

GROWTH

Schneider Electric

Third Quarter 2024 Revenues – October 30, 2024

Q3 2024 – Continued execution in growth markets drives record Q3 Revenues up +8% organic; Full Year Target reaffirmed

Life Is On

Schneider
Electric

Disclaimer

All forward-looking statements are Schneider Electric management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. For a detailed description of these factors and uncertainties, please refer to the section "Risk Factors" in our Universal Registration Document (which is available on www.se.com). Schneider Electric undertakes no obligation to publicly update or revise any of these forward-looking statements.

This presentation includes information pertaining to our markets and our competitive positions therein. Such information is based on market data and our actual revenues in those markets for the relevant periods. We obtained this market information from various third-party sources (industry publications, surveys and forecasts) and our own internal estimates. We have not independently verified these third-party sources and cannot guarantee their accuracy or completeness and our internal surveys and estimates have not been verified by independent experts or other independent sources.

Q3 2024 – Revenues up +8% organic



Group

€9.3bn **+8.0%**
Q3'24 revenues org. growth

Energy Management

€7.7bn **+11.6%**
Q3'24 revenues org. growth

Industrial Automation

€1.7bn **-5.9%**
Q3'24 revenues org. growth

Driven by Megatrends:

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

Growth in Q3 led by Systems and Services

PRODUCTS

51% of Q3 revenues

+2%

Q3 organic growth

- **Energy Management** products up mid-single digit with good growth in electrical distribution across end-markets, consumer-led segments improving against low base
- **Industrial Automation** product sales contracted on still weak Discrete automation markets, primarily in Western Europe
- **Volume** contribution was positive

SYSTEMS

31% of Q3 revenues

+19%

Q3 organic growth

- **Energy Management** up strong double-digit with continued dynamism across Data Center and Infrastructure end-markets
- **Industrial Automation** systems growth was around flat, with positive growth in Process & Hybrid and strong performance in system drives compensating for weak OEM growth

SOFTWARE & SERVICES

18% of Q3 revenues

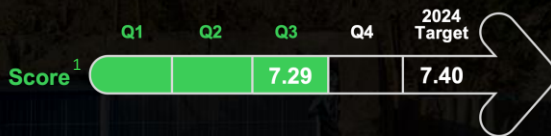
+7%

Q3 organic growth

- **Agnostic software**
 - **AVEVA**: strong growth in ARR, up +15% with strong uptake for SaaS offers, while perpetual license sales declined as planned
 - **EM Software**: Up mid-single digit despite subscription transition. Strong recurring revenue growth at ETAP, while RIB impacted by German construction market
- **Services**
 - **Digital Services**: Up double-digit with strong growth in EM advisors, Grid digitization and Cybersecurity
 - **Field Services**: Up +9% led by double-digit growth in Energy Management

Sustained acceleration of our sustainability program in Q3

2021-2025
SCHNEIDER
SUSTAINABILITY
IMPACT



CLIMATE

36%

SSI #3 - Reduce CO₂ emissions from top 1,000 suppliers' operations

Schneider's initiatives to decrease CO₂ emissions of its top suppliers were strengthened in Q3 through the implementation of renewable energy workshops in the USA, Europe, and China, along with over 20 thematic webinars to support suppliers in their decarbonization journey.

EQUAL

50.8M²

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

More than a year ahead of its 2025 ambition, Schneider has helped over 50 million people worldwide to access clean electricity.

With the recent launch of 2 climate smart villages in India with the NGO Professional Assistance for Development Action, 100+ families benefit now from essential services and facilities.

GENERATIONS

763K+²

SSI #11 – Train 1 million people in energy management

Schneider's commitment has reached a new milestone in Q3 with 763,397 people trained in energy management. Recently, the Schneider Foundation and Enactus teamed up with university students from 10 countries to work on energy transition and create entrepreneurial solutions for social issues.



A new Building Decarbonization Calculator launched online to help building owners **take action to accelerate and reach their decarbonization goals**

WBA ranked Schneider with the highest Social Benchmark score in its industry, underlining sustained efforts to act ethically and **provide and promote decent work and human rights**

Along with 1,400 businesses worldwide, Schneider Electric signed Business for Nature's call for **ambitious, collective action to protect nature**

Schneider recognized for the 3rd consecutive year as **Industry Leader** in its group, achieving an outstanding Corporate Sustainability Assessment score of 86 out of 100 by S&P Global in 2024



1. 2020 baseline 3/10, 2025 target 10/10 2. Cumulated since 2009



EcoEtruxure™ for Sustainability

Glencore joins forces with Schneider Electric
to transform its copper supply chain

Schneider Electric will help Glencore embrace
digitalization and automation to accelerate decarbonization
efforts and build circular networks

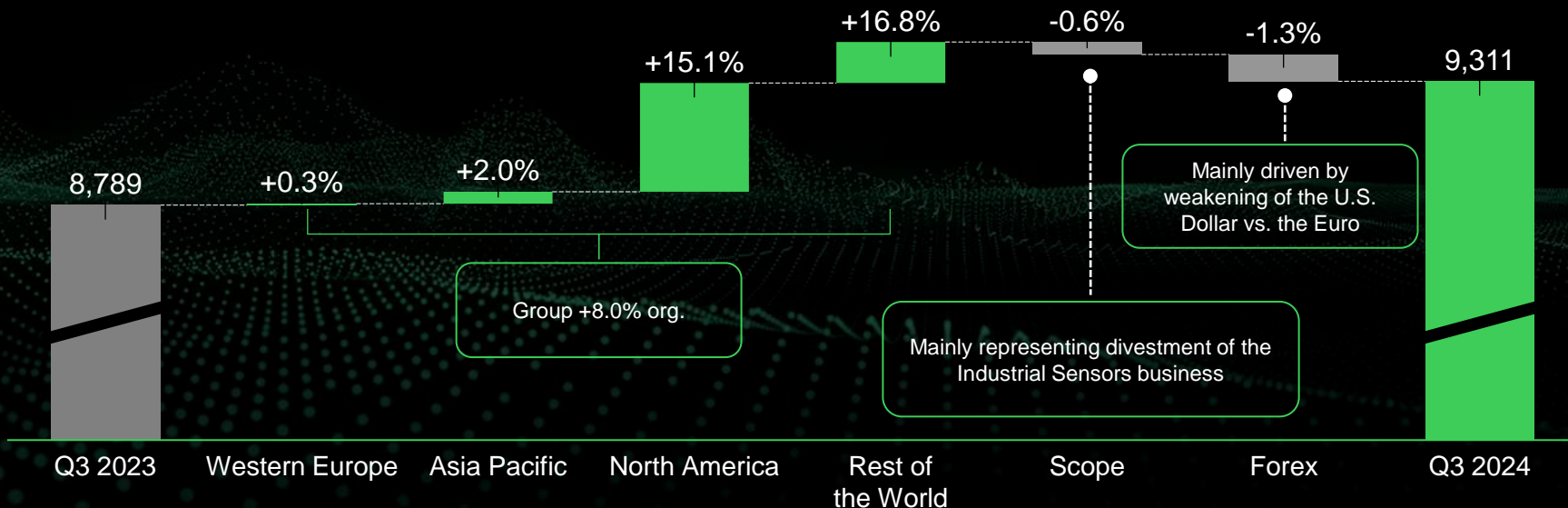
Working together to advocate
for the use of copper with high recycled content and explore
options for end-of-life take back initiatives

GLENCORE

Switzerland

Q3 2024 Group revenues up +8% organic

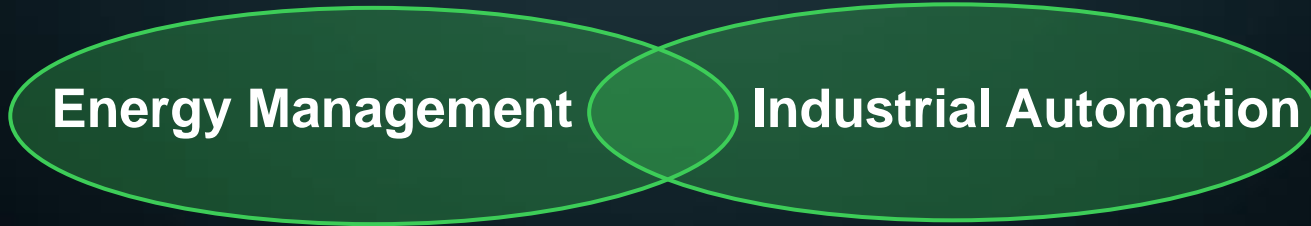
Analysis of Change in Group Revenues (in €m)



Based on current rates, the FX impact on FY 2024 revenues is estimated to be between -€450 million to -€550 million

The FX impact at current rates on adjusted EBITA margin for FY 2024 could be around -40bps

Q3 Business performance highlights by end-market



End Markets

Buildings

- Strong demand in **non-residential** technical buildings including in Healthcare & Retail
- **Residential** buildings saw stable to improving demand and overall growth in sales, varied by geography

Data Center & Networks

- **Strong double-digit** demand and sales growth across the end-market
- **Data Center** saw relatively stronger sales growth than Distributed IT, as expected
- **Distributed IT** contributed good sales growth in Q3

Infrastructure

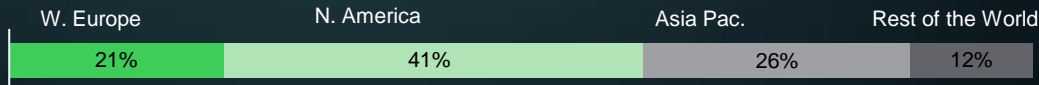
- **Electrical utilities** continue to be focused on digitization and resilience agenda
- Good demand in **WWW**, led by desalination projects in the Middle East
- **Transportation** demand down slightly, while sales benefitted from execution on marquee airport project

Industry

- Good demand and solid sales growth in **Process & Hybrid** segments
- Good demand for EM offers into **E&C** segment, and strong **services** demand
- **Discrete** automation sales remain down due to market weakness, notably in Western Europe
- Some **demand recovery** in certain Discrete automation products, against a low base

Energy Management +12% Q3 org. growth

Split of Q3 2024
revenue by geography:



North America +18%

- ▶ U.S. up **strong double-digit**, led by **Systems** revenues in **Data Center** and **Infra** end-markets
- ▶ U.S. **Product** revenues saw good growth across end-markets, including growth in Resi
- ▶ Group continues to focus on executing **capacity investments** to support Systems and Products growth
- ▶ U.S. **Field Services** up double-digit
- ▶ **Mexico** up mid-single digit on strong project execution
- ▶ **Canada** up low-single digit

Rest of the World +18%

- ▶ Good **project execution** supported growth across end-markets including **Industry**, **Data Center** and **Infrastructure**
- ▶ **Brazil** saw good growth in Buildings (both Resi and non-Resi)
- ▶ **Middle East** faced a very strong double-digit base of comparison, due to project execution in the prior year, while customer investments across end-markets continued

Western Europe +6%

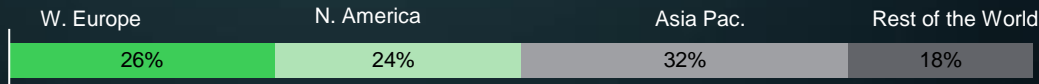
- ▶ **Italy** grew double-digit, with strength in Data Center and growth in Buildings
- ▶ **U.K.** up low-single digit with good traction in Data Center
- ▶ **France** up low-single digit with good performance in non-resi buildings
- ▶ **Germany** around flat with good traction in Data Center offset by continued weakness in Residential
- ▶ **Data Center** and **Infrastructure** remained well oriented across the region, while Resi was positive overall against a low base, though varied by country
- ▶ **Field Services** grew double-digit

Asia Pacific +5%

- ▶ **India** up strong double-digit with good performance across end-markets
- ▶ **China** down mid-single digit linked with macroeconomic weakness impacting construction markets, while Data Center saw good growth
- ▶ **Australia** grew low-single digit with good growth in Data Centers while Resi was around flat
- ▶ Strong performance across the **rest of the region**, up double-digit in aggregate, led by **Data Center** and **Industry** projects

Industrial Automation -6% Q3 org. growth

Split of Q3 2024
revenue by geography:



North America -5%

- ▶ U.S. down mid-single digit against double-digit base of comparison
- ▶ Strong sales growth in **Process & Hybrid** markets
- ▶ **Discrete automation** sales down as inventory normalization continues
- ▶ AVEVA flat
- ▶ **Mexico** up low-single digit with project execution in Process industries
- ▶ **Canada** down low-single digit with weak Discrete automation

Western Europe -16%

- ▶ **Discrete automation** challenged with double-digit declines in the major markets of **Germany, Italy and France**
- ▶ Organic growth at AVEVA down against a high base of comparison, while **ARR remained strong**
- ▶ **Process & Hybrid** markets relatively better oriented though contrasted by country; France up mid-single digit, while some countries impacted by delayed investment decisions at customers

Rest of the World +15%

- ▶ Strong growth in **Discrete automation** with contribution from multiple countries including **Saudi Arabia and Brazil**
- ▶ **Central & Eastern Europe** experienced similar trends to Western Europe in Discrete automation
- ▶ Software at **AVEVA** up double-digit, led by customers in the Middle East
- ▶ Solid sales growth into **Process & Hybrid** markets, led by E&C and WWW projects in Saudi Arabia and with contributions from countries across the Gulf region, Africa and South America

Asia Pacific -8%

- ▶ **China** around flat, with Discrete automation growth a slight positive, with some specific products returned to growth. Sales into Process & Hybrid markets declined
- ▶ **India** down against a strong double-digit base of comparison
- ▶ **Korea** up double-digit with strong performance at AVEVA
- ▶ **Japan** down, linked to continued OEM weakness in the region
- ▶ **Australia** declined against strong double-digit base of comparison

Acquisition of Motivair Corporation and prosumer JV with StarCharge, in line with Group's capital allocation priorities

1

Strong Investment Grade
Credit Ratings

2

Continued focus on
Progressive Dividends

3

Funding
Organic Growth

4

Portfolio evolution
/Share Buyback



motivair

- Announced on October 17, 2024, agreement to acquire 75% holding for \$850 million cash
- Deal values Motivair at a mid-single digit multiple of projected FY25 revenue
- Subject to customary closing conditions, expected to close in coming quarters
- Expect to acquire remaining 25% in 2028

Schneider
Electric

+



StarCharge

JV with StarCharge to address European prosumer market

- Creation of leading European prosumer hardware company
- Combining complementary strengths of Schneider and StarCharge
- Subject to customary closing conditions, expected to close in coming quarters

Expected trends in Q4

- Strong and dynamic market demand to continue on the back of structural megatrends
- Strong demand for System offers notably driven by trends in Data Centers, Grid Infrastructure investment and increased investments across Process Industries served by both businesses
- Continued focus on subscription transition in Software and growth in Services
- Continued recovery in demand for Product offers (consumer-linked segments and Discrete Automation)
- All four regions to contribute to growth, led by U.S., India and the Middle East
- Execute capacity investments to support unprecedented high demand, especially in North America

2024 Target reaffirmed

The Group reaffirms its 2024 financial target as follows:

2024 Adjusted EBITA growth of between +9% and +13% organic

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

- Revenue growth of **+6% to +8% organic**
- Adjusted EBITA margin up **+60bps to +80bps organic**

This implies Adjusted EBITA margin of **around 18.1% to 18.3%** (including scope based on transactions completed to-date and FX based on current estimation).

Further notes on 2024 FX & Scope available in slide 17

Q&A

Investor Relations ready to engage

30 October	Q3 2024 Revenues
20 November	Morgan Stanley Tech Conference (Barcelona)
2 & 3 December	India Investor Event (Hyderabad, India)



Powering India's sustainability and growth for global

IMPACT

India Investor Event
December 2024

Investor Event December 2 & 3, 2024
Hyderabad, India

Life Is On | Schneider Electric

The banner features a woman wearing a VR headset, pointing at a green grid with a flower icon. The background is a collage of images related to sustainability and technology, including solar panels, a tractor, an airplane, and a modern city skyline.

Investor Relations contacts

Amit Bhalla – amit.bhalla@se.com

Graham Phillips – graham.phillips@se.com

Andrew Gamwell – andrew.gamwell@se.com

David Le Goascoz – david.le-goascoz-janvier@se.com

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

Appendix

2024 additional notes

- ▶ **Foreign Exchange impact:** Based on current rates¹, the FX impact on FY 2024 revenues is estimated to be **between -€450 million to -€550 million**. The FX impact at current rates on adjusted EBITA margin for FY 2024 could be **around -40bps**
- ▶ **Scope impact:** Around **-€275 million** on 2024 revenues and **around flat** on 2024 adjusted EBITA margin, based on transactions completed to-date
- ▶ **Tax rate:** The ETR is expected to be in a **22-24%** range in 2024
- ▶ **Restructuring:** The Group expects restructuring costs to decrease towards target of around **€100 million** per year

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

External recognition of our **IMPACT** in Q3 2024



World
Benchmarking
Alliance



Q3 2024 Results



6 long-term commitments

CLIMATE



1. Grow Schneider Impact revenues^{**3}
2. Help our customers save and avoid millions of tonnes of CO₂ emissions⁴
3. Reduce CO₂ emissions from top 1,000 suppliers' operations

	Baseline ²	Q3 2024	2025 Ambition
1. Grow Schneider Impact revenues ^{**3}	70%	75%	80%
2. Help our customers save and avoid millions of tonnes of CO ₂ emissions ⁴	263M	628M	800M
3. Reduce CO ₂ emissions from top 1,000 suppliers' operations	0%	36%	50%

RESOURCES



4. Increase green material content in our products
5. Primary and secondary packaging free from single-use plastic, using recycled cardboard

4. Increase green material content in our products	7%	37%	50%
5. Primary and secondary packaging free from single-use plastic, using recycled cardboard	13%	74%	100%

TRUST



6. Strategic suppliers who provide decent work to their employees⁵
7. Level of confidence of our employees to report unethical conduct⁶

6. Strategic suppliers who provide decent work to their employees ⁵	1%	48%	100%
7. Level of confidence of our employees to report unethical conduct ⁶	81%	83%	91%

EQUAL



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

8. Increase gender diversity in: hiring (50%), front-line management (40%), and leadership teams (30%)	41%	43%	50%
	23%	30%	40%
	24%	31%	30%

9. Provide access to green electricity to 50M people⁷

9. Provide access to green electricity to 50M people ⁷	30M	50.8M	50M
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GENERATIONS



10. Double hiring opportunities for interns, apprentices and fresh graduates³
11. Train people in energy management⁷

10. Double hiring opportunities for interns, apprentices and fresh graduates ³	4,939	x1.59	x2
11. Train people in energy management ⁷	281,737	763,397	1M

LOCAL



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

+1. Country and Zone Presidents with local commitments that impact their communities	0%	100%	100%
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**Per Schneider Electric definition and methodology ¹ 2021 baseline 3/10, 2025 ambition 10/10 ² Current cycle baseline

³ 2019 baseline ⁴ cumulated since 2018 ⁵ 2022 baseline ⁶ 2021 baseline ⁷ cumulated since 2009



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