

A close-up photograph of a Schneider Electric circuit breaker assembly on a production line. The assembly consists of a white terminal block on top of a black and white breaker unit. The breaker unit has a label with technical specifications and the Schneider Electric logo. The background is blurred, showing other parts of the factory floor.

Schneider Electric Global Supply Chain

Powered by EcoStruxure

Investor visit, Le Vaudreuil (France)

June 26, 2019

Life Is On

Schneider
Electric

Disclaimer

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

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

EFFICIENCY

Using EcoStruxure for enhanced efficiency
in industrial end-markets

Global Supply Chain

A vast worldwide set-up across the value chain

Orders



- 150,000 order lines per day
- 260,000 references

Logistics



- 98 distribution centers

Manufacturing



- 200 factories
- 46 countries

Procurement



- €13.1 B purchases*

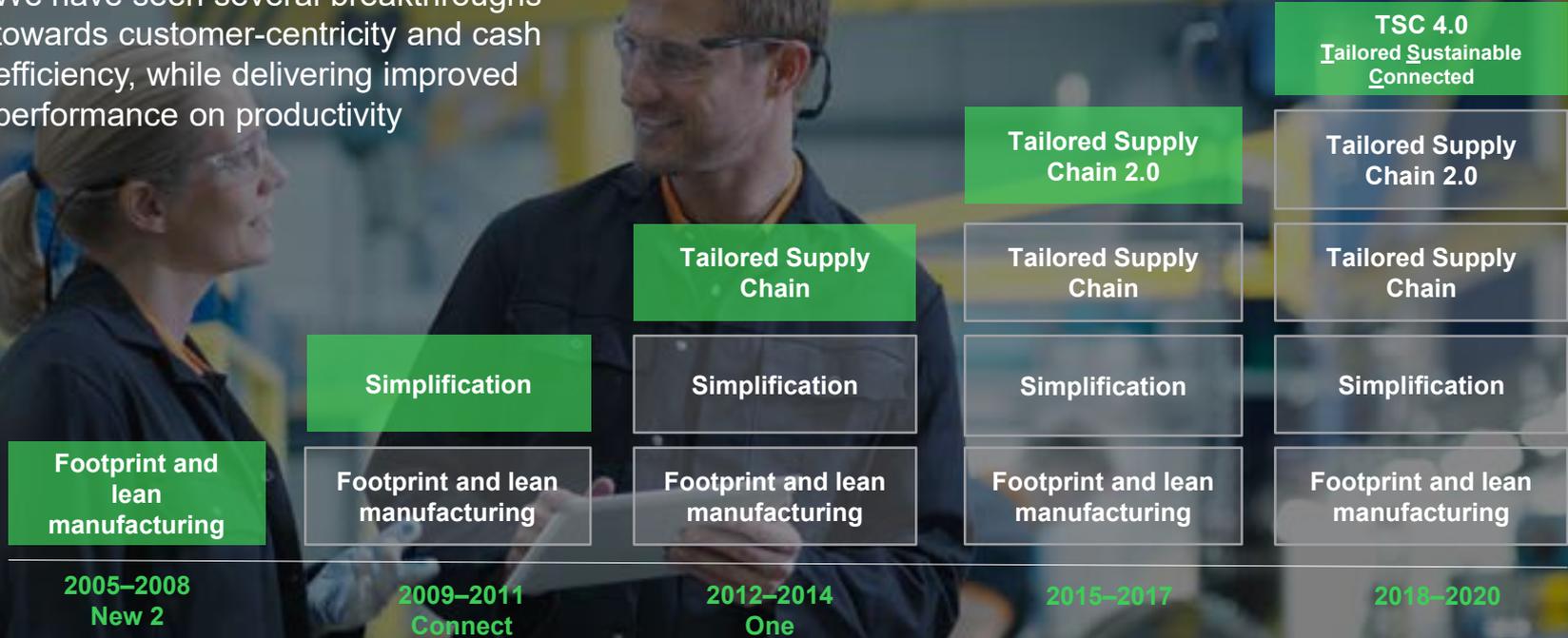
86,000 employees (Total industrial headcount incl. procurement, manufacturing, and logistics)

December 2018 (including Delixi)

* Production and non-production purchase

Our Tailored Supply Chain journey

We have seen several breakthroughs towards customer-centricity and cash efficiency, while delivering improved performance on productivity



Schneider is On
Best-in-class across industry

Our supply chain is recognized externally

Gartner recognition

- 2019:** Schneider Electric ranked No.11 in Global
- 2018:** Schneider Electric ranked No.12 in Global
- 2017:** Schneider Electric ranked No.17 in Global
- 2016:** 10/10 on Corporate Social Responsibility

Recognized for creating a centralized supply chain and Tailored Sustainable Connected 4.0 Supply Chain transformation initiatives



SCM Awards

- 2019:** Winner for the Chainnovator for Industrial Manufacturing
- 2018:** No.2 Power of the Profession Awards
- 2016:** Top five in Supply Chain Breakthrough
- 2015:** Winner of Talent Breakthrough category

2019 Gartner Supply Chain

Schneider Electric
ranked no.3 in Europe

A complete portfolio for industrial end-markets leveraging energy management and industrial automation

Combining energy management and industrial automation for enhanced performance:



Schneider integrated offers at every level



*Schneider Electric is a Strategic Technology Partner & Reseller of AVEVA

Smart Factory - Eating our own food

Deploying our complete technologies in our own Global Factories and Distribution Centers

Smart Factory value proposal:

- Enhanced efficiency for new and existing plants
- Applied on differing levels of automation
- Deployed without manufacturing disruption
- Compelling ROI

Optimize end-to-end efficiency, achieve asset reliability, and deliver customer value:

- Using EcoStruxure for Industry
- Leveraging innovative technologies, IT solutions, and data analytics

Contribute to growth:

- Opening our smart factories to customer visits
- Scaling EcoStruxure for Industry showcases

Smart Factory deployment

2017

Launch the program

11 showcases

smart factories and distribution centers

25 smart factories

Q2 2019

Think big. Act small. Scale fast.

60 smart factories

2020

Catalyze optimization with a high level of platforming data

Reach **100+**

smart factories and distribution centers

Capitalizing on a global roadmap with all regions and testing solutions from idea to feasibility, to pilot and scale. Deploy global governance and appropriated centers of excellence.

Investment within factories based on strict financial return guidelines

Several successful deployments driving value



Wuhan, **China**



Monterrey, **Mexico**



Le Vaudreuil, **France**



Evreux, **France**



Lexington, **USA**



Hyderabad, **India**



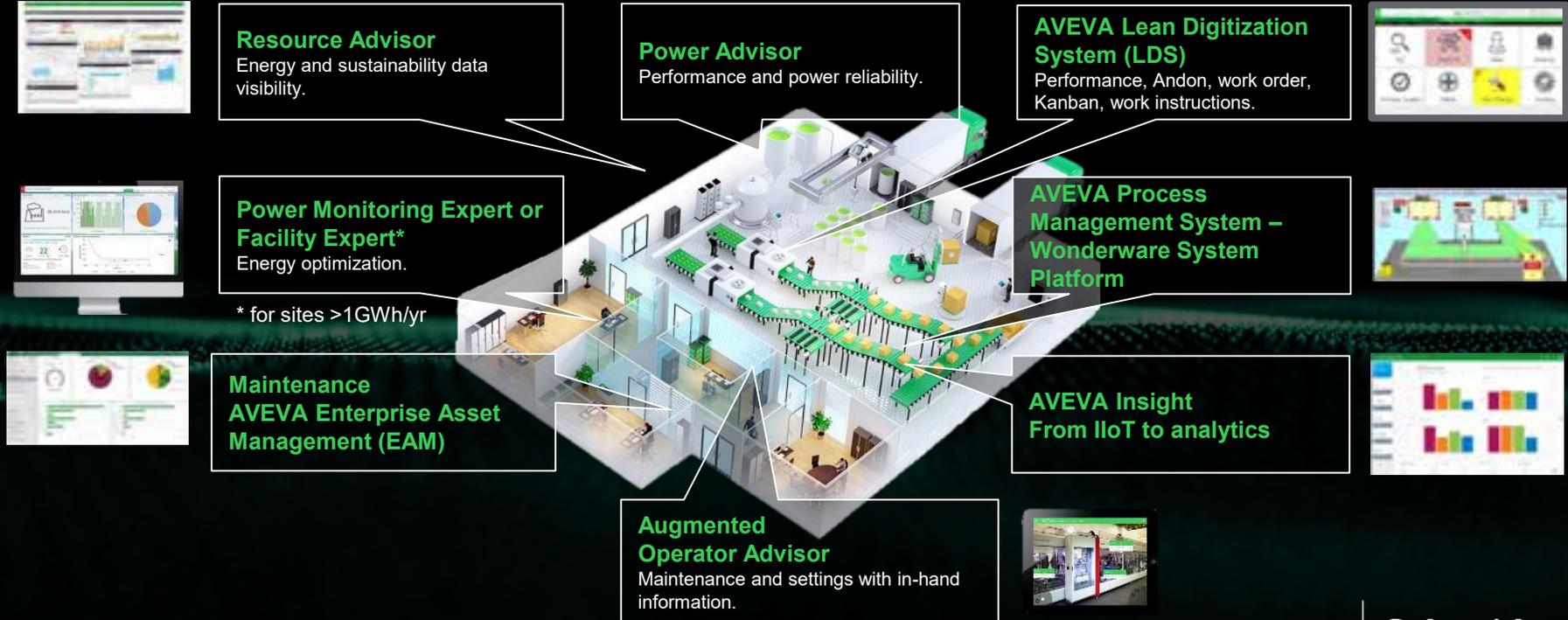
Batam, **Indonesia**



Control Tower, **Singapore**

Smart Factory empowered by EcoStruxure

Selection of EcoStruxure solutions deployed – becoming a standard of manufacturing



Smart Factory resonates with customers

Industrial
customer needs

Digital transformation

Efficiency & sustainability

Sharing Schneider GSC journey with customers
through EcoStruxure solutions

Specialized consulting teams sharing on:

- Lean manufacturing
- Digital transformation
- Cybersecurity
- Change management
- Performance improvement

> 5,000 customer visits across segments

Introducing the Le Vaudreuil factory

WORLD
ECONOMIC
FORUM

In the world's
top nine
lighthouse
factories

1975

Plant opening

360

employees

14,200

m² buildings

4

Certifications

ISO 14001, 2015 repository (environment)

ISO 9001, 2015 repository (quality)

OHSAS 18001, 2007 repository
(health and safety)

ISO 50001, 2011 repository
(energy management)

Drives and starters



Contactors



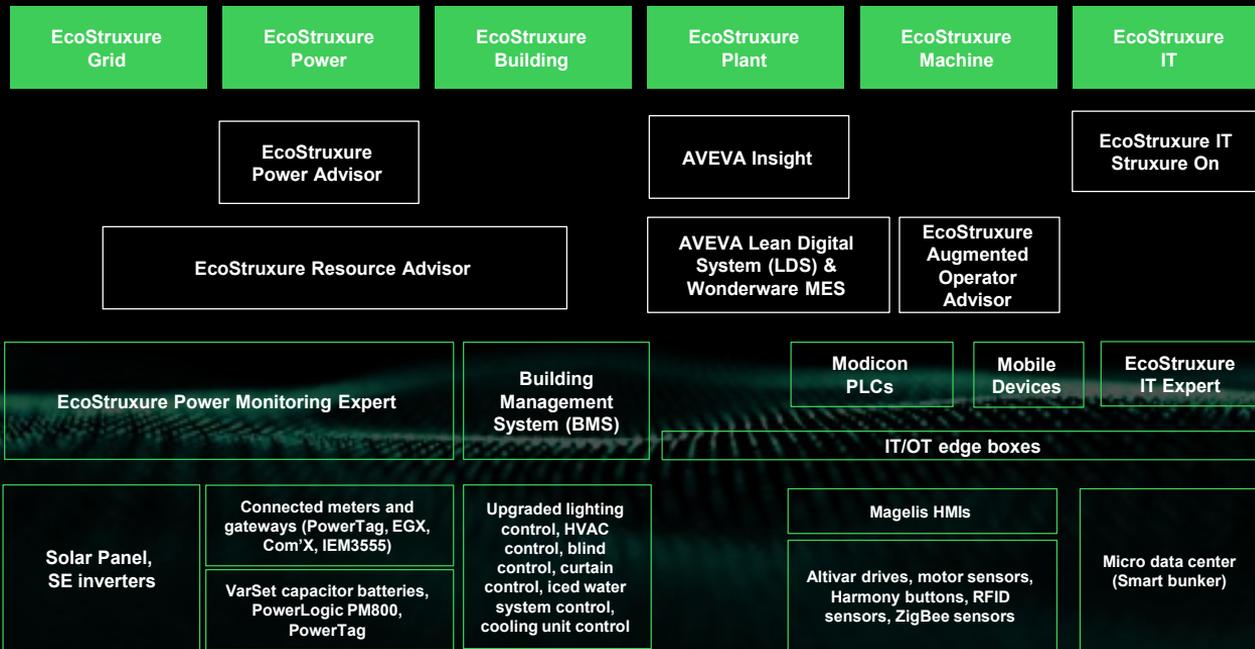
Contactor subassembly video

Video used in Wuhan – translation in progress (1'31'')

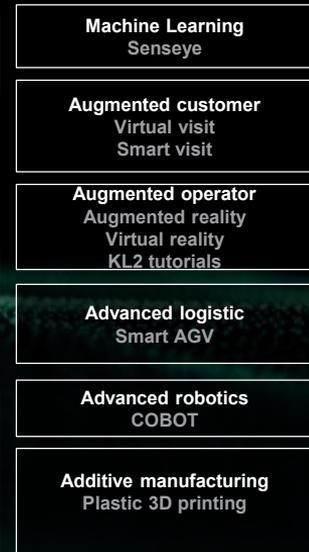


EcoStruxure™ solution covered in Le Vaudreuil, France

6 Domains of Expertise



Additional technology



3 Innovation Levels

Digital journey with EcoStruxure

Limited investment with high ROI

~€550 K investment

<3 year ROI

IIoT

Augmented and virtual reality

Lean digitization system

Energy efficiency

-80%

on red maintenance time¹

-15%

on energy consumption over past three years

+7 pts

on OEE^{1,2}

1. For equipment deployed
2. Overall Equipment Efficiency

A non-invasive technology

- Implemented in few months
- No downtime during deployment
- Empowering operators

WORLD
ECONOMIC
FORUM

In the world's
top nine
lighthouse
factories

Contributing to business growth

Close collaboration with business,
sales operation, and supply chain

> **1,500** visitors in 2019

> 2,000 in 2018

35% influenced opportunities

€5 M won opportunities

Across segments

Discrete

Hybrid

Process



SAFETY

Factory visit

Life Is On

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Electric

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