Group has a two-pronged approach to talent development, in order to prepare the workforce of the future – for all employees and for specific target groups. Most activities are driven through an annual People Calendar, which is adopted globally to ensure that development is accessible to all employees.

- **For all employees**, the Group ensures there are tools and processes in place to set individual performance and development goals, and access learning and development opportunities for their current role, as well as preparing themselves for diverse career paths around the world. #LearnEveryDay as one of the Core Values, sets the tone for employees to be open to new challenges and continue to upskill for themselves, their teams, and their communities. In the OneVoice employee survey, 76% of employees responded favorably to being able to renew their skills through learning and development opportunities.
- **For specific groups of talent**, there are targeted skill acquisition and development programs to support Schneider Electric's commercial, digital, and leadership transformations and equip our blue-collar workers for the supply chain of the future. There is a strong focus on high potentials, expert talent, and employees at different career stages, including early career talent and those who are in a later stage of their career. An annual talent review process operates across the Group to help ensure key talents including high potential and technical and digital expert talent, is identified, recognized, and supported with targeted development paths and actions.

Schneider also places strong emphasis on the role and accountability of leaders and people managers in the company. In today's uncertain and volatile world, the role of leaders is to deliver results, shape culture, and drive transformation, starting with the values and behaviors they demonstrate every day. The 2021 Culture & Leadership survey of around 2,000 Schneider leaders validated steady progress on the overall Group leadership and culture transformation started in 2017. Key strengths include strong ethics and integrity, sense of purpose, and customer focus, as well as a positive spirit and willingness to go above and beyond. The evolution of the Leadership Driver Score in OneVoice results shows an exciting 14-point increase from 61% in 2012 to 75% in 2023.

The Group strives to provide a meaningful end-to-end experience for all employees from talent attraction and onboarding to performance management, rewards, and development. Schneider empowers all employees to grow their fullest potential, deliver with impact based on the "what" and the "how", build sustainable careers, and refresh and learn new skills for today and tomorrow.

3.5 Attracting talent to shape the workforce of the future

Attracting talent at all levels is more crucial than ever before – not only in terms of enabling the delivery of the Group strategy, but also to continue to innovate for our customers and build a long-term pipeline of future talent that could join Schneider Electric.

Schneider Electric builds talent pipelines through their Brand to Hire strategy, deepening the connection from the top of the funnel attraction phase all the way through to hire to deliver the talent needed to deliver on the business strategy. To deliver on this strategy Schneider Electric is transforming the function across People, Process, Technology, and Branding. In 2023, the focus has been on these key areas:

- **People:** Updated Talent Acquisition's structure to recognize skill specialization in strategic sourcing, employer branding, recruitment, recruitment co-ordination, and business consulting, allowing for upskilling and re-skilling opportunities across the function.
- **Process:** Continued deployment of simplified candidate centric End to End process in which Schneider Electric was recognized through the Talent Board in North America and Latin America in delivering a best-in-class candidate experience.
- **Technology:** Deploying a global standardized tech stack to optimize the experience for both candidates and colleagues involved in the Brand to Hire process.
- **Market:** Transforming from awareness campaigns to targeting strategic talent segments to grow the talent in our pools most critical to the business and to foster an Always On approach to build a sustainable pipeline of talent in our talent pools.

In recognition of this transformation, Schneider Electric was invited to several stages to share the thought leadership in global forums such as LinkedIn Talent Connect, Gloat LIVE, Josh Bersin Irresistible Talent Management Summit, iCIMS Inspire, and Survale Customer Symposium, as well as numerous local forums. This recognition validates our thought leadership and approach to our brand to hire transformation.

In today's competitive job market, connecting with candidates at an early stage is critical to building an engaged talent pipeline and a robust employer brand for Schneider Electric. By keeping its brand top of mind through regular engagement, the Group increases its chances of attracting the best talent when they are ready to decide about their future.

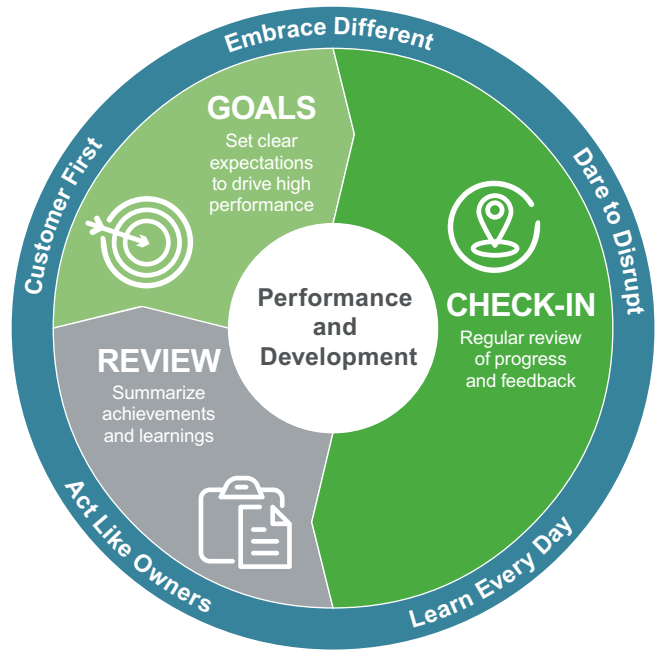
Great people make Schneider Electric a great company

As part of SSI #10, the five-year ambition is to achieve a doubling of growth in the early-career “next generation” pipeline. This is delivered through Schneider Electric’s Brand to Hire strategy, leveraging traditional approaches today but migrating to more digital, borderless, and self-paced offers, ensuring the Company can de-bias practices and create a more equal playing field for those interested in Schneider and sustainability. This will be achieved through an updated University strategy balancing its flagship global programs, strategic university partnerships, and supplemented by country-specific initiatives:

- **Schneider Global Virtual Student Experience:** completely digital experience designed to provide students with a way to engage with Schneider Electric through e-learning modules and on project simulations.
- **Schneider Go Green:** an annual global competition for business and science, technology, engineering, and mathematics (STEM) students around the world to find innovative solutions for energy management and automation. In 2023, Schneider Go Green has had over 19,500 students registrations submitting ideas from all key regions.
- **Development programs** around the world that are structured to help support the acceleration of early career talent through a robust training and development path including graduate programs, internships, apprenticeships, and co-ops.
- **Sponsorship initiatives,** virtual Careers Fairs, office/site tours, Innovation Summit tours, digital and face-to-face speaking engagements and networking opportunities and mentoring relationships.

3.6 Driving high performance

Schneider Electric’s approach to performance and development is anchored by the Group’s Core Values and, for leaders, by the Leadership Expectations. This approach encourages learning and growth, enabling employees, teams, and the Company to reach their full potential. The Group’s robust process of setting individual performance and development goals annually with regular reviews during the year provides everyone with a clear roadmap to deliver with impact based on the “what” and the “how” to ultimately achieve collective success. Schneider Electric employees are encouraged to seek, give, and receive feedback, empowering them to take ownership for driving their individual performance, and managers are encouraged to support them with coaching and frequent conversations, driving the business forward. In 2023, 97% of eligible employees⁽¹⁾ completed a performance and development review.



3.7 Enabling sustainable careers

The Group believes its people are its most valuable asset to support Schneider’s profitable growth and empowers them to grow to their fullest potential by developing new skills and building careers for today and tomorrow. In line with the conviction that all employees are talent and the aim to provide equitable development opportunities for all, Schneider Electric considers that all employees should take ownership of their own unique career development, supported by their managers and enabled by digital tools. The Group encourages employees to build a sustainable T-shaped career by striking the balance between deepening their expertise in different domains and broadening their skillset through experiences in diverse contexts to increase their impact. This will help them keep themselves relevant and marketable in a rapidly changing world.

Generations
SSI #10

1 GOALS

4 CHECK-IN

8 REVIEW AND FEEDBACK

Our 2025 Commitment
2x number of opportunities for interns, apprentices, and fresh graduate hires

Schneider Electric is doubling its commitment to the Next Generation of talent. During 2023, the Company recruited a diverse mix of 63% students and 32% recent graduates and engaged brand ambassadors on campus through global programs and partnerships as well as by enhancing its development program offers. To build a sustainable flow of talent, the Company continues to invest in student programs such as interns, co-ops, apprentices, and VIEs (Volunteers for International Experience). Moreover, the company is prioritizing the development of recent graduates across critical functions including Sustainability, Supply Chain, Technical, Leadership, and Sales.

Our progress

2019 Baseline	2023 Progress	2025 target
4,939	x1.52	x2.00

(1) This includes employees whose employment status is active (or suspended, which is country specific), who are on permanent fixed term contract type, who are information workers, and those who were hired on or before 30 September 2023, in addition to country or entity specific conditions.

To empower and engage employees with this approach, Schneider Electric held its third edition of “Career Days” for all employees in 2023. More than 100 events took place with employees participating from over 100 countries: getting inspired by diverse career stories, unleashing the power of networking and mentoring, having career check-in conversations, learning about different roles and skills, and being equipped with tools and resources to develop, grow, and shape their future. 94% of employees surveyed were positive about the event, highlighting that it helped them to reflect about their own career aspirations, encouraged them to own their career, and inspired them to build a more sustainable career.

Schneider Electric harnesses the power of all generations by fostering lifelong learning, upskilling, and development for everyone - from fresh graduates to senior talent. In this respect, the Group has several career development programs in place for groups of talent, supporting employees at all stages of their career and ensuring a strong pipeline of talent for the future.

In addition to career programs for early talent, in 2021 Schneider launched its Senior program with the firm belief that employees who are near or at the later stages of their professional careers (“senior talent”) bring unique expertise, experience, and wisdom to the business. The Senior Talent program recognizes this contribution and empowers them to continue making an impact on the company while taking ownership and designing the next stage of their careers. The program is anchored in career conversations resulting in a robust development plan linked to their unique career aspirations and supported by different offers including new contractual opportunities, upskilling, knowledge transfer, pivoting, recognition, care, and personal planning among others.

The program was well received not only by this segment of talents, but also by the rest of the organization. Since its launch, the Group has started to observe the positive impact of the program, which is being progressively deployed and scaled globally by waves. France facilitated several workshops with senior talents and their managers to help them reflect about their career aspirations. Based on the results, they developed a portfolio of targeted offers to support them.

India supported senior talents interested in transitioning to prepare the journey ahead of them. Through a series of career transition workshops Senior Talent were equipped with strategies to make healthy adjustments, financial planning and be mentally ready.

Similarly, Germany, Switzerland, and Austria engaged their Senior Talent interested in leaving a meaningful legacy in a coaching certification process which will allow them to keep on developing while helping others’ people growth.

The commitment and progress are measured through SSE#23 which aims at providing meaningful development program for at least 90% of their people in the latest stages of their career by 2025.

To learn more about how Senior Talent program connects with the Future Ready program please see section 2.6.5 on page 264 of the 2023 Universal Registration Document. And to learn more about how it connects with Diversity, Equity, Inclusion and Well-being, please see 2 on page 8.

Generations

SSE #23



Our 2025 Commitment

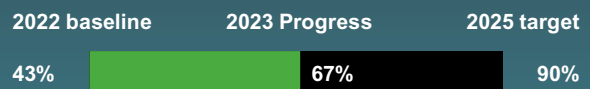
Access to meaningful career development programs for >90% employees during later stages of their career

China started their pilot in 2022 under the name of “Galaxy”, chosen locally to reflect the program’s long-lasting positive impact. Based on pilot feedback, in 2023 “Galaxy” pivoted into a more compelling approach involving not only senior talents but also their managers, who play a key role in driving talent empowerment and continuous development. Through joint learning that “thinks ahead” while “starts now”, with open conversations and targeted action plans, senior talents and their managers are equipped to develop growth mindset, overcome hidden bias, and integrate diverse ideas together to benefit both business and talents. As a result, senior talents feel more valued and become more proactive in their roles; managers are more empowered to drive sustainable talent development, and overall engagement improves with all stakeholders appreciating this meaningful program.

“Galaxy goes beyond the scope of regular work by facilitating stronger connections with senior talent in my team and amplifying my efforts to motivate them. Now I think frequently about how I can collaborate with these experienced team members to develop and make their long-term goals a reality, taking effective actions in the present that can truly make a difference.”

LIU Hao, Senior Marketing Manager

Our progress



Great people make Schneider Electric a great company

3.8 Boosting expertise and knowledge across the organization

Schneider Electric strongly believes that its position as a global technology company and leader in providing digital energy and automation solutions for efficiency and sustainability is driven by the innovative contributions of its skilled and expert employees. In 2023, the Group has revamped their renowned expert program now called Electrifier (formerly “Edison”).

The Electrifier program recognizes employees with remarkable achievements, expertise, and leadership, offering them opportunities to contribute to strategic business drivers in realms such as technology, innovation, strategy, supply chain, and digital, while empowering them to make the most of their careers. The refreshed program evolves around four business streams and is articulated around three levels of expertise: Electrifier, Senior Electrifier, and Fellow Electrifier. This set up was designed with the objective of bolstering the core of our business, while pioneering advancements on Electricity 4.0, Industry 4.0, and our Sustainability Solutions.

The Electrifier program introduces a streamlined application process along with new opportunities, career prospects, and an evolving reward system in tune with market dynamics. A design that cultivates a vibrant, global community dedicated to transforming innovation into influential business outcome.

The Group actively promotes a learning and teaching culture by developing its internal trainer capability. The purpose of the community is to equip internal trainers with the right best practices and tools to develop and facilitate training, including digital tools for additional interaction and engagement. A Global Virtual Internal Trainer Conference was organized in October with the purpose of recognizing, developing, and connecting internal trainers. This year’s two-day conference theme was “Transforming the way people learn”, and the speakers were exclusively internal experts, which generated a positive outcome for both the audience and speakers as there was extensive learning and sharing among peers. There are currently over 3,700 identified internal trainers who collectively delivered over 11,000 sessions in 2023, accounting for 58% of formal training.

Schneider Electric’s Communities at Work (C@W) program is a powerful network of 300+ communities of practice. They serve as thriving hubs/platforms that foster knowledge sharing, personal growth, and increased productivity within the organization, exemplifying Schneider Electric’s commitment to cultivating a vibrant and supportive work environment.

3.9 Upskilling for today and tomorrow at scale

The Group recognizes some skills need to be refreshed frequently, especially vital technical and digital skills required to accelerate our business growth. Roles requiring digital and human skills are growing due to the acceleration of AI, automation, and digitization. Purposeful renewal of skills is necessary to ensure sustainable careers and a resilient, future-ready business. To support this ambition, business and function academies are in place to partner with the business in identifying learning needs and spotting gaps in core and future skills for relevant employee populations. They develop and promote learning and development opportunities to build both depth and breadth of skills and experiences based on the 3E model (education, exposure, and experience). The aim is to support our workforce to upskill and reskill with focus, speed, and scale through a mix of internal and external training and development offers that are relevant to each employee’s role, interests, and skill sets.

The average training hours by all Schneider Electric employees is 24 hours in 2023. Some of the key upskilling programs are highlighted below:

Generations

SSE #22



4
QUALITY
COURAGE

8
EXPERIENCE AND
LEADERSHIP

Our 2025 Commitment

>90% of employees undergo digital upskilling through the Digital Citizenship program





Schneider Electric accelerates digital upskilling for their employees with a holistic approach by:

- Ensuring foundational digital skills for all through initiatives like:
 - Digital Boost, a “check & learn” diagnostic designed to support all employees’ digital upskilling on the six digital skills most critical for Schneider and on digital mindset. Digital boost provides personalized results on strengths and areas to develop that can be addressed with dedicated learning paths.
 - Digital Open Days: with more than 350 live virtual sessions and key notes on a variety of digital topics such as AI, Data, Digital Engineering and Digital Citizenship.
 - Digital upskilling for workers committing to deliver at least two hours per year on digital transformation such as Smart factory program, Cybersecurity, Digital knowledge
 - Offering targeted development programs for key digital roles in domains like data and AI or cybersecurity among others.
 - Enabling digital experts to build the necessary skills to thrive in today’s rapidly competitive and changing business digital world, through specific digital expert offers and certifications partnering with top notch learning platforms.
 - Embedding digital transformation at the core of the different streams and domains of expertise of its newly revamped expert program Electrifier.

Our progress

2020 Baseline	2023 Progress	2025 target
41%	<div style="background-color: #00b050; width: 100%; height: 20px; position: relative;"> <div style="background-color: black; width: 78%; height: 100%;"></div> </div>	90%

Key programs focused on critical skill upgrading include:

 Program title	 Target audience	 Objectives and business benefits of the program	 Impact of business benefits
<p>Consultative Selling Approach (CSA) and Skill Up @Scale</p>	<p>All sales employees (~17,000 sales employees)</p> <p>Completion rate: CSA: 54% of Sales employees Skill UP: Launched in October 2023 with 7,000 people connected by year-end</p>	<ul style="list-style-type: none"> Customer-centric commercial transformation is a key pillar of Schneider Electric to drive sustainable and profitable growth, and the development of High Impact Sales Skills is a crucial element of this transformation. Consultative Selling Approach (CSA) is a blended digital learning curriculum to enable sales teams to build trusted advisor relationships with business decision makers. Eight programs are covered under the newly launched Skill UP digital learning program, to expand the sales skills curriculum and deliver training in a more effective manner via the business CRM tool. 	<p>CSA since its launch in 2021 has been widely adopted and well received.</p> <ul style="list-style-type: none"> The Net Promoter Score for CSA rated 83 in 2023, with a cumulative average between 2021 - 2023 of 66 (>50 is excellent). Sales employees participating in the CSA program have demonstrated increased understanding of the following skills: <ul style="list-style-type: none"> Understanding of customer needs, up by 14 points; Connecting with customers, up by 16 points; Resolving objections, up by 10 points. <p>The intended business impact of the Skill UP is to upskill sales learners to best position topics such as Digitization, Sustainability, and Services.</p> <p>Direct business impact will be monitored in 2024.</p>
<p>CoMET – Competency Management for Global Supply Chain</p>	<p>~ 40,000+ Global Supply Chain employees for assessment and or development plans creation</p> <p>Completion rate: Global Supply Chain employees: ~97% assessment completed ~80% with development action plans in place</p>	<p>The Global Supply Chain competency management program is an end-to-end system for managing skills and competencies designed to meet business needs by helping employees develop the skills they need to be successful in their roles using a variety of tools and resources. CoMET aims at:</p> <ul style="list-style-type: none"> Globalizing competency management (creating a global system for managing skills and competencies that are specific to the business); Digitizing competency management (creating an intuitive and user-friendly tool to manage assessment and development plans creations); Personalizing development planning and learning; Leveraging on expert networks (maximizing SEM networks); Creating insights on expertise pool to support business processes. 	<ul style="list-style-type: none"> 39,000+ Global Supply Chain employees from 200 sites have been assessed globally, with 3,000+ employees having development plans created (achieving 80.7% completion rate), <ul style="list-style-type: none"> From the competency gaps identified, critical programs were launched (digital, technical, product knowledge, logistics, planning and manufacturing) that have boosted learning engagement: ~750,000+ total learning hours (68% are digital). More than 90% of workers have spent a minimum of 2 hours of upskilling. CoMET and its generated action plans helped identify and develop domain experts. The creation of the Expertise Network enabled active community engagement and animation, contributing to 4,500 employee certifications across all skill sets.


Great people make Schneider Electric a great company

Key programs focused on critical skill upgrading include:

 Program title	 Target audience	 Objectives and business benefits of the program	 Impact of business benefits
<p>Coaching for Impact</p>	<p>Employees and Leaders for whom coaching has been identified as a valuable resource to enhance their skills and address specific areas of development.</p> <p>Completion rate: 1,326 individuals worldwide</p>	<p>In an uncertain environment, fostering a culture of coaching and care is crucial for employee and leader's success amidst disruption. The program aims at cultivating a mindset shift, with external coaching services provided by Schneider Electric to support employees in achieving their professional development goals. Trusted and dedicated professional coaches create a safe space, challenging and supporting individuals to find their own effective solutions, resulting in proven effectiveness in transforming behaviors, habits, and mindsets over time.</p>	<p>Since the launch of this program from mid-2021:</p> <ul style="list-style-type: none"> • 1,326 employees have completed or are completing a formal coaching engagement with a CoachHub coach. • In 2023, over 7,200 sessions have been conducted, with an average satisfaction rate of 4.9 out of 5. • As the coaching is integrated in the flow of work, on average, Coachees are having 1.7 sessions per month with a coach. • Coachees report that colleagues have noticed a positive change as a result of coaching (average rating 8 out of 10). <p>In 2023, the Group also started to establish advanced analytics to measure the impact on employee's engagement, well-being, performance, and turnover rate.</p> <p>In 2024, CoachHub adds the Co-Development Hubs sessions to the existing offer, a new coaching by groups and peers modality.</p>
<p>Digital Upskilling</p>	<p>Digital Upskilling for All Employees: All white-collar employees (92,000+ employees)</p> <p>Completion rate: 49,3% completed assessment</p> <p>Digital Upskilling for Digital Experts: 2,000 employees</p> <p>Completion rate: average of 9.5 hours learning engagement since program launch</p>	<p>The "Digital Upskilling" program aims at preparing Schneider Electric's workforce for its digital transformation. It is supported by two major programs:</p> <ul style="list-style-type: none"> • "Digital Upskilling for All Employees" enabling Digital Citizenship (SSE #22 commitment) which consists of three key elements: <ol style="list-style-type: none"> 1. Digital Skills assessment - knowledge check for employees to discover individual strengths and development areas around six critical digital skills. 2. Digital Skills dedicated learning path linked to the individual assessment result to facilitate individual upskilling. 3. Digital Skills dashboard for HR and Managers to visualize collective digital skill assessment results supporting data-driven actions to accelerate talent readiness. • "Digital Upskilling for Digital Experts", a program targeted to employees on digital jobs requiring in-depth knowledge of a digital domain with the purpose of supporting them to upskill critical skills. These skills are key for Schneider Electric, to fully leverage technology investments and realize our digital strategy. • This program was newly launched in 2023 and introduced a new collaboration with Coursera offering access to over 10,000 courses from renowned universities and Institutions and providing a great depth of knowledge areas in data and technology. 	<p>Strong learning engagement:</p> <ul style="list-style-type: none"> • From the Digital Upskilling for All Employees program: post assessment, 11,051 employees completed 26,929 training programs around the 6 digital skills and digital mindset. • From the Digital Upskilling for Digital Expert program: >20,156 hours of learning and >2,884 courses completed in first eight months of program launch in critical areas of data, AI, cybersecurity, architecture, and software development. • The Digital Skills Dashboard created value for line managers and leadership, assisting in developing actions plans.

3.10 A digital ecosystem to enable development opportunities for all

Schneider Electric invests in its people, providing equal opportunities and a supportive environment for all employees to learn and advance their careers. The Open Talent Market (OTM) platform empowers employees to drive their own careers by discovering opportunities for mentoring, new positions, and part-time projects, as well as potential career paths. Launched globally in 2020, the platform is available to all globally connected employees and leverages AI to match our internal supply of talent with the business demand of “gig” projects, positions, and mentorships through a transparent skill-centric digital and borderless approach.

 Read more from CIO on Schneider Electric’s AI Centric Employee Development

The ambition is to increase 4x the number of employee-driven development interactions in the OTM by 2025 (SSE #21). At the end of 2023, more than 85% of the employee base are in the OTM achieving 34,000 digital development opportunities since launching in 2019. Through OTM in 2023, employees were given visibility to over 15,000 open positions, ~4,000 mentoring relationships were formed, and ~3,000 employees worked on internal “gig” projects. An average of ~20,000 employees visit the platform each month.

Schneider Electric also has an open learning ecosystem comprised of interconnected platforms at the center of which is My LearningLink (MLL). This platform provides digital and classroom learning opportunities and was made available to all employees on mobile since 2021. Schneider Electric also continues to invest in providing My LearningLink connectivity to shop floor employees either through the “Digital Learning Corner” (a computer or kiosk installed in their facilities) or from their mobile phones.


In 2023:


- More than 340,000 training completions every month. The most popular topics include Health&Safety, Products, Solutions & Services, Digital, and Sales skills.
- More than 45,000 modules of learning content were available in more than one language.
- Digital learning consumption was at 69%, which has remained stable since 2020.

Schneider Electric also offers a broad catalogue of online courses and webinars that provides customized learning experiences with targeted contents to partners and customers. It is accessible via free registration at mySchneider Partner Portal (an extranet). The mySchneider Partner Portal is deployed worldwide with more than 1.4 million registered users who consumed more than 380,000 trainings in 2023.

Equal

SSE #21





Our 2025 Commitment

4x the number of employee-driven development interactions on the Open Talent Market

Schneider Electric has democratized development through an OTM, and by 2025 will grow the skills in the workforce through digitally enabled engagements. These engagements include projects (internal gigs), mentorships, and new positions. By leveraging AI, the company empowers employees and creates more connections that support development across departments, countries, and functions. In 2023, Schneider Electric has over 85,000 employees on the OTM and has created 7,875 employee development interactions which is 39% of the 2025 ambition to grow by 4x since 2020.

Our progress

2020 Baseline	2023 Progress	2025 target
5,019	<div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; background-color: #4caf50; margin-right: 5px;"></div> x1.5 </div>	x4

4 Compensation and benefits

4.1 Context

To ensure employees feel valued and respected in their workplace, companies are increasingly expected to provide all employees with attractive, fair, and equitable compensation and benefits to facilitate aspects of their unique lives. In the post-pandemic era, people (specifically younger generations) expect more work and life balance and rely on their employer to ensure this expectation is met.

In the face of the tight labor market and post-pandemic era, organizations are leveraging robust compensation and benefits programs as strategic tools to stand out as employers of choice.

Flexibility and customization in compensation and benefits is paramount. Companies are tailoring packages to accommodate diverse workforce preferences, acknowledging that one size does not fit all. Flexible work arrangements, personalized benefits choices, and recognition programs contribute to a more inclusive and adaptable approach. This shift reflects an understanding that employees value autonomy and personalized experiences, influencing their satisfaction and commitment to the organization. Additionally, compensation and benefits are characterized by a holistic, health-focused, and flexible approach, reflecting the evolving needs and expectations of the modern and global workforce.

It is within this context that Schneider Electric reinforces its position as a caring and responsible employer by ensuring the diverse global workforce is treated in a fair and ethical way. The Group's inclusive Reward portfolio (which includes Compensation and Benefits) is designed to support employees to be their best by offering a meaningful mix of programs to support each unique individual.

4.2 Risks and opportunities

Schneider Electric is committed to delivering best-in-class compensation and benefits to its employees in a fair and equitable way with the objective of attracting, motivating, and retaining great talents. Without this commitment, Schneider Electric risks its ability to achieve their objective. The Group mitigates this risk by providing a meaningful mix of rewards programs to support the unique needs of employees.

4.3 Governance

The implementation of Group policies on compensation and benefits is overseen by the highly experienced global, regional, and local reward organizations.

4.4 Group policy

To support Schneider Electric's mission to create a great place to work and cater to the diverse needs of its current and future global workforce, the Company is committed to providing a competitive, caring, and inclusive compensation and benefits offering which attracts, motivates, and retains talent.

Schneider Electric ensures its diverse global workforce is treated in a fair and ethical way which affirms its position as a leading employer. Its inclusive Reward portfolio expands beyond pay and is a meaningful mix of Compensation, Benefits, Development, and Workplace Environment which are all designed with a basis of care for employees, enabling them to be at their best. Additionally, The Group offers a portfolio of benefits to care for employees' needs at each life stage. Its diverse and multi-generational workforce is provided with meaningful choices covering a holistic range of well-being, flexibility, and financial protections to provide peace of mind to employees and their dependents.

Schneider Electric believes in fair rewards, recognition, and differentiation for employees who contribute to the success and live the values of the Company. By putting recognition at the center of a high-performance ambition, employees feel engaged and motivated to do more. Delivering high performance is rewarded by competitive market pay, differentiated rewards, incentive programs, employee shareholding, and opportunities to grow careers within Schneider Electric.

Schneider Electric ensures that all compensation and benefits decisions and policies are based on the principles of Inclusion and Care and follow local statutory and collective agreements.

The Group offers a portfolio of benefits to care for employees' needs at each life stage. Its diverse and multi-generational workforce is provided with meaningful choices covering a holistic range of well-being, flexibility, and financial protections to provide peace of mind to employees and their dependents.

4.5 Compensation

Job architecture and compensation process

Schneider Electric has implemented a global job architecture to support HR processes and programs and to enable Schneider Electric to engage, develop, and move talent across different businesses and geographies. The job architecture provides alignment to market practice and organizational structure to ensure the reward package offered for a role is fair and competitive. This supports working towards creating greater transparency for career development and progression.

Pay competitively and pay-for-performance

Employees are empowered to receive ongoing feedback, recognition, and coaching from their managers. Individual performance is assessed in a fair manner based on their goals (what they achieve) and behaviors (how they achieve). For most employees, compensation structures include fixed and variable (incentive) elements. Compensation programs and decisions are based on individual performance and behaviors, Company performance, and competitive market positioning in alignment with the Group’s pay-for-performance philosophy.

Equal pay for equal work

The principles of fairness, equity, ethics, and transparency are fully embedded in the company values. Through reward policies and processes, employees are compensated fairly and equitably for the skillset they possess and value contributions as a business imperative. Over the past eight years, Schneider Electric successfully transformed the Pay Equity framework covering all employees across all countries of operation.

As part of the Schneider Sustainability Essentials for 2025, the company committed to attain and maintain a pay gap below 1% by 2025 for both females and males. At the end of 2023, the pay gap was -1% for females and 0.67% for males. The Group is externally audited on Pay Equity to ensure year-over-year progress toward closure of pay equity gaps.


To enable achievement of the SSE for 2025 ambition, the company executes a holistic Pay Equity strategy to improve and maintain pay equity while preventing creation of new pay gaps.


In execution of the holistic Pay Equity strategy, the Group closely monitors the salary offers of new recruits, salary adjustments from employee promotions, and other employee career movements. Continuous monitoring of pay equity status is made possible by the Group’s Pay Equity Dashboard and its resulting analytics. Additionally, managers and HR professionals are trained to be mindful and unbiased of every pay decision they make.

Creation of new pay gaps is prevented by the Group’s “Fair Pay Simulator” which was deployed to HR in 2023. The simulator provides visibility to pay equity positioning, enabling better pay decisions for new recruit offers, promotions and other salary adjustments. Pay Equity advocacy is another key aspect of the Group’s Pay Equity strategy. Schneider Electric leaders advocate internally and externally for fair and equitable pay which further reinforces the Group’s commitment to fair pay.

Equal

SSE #18





Our 2025 Commitment

<1% pay gap for both females and males

A dedicated Pay Equity budget by country is in place to create awareness and eliminate unconscious biases during processes such as salary reviews, and education and training for leaders, HR and managers. A country-level governance framework has also been established to facilitate the attainment of our ambition to achieve pay gaps of <1% for both females and males.

Our progress

2020 Baseline	2023 Progress	2025 target
Female -1.73%	-1.00%	<1%
Male 1.00%	0.67%	<1%

Holistic Pay Equity strategy

DEI Ambition	Rewards Ambition
To become the most Inclusive and Caring company in the world, by providing equal opportunities to everyone, everywhere, and to ensure all employees feel uniquely valued and safe to contribute their best.	To be fair and equitable in our reward practices; reward everyone for the skill set they possess and value their contribution on an equal basis.

Pay Equity Commitment

Attain and maintain a pay gap below 1% by 2025 for both females and males.
(Included in Schneider Sustainability Essentials 2021 - 2025)

Our Holistic Strategy

Process	Education and Awareness	Tools and Analytics	Governance	Advocacy
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Great people make Schneider Electric a great company

Living wage

Schneider Electric believes earning a living wage is a basic human right and a key element of decent work. Schneider Electric is committed to paying all employees at or above the living wage to meet their families' basic needs. The Group considers basic needs to include food, housing, sanitation, education, healthcare, clothing, transport, and communication, plus discretionary income for a given local standard of living. This is guided by our Human Rights Policy and Trust Charter. All permanent direct employees of Schneider Electric with open ended contracts or fixed term contracts that are above 1 year are in the scope of the annual gap analysis. Third parties such as suppliers or contractors or interns are out of scope.

The Group conducts living wage gap analysis formally since 2018. From 2021 onwards, the Group underlined its commitment to pay 100% of employees at least a living wage as part of its SSE #20. This commitment is externally audited annually by an independent third party. Schneider Electric also continues to be part of leading corporate coalitions and notably became a Decent Work patron for the UN Global Compact. These global coalitions work together to implement living wage standards within their workforce and their entire ecosystem. In 2022 the Group started working with a new consultant, Fair Wage Network, with the aim of improving the geographical coverage, having a dynamic and web-based living wage benchmark and initiating an independent review and certification of the living wage gap analysis. 100% of in-scope employees, i.e., all Schneider employees treated as permanent workforce, were paid at least a living wage as of 2022. Following an extremely rigorous process the Group has been granted Living Wage Certification in May 2023, by Fair Wage Network; being qualified as a "Living Wage Employer" for the first time.

As of 31 December, 2023, living wage gap analysis was conducted again by Fair Wage Network covering all in-scope employees worldwide, and identified living wage gaps were closed by corrective actions to ensure that all employees received a living wage and that no new gaps emerged. In addition to ensuring that all employees within the scope are paid at least a living wage, Schneider continues to comply with all applicable federal, state and local minimum wage regulations.

Equal

SSE #20





Our 2025 Commitment

100% of employees paid at least a living wage

The UN Global Compact announced its new 2021 - 2023 strategy, which aims to accelerate and scale up the global collective impact of business by upholding the Global Compact Ten Principles and the SDGs through accountable companies and enabling ecosystems. Given that the Company is a leader in providing and promoting a living wage, the UN Global Compact invited Schneider Electric to become a Patron of its Decent Work portfolio. The Group's role will be to raise the bar by advancing decent work for its ecosystem and other companies.

Our progress

2019 Baseline	2023 Progress	2025 target
99%	<div style="width: 100%; height: 15px; background-color: #4CAF50; border: 1px solid white;"></div>	100%
	100%	

Short-term incentive

For employees, the annual short-term incentive is linked with the overall Company performance and individual objectives. It is designed to encourage and motivate employees to deliver on collective ambitions through accountability and collaboration, driving better performance collectively and individually. With a strong sustainability component included, the annual short-term incentives for the Group's executives and around 64,000 eligible employees help focus on what matters to Schneider Electric. Since 2011, sustainability performance criteria have been embedded in the incentive goals for Group executives. They are directly linked to the Schneider Sustainability Impact (SSI) targets.

From 2019, the weight of the SSI criteria has increased from 6% to 20% in the collective part of the annual short-term incentive, highlighting further the importance of sustainability on Schneider Electric's business agenda. In France, since 2012 the SSI has also been included in the profit-sharing incentive plan for the French entities, Schneider Electric Industries and Schneider Electric France. From 2015, SSI has also been included in all other French entities (27 entities in 2023). The reduction in the occupational accidents severity rate is also considered in the profit-sharing incentive plans of Schneider Electric Industries, Schneider Electric France and 25 other French entities.

From 2022, Schneider have introduced a Customer First Performance Criteria in the incentive goals for Group executives. The Group is building Trust through Superior Customer Experience and Quality. It measures Net Customer Satisfaction (NCS) through real-time digital customer surveys covering six critical touchpoints as part of the customer operational interactions. Every employee is part of this journey and is fully empowered to bring Customer Experience to the highest level. All the results on Customer Satisfaction are available in the Customer Feedback Management Platform where all employees are engaged and empowered to improve the Customer Experience.

To promote a superior sales culture where sales people go above and beyond to surprise and delight customers, Schneider Electric offers levels of differentiated reward for sales people to enhance motivation and results.

Long-term incentive

Schneider Electric's Long-Term Incentive Plan (LTIP) offers share ownership opportunities to the Group's key talents and critical roles to align their rewards with the interests and experience of Schneider Electric shareholders. Similar to the short-term incentive, a portion of the award under the LTIP is subject to the achievement of sustainability objectives. From 2020, the long-term sustainability performance is measured through the Schneider Sustainability External & Relative Index (SSERI), a combination of external indices which cover a range of environmental, social, and governance indicators. See more details in section 4.2 of "Compensation Report", on page 408 of the 2023 Universal Registration Document.

Recognition is in the company DNA

Every day, Schneider Electric employees make important contributions to help the organization achieve its mission and key business objectives. The global recognition portal "Step Up" - first launched in 2016 - gives employees a way to formally recognize and celebrate people who consistently demonstrate the Company's Core Values and go above and beyond. Schneider Electric creates a culture where employees receive regular feedback and coaching from their managers and colleagues and encourages the recognition of small and big achievements by simply saying "thank you".

In 2022, Schneider Electric refreshed the Step Up program and relaunched the platform for recognition with a new partner. Throughout 2023, the recognition culture remained strong, with many employees across the globe continuing to utilize the dedicated platform to appreciate and recognize colleagues. The Step Up program became available to non-connected as well as connected employees with a healthy increase of activation rates and overall sent and received coverage across the employees.

As the way of working has become more remote and more digital, gratitude for acknowledging and sharing our appreciation has become more important; being grateful for bringing the element of empathy and being human. Hence a new award reason was introduced in 2023 "Grateful for" which turned out to be a popular choice of recognizing each other.

4.6 Benefits

Benefits provided by the Group represent a considerable business commitment by Schneider Electric everywhere in the world. The company ensures that all employee benefits are locally and globally compliant, as well as market relevant. Because employee benefit plans vary significantly between countries due to different levels of social, tax, and legal regulations, Schneider Electric's benefits portfolio is primarily country-driven and aims at providing similar benefits within a country territory.

Global benefit standards

Schneider Electric regularly reviews compliance with its global benefit policies and principles to ensure that its inclusive global benefit standards are delivered for everyone, everywhere. These standards cover access to healthcare, family leave, and life cover.

One of Schneider Electric's underlying benefit objectives is to ensure all its employees are equipped to manage their basic health and well-being and to provide adequate security to employees and their dependents. Health and well-being are embedded in the Schneider Electric strategic people priorities and contribute to its sustainability mission. The Group is committed to provide its employees access to a well-being at work program – translated into a dual standard of access to healthcare and well-being training programs (detailed further in subsection "Supporting employees' well-being, mental health and unique lives and work", on page 12). It also provides access to an inclusive and comprehensive standard of healthcare coverage (outpatient, hospitalization, key health risks/chronic conditions, maternity, children) defined by local regulations and employment agreements. Schneider also supports its employees with personal time off at critical life stages and this is fully deployed in 100% of countries as detailed below. In addition, the Group commits to provide financial security to employee dependents, in the event of an employee's death, in the form of a minimum standard of life assurance coverage of at least a multiple equivalent to one year's salary. Schneider Electric joined #WorkingWithCancer pledge movement in 2023 to provide a more supportive, open, and recovery-forward workplace culture.

Global Family Leave Policy

As a caring, inclusive, and responsible employer, Schneider launched its Global Family Leave policy along with care leave in 2017. Through its policy, the Group supports employees with personal time at critical life stages and empowers everyone to manage their "unique life and work" to enable them to be at their best. The Group applies a continuous improvement approach to all employee benefits and policies and has made several notable improvements with employee input. While countries have flexibility to define eligibility and policy details per statutory and/or market requirements, the policy establishes a global minimum standard for paid leave.

Great people make Schneider Electric a great company

In 2020, Schneider expanded its care leave from 1 to 2 weeks for employees to care for their dependents diagnosed with COVID-19.

In 2022, the Group conducted extensive internal and external research for the purpose of enhancing the policy and implemented an early deployment of the enhanced policy in the US. In 2023, the Group enhanced and globally deployed the Global Family Leave Policy for all employees.

Parental and Care leave were significantly enhanced and although the duration for Bereavement leaves remained unchanged at 1 week, the local adaptation was enhanced by adopting a flexible definition of “Immediate Family” in acknowledgment of the diverse cultures and religions observed by the global workforce.

During the first year of the enhanced policy, the Group saw over 24,000 family leaves requested globally with Care leave being the most utilized representing 62% of the leaves requested. Care leave utilization is followed by Bereavement at 23%, secondary parent leave at 9%, and primary parental leave at 6%. It is important to note that 86% of women who took parental leave in 2022 remained employed 12 months after their return to work.

Schneider Electric’s Global Family Leave Policy was recognized by the Brandon Hall Group in September 2023 receiving a Gold Award for Diversity, Equity, and Inclusion – affirming the Group’s position as a caring, inclusive, and responsible employer.

Additional to the Group’s Global Family Leave Policy and, in support of Global Standards and Local Empowerment, back-up family care benefits are offered in some countries to assist employees with family care needs when they experience disruption in regular care arrangements. In the absence of a Group-level back-up family care policy, the Group highlight examples of back-up family care benefits that are offered at the country level.

An example of this is the “Care@Work” program which is offered in the US. Under this program, US employees are offered a care.com premium membership (at no cost to the employee) through which they can access back-up care for children, elders, and pets. The program includes a subsidy for up to five back-up days per year.

US employees also have access to the Group’s “Schneider Electric Employee Discount Portal” which provides discounts on childcare centers. Additionally, the Group offers employees a Dependent Care Flexible Spending Account to which employees can contribute up to USD 5,000 (pre-tax). In the UK, the Group offers employees a “My Family Care” program which offers employees access to back-up care, advice, and community networking based on life stage. In India, the Group offers employees access to childcare facilities and monthly allowances for childcare.

Globally, the Group also offers an Employee Assistance Program with coverage in over 80% of its operating countries which provides additional support and resources for family care.

Beyond the Global Family Leave Policy and Employee Assistance Program, some countries where Schneider Electric operates provide support in the form of on-site childcare facilities, childcare contributions, and breast-feeding and lactation benefits as noted in the following examples:

- In addition to the Dependent Care Flexible Spending Account, parenting support is offered in the US via an app which delivers real-time, personalized parenting guidance. Further, the US offers employees breastfeeding support and supplies such as milk transportation services (when a breastfeeding employee needs to travel upon their return to work), breast pumps, and supplies at no cost to the employee, as well as breastfeeding counseling and support.
- In India, the Group partners with local vendors that provide childcare facilities near its offices. Monthly childcare reimbursements are also offered to employees in India, Sri Lanka, and Bangladesh.
- Southeast Europe countries cluster offers employees a one-time monetary contribution upon birth of a child and employees in Greece are provided childcare financial support for kindergarten.
- Further, several Schneider Electric offices around the globe provide dedicated private spaces for breast feeding and pumping.

Global Family Leave

Care for employees and supporting their unique work and life

Parental *(primary)*

From 12 weeks paid to 20 weeks paid

Parental *(secondary)*

From 2 weeks paid to 4 weeks paid

Care

From 1 week paid to 2 weeks paid

Bereavement

Enhanced local empowerment to support each employee’s unique situation

Establishing Global Minimum Standards and Local Empowerment

Local adaptability is possible! Proofpoint: the definition of Immediate Family

Employee share ownership


The Worldwide Employee Share Ownership Plan (WESOP) is one of the Group's recurring key annual reward programs, offering employees across the world an opportunity to become owners of the Company, at preferred conditions.


WESOP is strongly ingrained in the Group's culture, as a cultural and reward differentiator with a positive impact on engagement, attraction and retention. Schneider Electric has strongly developed and reinforced its offer over the years in order to build a sustainable group of employee shareholders reflecting the workforce diversity, to create a strong feeling of belonging, and to link employees to the performance of the Company, acting like owners of Schneider Electric. In that spirit, WESOP has become part of the Group sustainability commitments towards its 2025 roadmap (SSE #19).

In 2023, the Group successfully offered WESOP in 47 countries, achieving 58.5% subscription rate, down slightly compared to 2022 which was at 60.5%. As of 31 December, 2023, the employee shareholding represented 3.8% of Schneider Electric SE's capital and 6.6% of the voting rights. 78% of the Group employee shareholders were located outside of France, of which 13% are in China, 15% in India, and 9% in the US. This also includes employee shareholding resulting from the long-term incentives grants.

Equal

SSE #19



Our 2025 Commitment

60% subscription in yearly Worldwide Employee Share Ownership Plan (WESOP)

Schneider Electric had committed to achieve a 60% subscription rate among eligible employees in the yearly WESOP by 2025, as a key program to support SSE. Scope covers 29 recurring participating countries, among the 47 participating countries representing 87% of the eligible headcount.

From 53% subscription rate in the recurring countries in 2019, WESOP has reached 61.1% in 2023 over the 2025 target since 2021. The Group aims to maintain at least 60% subscription rate in the coming years in the recurring countries.

With more than 80% subscription rate, India and China outperformed and have become part of the major contributors of the 2023 capital increase, together representing around 28% of the 2023 total subscription.

Our progress

2019 Baseline	2023 Progress	2025 target
53%	<div style="background-color: #4CAF50; width: 80%; height: 15px; margin: 0 auto;"></div> <p style="margin: 0; font-weight: bold;">61%</p>	60%

5 Social dialogue

5.1 Context

The International Labor Organization (ILO) describes social dialogue as “all types of negotiation, consultation, or simply exchange of information between, or among, representatives of governments, employers, and workers, on issues of common interest relating to economic and social policy”. The objective for a company to ensure regular and safe social dialogue is to build consensus amongst all employees of the company. To do so, companies integrate a third unbiased party in discussions to help resolve issues and encourage change to adapt to global and local workforce expectations.

5.2 Risks and opportunities

Social dialogue and freedom of association must be seen within the wider context of Ethics & Responsibility. As a global company, Schneider Electric believes that its responsibility goes beyond compliance with local and international regulations and is therefore committed to conducting its business ethically, sustainably, and responsibly.

The Group constantly interacts with all its stakeholders across the world: its borders are expanding, its environment is changing ever faster, its activities are becoming globalized, and its social responsibilities are growing.

The challenge is to gain and maintain the highest confidence of all its stakeholders. To support each employee in this approach, the Group emphasizes the importance of placing responsibility at the heart of its corporate governance.

5.3 Governance

At Schneider, social dialogue is managed at country level by HR leaders with the employee representative bodies and/or unions, and at transnational level with the European Works Council (EWC) which covers most of geographical Europe. Social dialogue is also taken into consideration by the Group's social reporting system, where local HR teams report on the presence of trade unions, works councils, and Health and Safety Committees every year.

In 2014, while changing the corporate form of its parent company, Schneider Electric SA, into a European company (*Société européenne*), Schneider Electric negotiated an agreement with employee representatives of European countries about the involvement of these countries' employees in the Company's decision-making process, thus reaffirming its intention to provide regular, efficient, multi-cultural, and innovative social dialogue at the European level, taking into account the voice of Schneider Electric's employees in the transnational projects of the company.

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5.4 Group policy

Schneider Electric considers freedom of association, representation, and social dialogue as fundamental rights that must be respected everywhere and therefore in its Trust Charter (Schneider Electric's Code of Conduct), Schneider commits to follow all the requirements to build and sustain fruitful and mutually beneficial relationships between labor organizations and management, in accordance with local regulations, in every country where it operates.

In its Human Rights Policy, renewed in 2022, Schneider reaffirms that it considers freedom of association as the basis of a regular dialogue between a company and its employees. To that purpose, Schneider respects the individual right of its employees to freely join, participate in, or quit labor organizations to assert and defend their interests. Subsequently, Schneider guarantees that any employee wishing to do so shall be protected against any internal measure limiting his or her freedom of association such as discrimination of any kind, pay loss, or dismissal. Schneider also recognizes the importance of dialogue with freely appointed employee representatives, employee representative bodies (such as works councils or employee forums), or organizations (like trade unions), and supports collective bargaining.

In addition, Schneider joined the Global Deal initiative in 2017, which promotes social dialogue and sound industrial relations, as effective means for achieving decent work and inclusive growth.

5.5 Actions and impacts

European Works Council (EWC)

Since 2014, Schneider Electric has significantly enhanced the intensity and the impact of social dialogue at European level by signing with European Employee Representatives an agreement on the information, consultation, and participation of Schneider Electric Employees in Europe. This channel for dialogue aims to enable management to make more efficient decisions by giving employee representatives the opportunity to be informed of such projects or decisions and to understand context, as well as to express proposals to supplement or improve them.

In this respect, new spaces for discussion and expression were explored in order to strengthen the contributions of the members of the EWC on strategic issues. Several workshops for reflection and ideation were organized, namely during the implementation of the new whistleblowing system, for the revised approach to the duty of vigilance, and also for the reflection on the Company Core Values' evolution.

The benefits of these workshops were several, starting with a better awareness of these topics by the members of the EWC, and an opportunity to impact upstream on strategic decisions.



EWC members, during the 2023 Plenary meeting at the Headquarters in Rueil Malmaison, with special guest, an employee representative from Morocco.

Social dialogue in France

Schneider Electric is organized in France through more than 25 legal entities. However, with 75% employee coverage, Schneider Electric Industries and Schneider Electric France SAS set the tone for social dialogue in France mainly through the Central Works Council and the Group Committee. During 2023, Schneider Electric negotiated the implementation of the new collective agreement for the Metallurgy branch, the largest branch in France, effective from 1 January, 2024, including negotiations on classification, working time, and leaves policies. At the same time, all the members of unions have received specific training the new collective agreement and its deployment.

Schneider Electric negotiated, in 2023, a new collective agreement for the France territory regarding apprenticeships, to develop its practices of sourcing and welcoming newcomers and retaining former apprentices inside the Group.



France Group Committee, visiting Angoulême site.

Social dialogue in the United States

In the US regular two-way communication takes place with both union and non-union teams to provide key business updates and gather feedback from employees to promote continuous improvement and increased employee engagement. Ongoing communication is provided to employees through daily short interval meetings and monthly town hall meetings on key competitive issues impacting the company, focus areas, and priorities, as well as updates on improvements made from employee feedback.

Company officials meet with key international union leaders and local union leadership on an ongoing basis, and formally on an annual basis, to advise and discuss competitive issues impacting the company's business and strategic focus areas relevant to contract negotiations. In both union and non-union sites, priorities continue to be growing key competencies, enhancing digital

acumen, and fostering a safe and respectful workplace through initiatives, such as:

- Learning Corners that provide training to employees on a variety of topics including digital upskilling, cybersecurity, company values, etc. The Learning Corner provides a place for employees to explore additional training courses that interest them individually and/or help further grow their competencies.
- Enhanced communication for employees through digital channels including Microsoft Teams to grow digital competencies while promoting deeper and more efficient communication in each site and across the company.
- Intentional campaigns, on-site events, discussion groups, and training focused on well-being and DEI.

Social dialogue in Mexico

In 2023, in addition to regular communications and in accordance with Mexican law, Schneider Electric concluded Collective Bargaining Agreement negotiations with the union and employees through the country, including the voting process to close of 7,000 unionized employees. During union negotiations, the union and employees had the opportunity to express aspects to be improved, as well as to highlight those good practices in each of the sites.



Committee and union leader of Reynosa plant.

Social dialogue in China

Schneider Electric in China has a strong culture of social dialogue across 30 legal entities in 100 locations. Regular communications take place in diverse ways to reinforce collaborations and drive optimal relations between the organization and all employees. The company also creates impact externally through future-generation development to accelerate sustainable growth together.

In 2023, China has progressed active dialogue to further listen and empower people on topics related to learning and development, and individual well-being:

- Upskilling continues to be a key growth enabler and is enriched with mobile and AI-embedded learning experiences for all and targeted job roles such as Sales, Offer Marketing, Research & Development, and Supply Chain. Average learning hours and digital learning ratio rose to over 22 and 70% respectively. Employees are also able to shape a broader career future by leveraging the OTM platform for internal opportunities (90% usage, 300+ projects, and 500+ mentorship pairings), and by driving open career conversations with managers.

- Well-being, a topic on which unions are much involved in China, remains as a priority for enhancing employee experience continuously. In terms of physical well-being, health check options are enriched, and critical illness insurance is upgraded with 100% coverage increase. For mental health, the Employee Assistance Program was renewed with more holistic services including 24/7 online counseling and regular webinars. Furthermore, beyond employees themselves, the company also considers the wellness of staff families – the Flexible Benefit Platform is now accessible to over 9,000 employees and their 16,000+ family members; Care leave is also extended from five to ten working days to offer better support in family illness situations.

Externally, for technical students, Schneider Electric has established a Sustainability Development learning platform and conducted vocational education both on site and virtually, benefiting over 10,000 students every year country-wide. The Group is also starting “Sustainability School for Kids” in 28 local primary schools across five cities, to plant the seeds of sustainability awareness and mindset among our society’s future talent.

Social dialogue in India

Schneider Electric in India is organized through 16 different legal entities, with a strong culture of social dialogue with all employees (unionized and non-unionized) engaged in equitable industrial relations across its plants and associated establishments.

Industrial harmony has been achieved through a time-tested collective bargaining process involving unions or through worker representative committees (e.g., salary related issues, medical insurance, or benefits are discussed with unions/work committees).

In some of the plants where there are no recognized unions, this bargaining process is conducted with the elected representatives from within the workforce who forms committees, such as Welfare (Works Committee). The company also has strong engagement with other committees such as Health & Safety, Canteen, Sports, and Transport, including a special committee for women employees. In addition, the Prevention of Sexual Harassment committee, which is fully compliant with the prevention of sexual harassment governance as per local laws, comprises employees and external women with specialist knowledge of the subject and with legal backgrounds. These committees provide a platform for employees to present their concerns, collective grievances, and workplace-related issues to management, and actions are initiated based on the recommendations of these committees. All employee engagement programs are run through these committees with the active participation of every employee.

The process of social dialogue also includes monthly employee communication at plant level, as well as through quarterly town hall communications on company performance, strategy, and challenges, engaging employees in various cultural events, and health talk series, and encouraging them to participate in adventure activities and go-green initiatives (tree plantation activities, green Yodha initiatives).



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