

DRIVE CROSS-SELLING AND SIMPLIFY OUR COMMERCIAL SETUP

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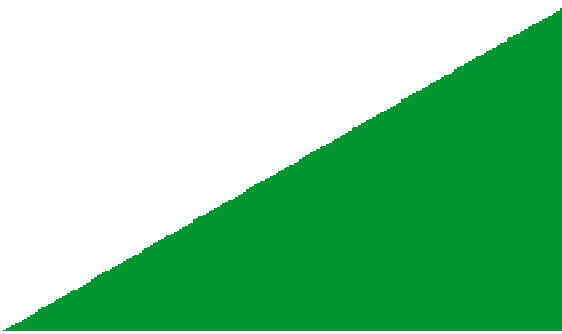
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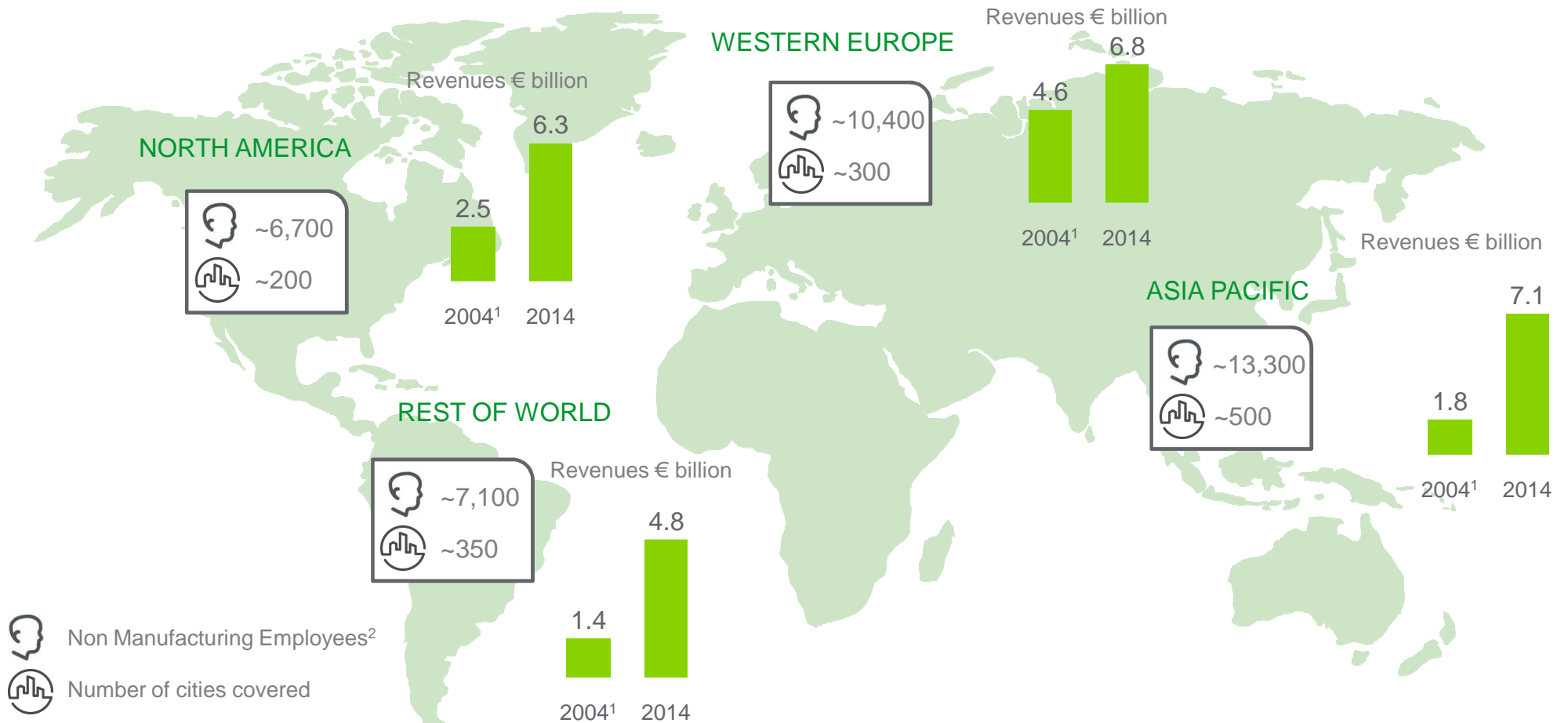
Disclaimer

All forward-looking statements are Schneider Electric management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. For a detailed description of these factors and uncertainties, please refer to the section "Risk Factors" in our Annual Registration Document (which is available on www.schneider-electric.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.



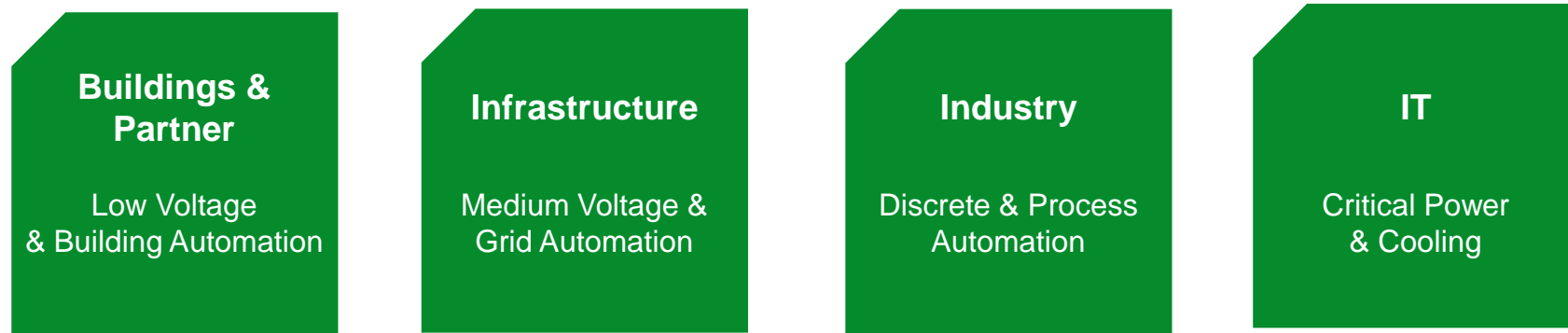
We have significantly increased our business size and balanced our geographical footprint



¹ Published figures in billion € restated to reflect country-market view

² Non Manufacturing Employees include Sales, Marketing, IT, Finance, HR and General Management

An integrated commercial setup, to supply more to each customer in each country



Structured commercial setup in each country to drive cross selling and maximize coverage

Deliver value to the customer





Further optimize the commercial approach to
enhance cross-selling



Customer-centric sales initiatives to drive cross selling

INITIATIVES

DEDICATED SALES EXCELLENCE FUNCTION

- > Dedicated resource to drive cross-selling

BETTER END USER COVERAGE

- > Better targeting and sales resource allocations to increase "Share of Wallet"

REINFORCE CHANNEL COVERAGE THROUGH PARTNERS

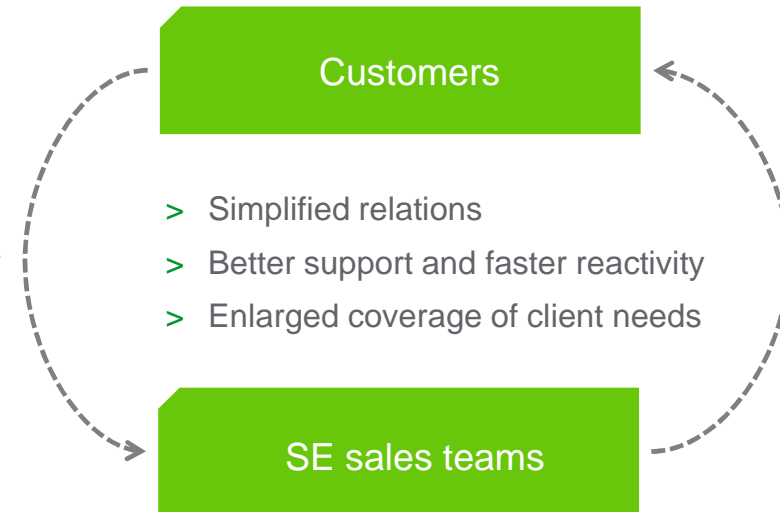
- > Boost selected offers through specific channels with cross-selling tracking

FASTER SALES RESPONSIVENESS

- > Reinforce ability to respond and sell
- > Leverage Digital Customer Experience and Customer Care Centers

WORLD CLASS COMMERCIAL FORCE

- > Learning & development for sales teams to strengthen cross-selling capability



Better End User coverage to pull-through entire Schneider Electric offer

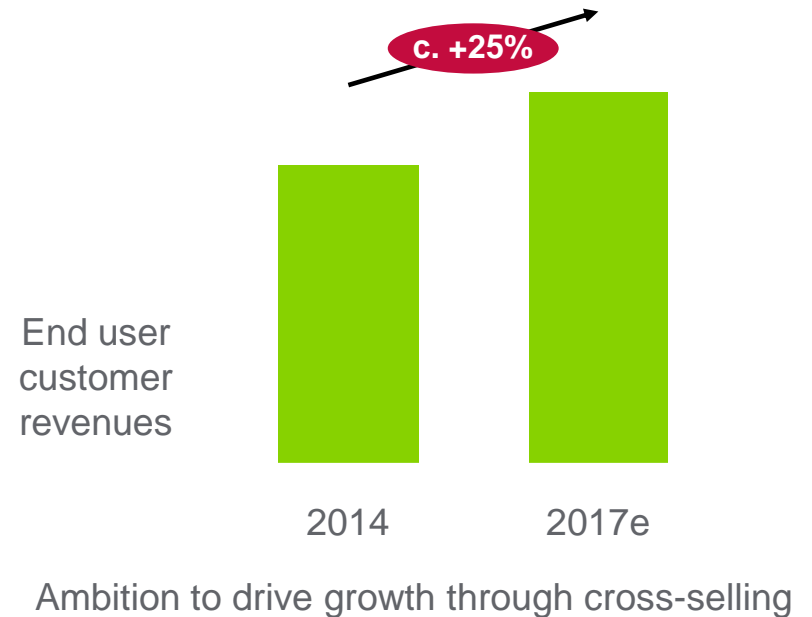
PRINCIPLE

- > Focus on our key end users and improve their customer experience through a specific, dedicated commercial setup

KEY INITIATIVES

- > Assess and define business potential by end user for total Schneider Electric offer
- > Customized commercial setup and resource to fit specific customer need
- > Clear incentive plan for overall account development and cross-selling

EXAMPLE IN ASIA PACIFIC



Further strengthen partnerships for more channel coverage

PRINCIPLE

- > Reinforce our channel partners by developing the commercial links to increase cross-selling

KEY INITIATIVES

- > Customize commercial setup to bring specific support and tools to our partners

EXAMPLE IN NORTH AMERICA

Description:

Leverage strong distribution network to further emphasize small & medium business growth

Reinforced channel coverage by:

- > Launch of *PROficient* - suite of easy to use digital tools for contractors
 - > Support to partners on adoption of faster, scalable digital applications
-

Result:

Small & medium business revenue up **high single digit**



Simplify operations to deliver
commercial efficiency



Focused program to capture simplification opportunity...

1. Growing complexity with new activities, geographies, business models and customers
2. Need to increase flexibility to navigate through uncertain economic environment

Opportunity to reduce complexity & costs

Dedicated 3 year program to **Simplify**

... with the goal to improve efficiency and generate savings

KEY OBJECTIVES

Reduce complexity

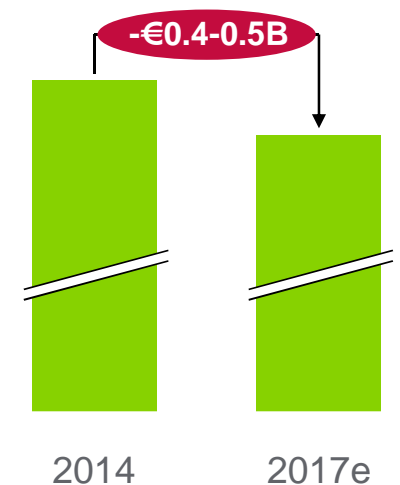
Reduce costs



EXECUTION PRIORITIES

1. Optimize R&D efficiency and solution execution and footprint
2. Streamline organization to increase commercial efficiency
3. Mutualize back office functions in shared service centers
4. Increase focus and prioritization
5. Increase sales force efficiency

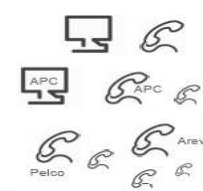

GROSS SFC¹ SAVINGS THROUGH SIMPLIFICATION & EFFICIENCY



1 Before inflation and reinvestment

Implementation of organizational efficiency shows signs of success

EXAMPLE IN WESTERN EUROPE

	2011	2014
OPTIMIZE SOLUTION CENTER FOOTPRINT	4 solution centers 5 service centers	1 execution center 1 service center with consolidated services team
STREAMLINED ORGANIZATION	Independent functions by business unit	Mutualized functions in the country for high added value activities
MUTUALIZATION	6 independent Front Offices 4 CCC	Regional set-ups 1 CCC <ul style="list-style-type: none"> • Facilitated collaboration & cross-selling • Increased sales efficiency • Increased customer service
CCC¹ MUTUALIZATION		<p>Single Point Of Contact</p> 

Results
~ €15 million annual savings

¹ CCC: Customer care center



CONCLUSION



We simplify our commercial set-up to deliver more value for our customers

GLOBAL PLAYER

- > A global company with commercial footprint covering ~1350 cities in more than 100 countries
- > We saturate our 4 key end markets by integrated commercial approach in each country

DRIVE CROSS-SELLING & INCREASE COVERAGE

- > Dedicated sales excellence teams
- > Better End User coverage
- > Reinforce our channel partnerships
- > Faster sales responsiveness
- > World class commercial force

SIMPLIFICATION

- > Optimize R&D efficiency and solution execution and footprint
- > Streamline organization to increase commercial efficiency
- > Mutualize back office functions in shared service centers
- > Increase focus and prioritization
- > Increase sales force efficiency

The background features a white central area with abstract green shapes. A large, light green triangle points downwards from the top right. A darker green triangle points upwards from the bottom right. These two triangles overlap in the center, creating a white diamond shape. The text 'HELP PEOPLE MAKE THE MOST OF THEIR ENERGY' is centered within this white diamond.

HELP PEOPLE MAKE THE MOST OF THEIR ENERGY