FOURTH PROSPECTUS SUPPLEMENT DATED 28 FEBRUARY 2024
TO THE BASE PROSPECTUS DATED 12 APRIL 2023

SCHNEIDER ELECTRIC SE
Euro Medium Term Note Programme

This fourth prospectus supplement (the "**Fourth Prospectus Supplement**") is supplemental to, and should be read in conjunction with, the base prospectus dated 12 April 2023 which received approval number 23-113 on 12 April 2023 from the *Autorité des marchés financiers* (the "**AMF**") as supplemented by a first prospectus supplement dated 12 May 2023 which received approval number 23-153 on 12 May 2023 from the AMF, a second prospectus supplement dated 10 August 2023 which received approval number 23-357 on 10 August 2023 from the AMF and a third prospectus supplement dated 10 November 2023 which received approval number 23-467 on 10 November 2023 from the AMF (the "**Base Prospectus**") prepared in relation to the Euro Medium Term Note Programme (the "**Programme**") of Schneider Electric SE (the "**Issuer**"). The Base Prospectus constitutes a base prospectus for the purpose of Article 8 of Regulation (EU) 2017/1129 of 14 June 2017, as amended (the "**Prospectus Regulation**").

Application has been made for approval of this Fourth Prospectus Supplement to the AMF in its capacity as competent authority pursuant to the Prospectus Regulation.

This Fourth Prospectus Supplement has been prepared pursuant to Article 23 of the Prospectus Regulation, for the purposes of (i) incorporating by reference the Issuer's 2023 Annual Financial Report, (ii) incorporating recent events in connection with the Issuer and (iii) as a consequence, amending and supplementing the sections "Documents Incorporated by Reference", "Form of Final Terms", "Recent Developments" and "General Information" of the Base Prospectus.

Save as disclosed in this Fourth Prospectus Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus which may affect the assessment of the Notes since the publication of the Base Prospectus.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this Fourth Prospectus Supplement.

To the extent there is any inconsistency between (a) any statement in this Fourth Prospectus Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Copies of this Fourth Prospectus Supplement (a) may be obtained, free of charge, from the registered office of the Issuer during normal business hours, (b) will be available for viewing on the website of the Issuer (https://www.se.com), (c) will be available for viewing on the website of the AMF (https://www.amf-france.org) and (d) will be available during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for inspection at the offices of each Paying Agent.

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DOCUMENTS INCORPORATED BY REFERENCE

The section entitled "Documents Incorporated by Reference" appearing on pages 27 to 31 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

"This Base Prospectus should be read and construed in conjunction with:

- the pages referred to in the table below which are included in the French language financial annual report relating to the unaudited annual financial statements for the fiscal year ended on 31 December 2023, published on 15 February 2024 on the Issuer's website (the "**2023 Annual Financial Report**");
- the pages referred to in the table below which are included in the French language *Document d'Enregistrement Universel* of the Issuer which received n° D.23-0158 from the AMF on 29 March 2023 (the "**2022 Universal Registration Document**");
- the pages referred to in the table below which are included in the French language *Document d'Enregistrement Universel* of the Issuer which received n° D.22-0171 from the AMF on 29 March 2022 (the "**2021 Universal Registration Document**"); and
- the terms and conditions of the notes contained in the base prospectuses of the Issuer dated, respectively, 3 June 2022 (the "**2022 EMTN Conditions**") 28 April 2020 (the "**2020 EMTN Conditions**"), 25 April 2019 (the "**2019 EMTN Conditions**"), 26 November 2018 (the "**2018 EMTN Conditions**"), 6 October 2017 (the "**2017 EMTN Conditions**"), 31 August 2016 (the "**2016 EMTN Conditions**"), 31 July 2015 (the "**2015 EMTN Conditions**"), 15 July 2014 (the "**2014 EMTN Conditions**" and, together with the 2015, 2016, 2017, 2018, 2019, 2020 and 2022 EMTN Conditions, the "**EMTN Previous Conditions**").

Any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus may be obtained, free of charge, from (i) the registered office of the Issuer, (ii) the website of the Issuer (https://www.se.com) and/or (iii) at the offices of each Paying Agent set out at the end of this Base Prospectus during normal business hours.

The 2022 Universal Registration Document and the 2021 Universal Registration Document are available on the website of the AMF (https://www.amf-france.org).

Other than in relation to the documents which are incorporated by reference, the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the AMF.

For the purpose of the Prospectus Regulation, information can be found in the documents incorporated by reference in this Base Prospectus in accordance with the following cross-reference table (in which the numbering refers to the relevant items of Annex 7 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation, as amended (the "**Commission Delegated Regulation**").

Any information not listed in the cross-reference list below but included in the documents incorporated by reference shall not form part of this Base Prospectus. The non-incorporated parts are either not relevant for investors or covered elsewhere in this Base Prospectus.

English translations of the 2023 Annual Financial Report, the 2022 Universal Registration Document and the 2021 Universal Registration Document are available on the website of the Issuer (https://www.se.com). Such English translations are available for information purposes only and are not incorporated by reference in this

Base Prospectus. Only the French versions of the 2023 Annual Financial Report, the 2022 Universal Registration Document and the 2021 Universal Registration Document may be relied upon.

Commission Delegated Regulation –Annex 7		2023 Annual Financial Report	2022 Universal Registration Document	2021 Universal Registration Document
3	**RISK FACTORS**			
3.1	A description of the material risks that are specific to the Issuer and that may affect the Issuer's ability to fulfil its obligations under the securities, in a limited number of categories, in a section headed 'Risk Factors'. In each category the most material risks, in the assessment of the Issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the Issuer and the probability of their occurrence, shall be set out first. The risk factors shall be corroborated by the content of the registration document.		Pages 304 to 318	
4	**INFORMATION ABOUT THE ISSUER**			
4.1	**<u>History and development of the Issuer</u>**			
4.1.1	the legal and commercial name of the Issuer;		Page 527	
4.1.2	the place of registration of the Issuer and its registration number and legal entity identifier ('LEI');		Page 527	
4.1.3	the date of incorporation and the length of life of the Issuer, except where indefinite; and		Page 527	
4.1.4	the domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business if different from its registered office) and website of the Issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.		Page 527	
4.1.5	Any recent events particular to the Issuer and which are to a material extent relevant to an evaluation of the issuer's solvency.	Pages 53 and 64 to 65		
5	**BUSINESS OVERVIEW**			
5.1	**<u>Principal activities</u>**			

	Commission Delegated Regulation –Annex 7	2023 Annual Financial Report	2022 Universal Registration Document	2021 Universal Registration Document
5.1.1	A brief description of the Issuer's principal activities stating the main categories of products sold and/or services performed; and		Pages 22 to 34	
5.1.2	The basis for any statements in the registration document made by the Issuer regarding its competitive position.		Pages 20-21	
6	**ORGANISATIONAL STRUCTURE**			
6.1	If the Issuer is part of a group, a brief description of the group and the Issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.	Pages 54 to 63		
6.2	If the Issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.		Not applicable	
9	**ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES**			
9.1	Names, business addresses and functions in the Issuer of the following persons, and an indication of the principal activities performed by them outside the Issuer where these are significant with respect to that Issuer: (a) members of the administrative, management or supervisory bodies; (b) partners with unlimited liability, in the case of a limited partnership with a share capital.		(a) Pages 334 to 346 (b) Not Applicable	
9.2	**Administrative, Management, and Supervisory bodies conflicts of interests** Potential conflicts of interests between any duties to the Issuer of the persons referred to in item 9.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made.		Pages 348 to 350	
10	**MAJOR SHAREHOLDERS**			
10.1	To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.		Pages 522-523	
10.2	A description of any arrangements, known		Not applicable	

	Commission Delegated Regulation –Annex 7	2023 Annual Financial Report	2022 Universal Registration Document	2021 Universal Registration Document
	to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.			
11	**FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES**			
11.1	**Historical Financial Information**			
	Historical financial information covering the latest two financial years (at least 24 months) or such shorter period as the Issuer has been in operation and the audit report in respect of each year.	Pages 1 to 63 (unaudited)	Pages 420 to 487	Pages 344 to 401
	(a) balance sheet;	Pages 4-5	Pages 423-424	Pages 347-348
	(b) income statement;	Pages 1-2	Pages 420-421	Pages 344-345
	(c) cash flow statement; and	Page 3	Page 422	Page 346
	(d) accounting policies and explanatory notes.	Pages 7 to 63	Pages 426 to 482	Pages 350 to 396
11.1.5	**Consolidated financial statements** If the Issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document.	Pages 1 to 63 (unaudited)	Pages 420 to 487	Pages 344 to 401
11.2	**Auditing of historical annual financial information**			
11.2.1	The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with Directive 2006/43/EC and Regulation (EU) No 537/2014. Where Directive 2006/43/EC and Regulation (EU) No 537/2014 do not apply, the historical financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard. Otherwise, the following information must be included in the registration document: (a) a prominent statement disclosing which auditing standards have been applied; (b) an explanation of any significant departures from International Standards on Auditing.		Pages 483 to 487	Pages 397 to 401

Commission Delegated Regulation –Annex 7		2023 Annual Financial Report	2022 Universal Registration Document	2021 Universal Registration Document
11.2.1a	Where audit reports on the historical financial information have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, the reason must be given, and such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.		Not applicable	Not applicable
11.5	**<u>Legal and arbitration proceedings</u>** Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	Pages 52-53		

The EMTN Previous Conditions are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued with the relevant EMTN Previous Conditions.

EMTN Previous Conditions	
2014 EMTN Conditions	Pages 51 to 81
2015 EMTN Conditions	Pages 57 to 88
2016 EMTN Conditions	Pages 62 to 94
2017 EMTN Conditions	Pages 63 to 92
2018 EMTN Conditions	Pages 30 to 66
2019 EMTN Conditions	Pages 30 to 67
2020 EMTN Conditions	Pages 31 to 68
2022 EMTN Conditions	Pages 33 to 92

Information contained in the documents incorporated by reference other than information listed in the table above is for information purposes only."

The following press release is included in the section entitled "Recent Developments" on page 96 of the Base Prospectus:

On 15 February 2024, the Issuer published the following press release:

"Rueil-Malmaison (France), February 15, 2024

Financial Highlights

- **FY23 revenues of €36 billion, up +13% organic**
  - **Energy Management up +14% organic**
  - **Industrial Automation up +7% organic**
- **Q4'23 revenues up +9% organic**
  - **Software & Services up +17% organic; ARR at AVEVA up +19%**
- **FY23 Adj. EBITA €6.4 billion, up +25% organic**
  - **Adj. EBITA Margin 17.9%, up +180bps organic**
- **Net Income €4.0 billion, up +15%**
- **Free Cash Flow €4.6 billion; up +38% with strong working capital contribution in H2**
- **Progressive dividend[1] at €3.50/share, up +11%**
- **Schneider Sustainability Impact - score of 6.13 vs. target of 6.00**
- **FY24 Target: Adj. EBITA org. growth between +8% and +12%, driven by +6% to +8% org. revenue growth and +40bps to +60bps org. Adj. EBITA margin improvement**

Key figures (€ million)	2022 FY	2023 FY	Reported Change	Organic Change
Revenues	34,176	35,902	+5.1%	+12.7%
Adjusted EBITA	6,017	6,412	+6.6%	+24.5%
% of revenues	*17.6%*	*17.9%*	*+30bps*	*+180bps*
Net Income (Group share)	3,477	4,003	+15%	
Free Cash Flow	3,330	4,594	+38%	
Adjusted Earnings Per Share[2] (€)	7.11	7.26	+2%	+16.5%
Dividend Per Share[1] (€)	3.15	3.50	+11%	

Peter Herweck, Chief Executive Officer, commented:

"I am pleased to share that 2023 was another year of record performance for Schneider Electric, with +13% organic growth in revenues coupled with excellent organic margin progression, highest free cash flow and a strong step-up in net income for the full year. Based on these results we are proposing a dividend of €3.50 per share, representing our 14th consecutive year of dividend progression.

We enter 2024 with a record level of backlog, particularly in relation to our systems business, giving us enhanced visibility for the coming quarters. Backlog and continuing strong demand dynamics across most of our portfolio solidifies setting strong financial targets for 2024. This is the first step of the "Next Frontier" our four-year journey as a leader in Industrial Tech, as set out in our CMD."

1. *Subject to Shareholder approval on May 23, 2024*
2. *See appendix Adjusted Net Income & Adjusted EPS*

I. FOURTH QUARTER REVENUES WERE UP +9% ORGANIC

2023 Q4 revenues were €9,480 million, up +9.1% organic and up +1.7% on a reported basis.

Products (53% of FY 2023 revenues) grew +2% organic in Q4. Product revenues grew mid-single digit in Energy Management with sales into consumer-linked segments having stabilized, coupled with continued strong demand across a range of other segments and end-markets. Growth in Industrial Automation products was down, impacted by weak discrete automation sales primarily in Western Europe, China and East Asia. Across the Group, product volumes were slightly positive, while the carryover impact of price actions taken in 2022 continued to fade, as expected. Product growth was supported by backlog execution throughout the quarter.

Systems (28% of FY 2023 revenues) grew +17% organic in Q4, with strong double-digit organic sales growth in Energy Management supported by continued strong demand, including in Data Center and Infrastructure projects globally. In Industrial Automation, systems sales into Process & Hybrid markets saw solid growth, however weak demand from OEMs impacted systems sales into Discrete automation markets.

Software & Services (19% of FY 2023 revenues) grew +17% organic in Q4.

Software and Digital Services (9% of FY 2023 revenues) grew +28% organic in Q4.

- AVEVA delivered strong growth in Annualized Recurring Revenue (ARR), up +19%[3] as of 31 December 2023, driven by strong performance in subscription contract wins, in particular for cloud-based Software as a Service (SaaS). SaaS growth was supported by the growth of the CONNECT platform and the related AVEVA Flex business model. In addition to new customer wins, ARR growth was boosted by successful upsell to the existing customer base on contract renewals while churn remained low. Q4 saw the successful roll-out of AVEVA PI Data Infrastructure, which saw strong traction with customers, supporting the evolution towards a greater proportion of subscription revenues.

- Energy Management agnostic software offers delivered double-digit organic revenue growth in Q4, led by the Group's eCAD offer (ETAP), which saw contract renewals with key accounts and new customer wins. The Group's software offer for the construction market (RIB Software) grew, seeing continued strong growth in recurring revenues.

- The remainder of the Group's digital offers delivered strong double-digit growth, including strong contribution from EcoStruxure offers for Grid digitization and modernization.

Field Services (10% of FY 2023 revenues) grew +9% organic in Q4, with strong contribution from both businesses. Energy Management services grew high-single digit, while Industrial Automation services grew double-digit across both Discrete and Process & Hybrid automation, with the latter linked to strong project execution with attached service contracts.

Sustainability Business: Sustainability consulting and services offers (split between Digital and Field Services) delivered high-single digit sales growth in Q4 against a base of comparison in excess of +20%. The Group's sustainability consulting and managed services led growth, with strong performance in PPA advisory services in Europe, while the Group's consulting services were a catalyst for strong pull-through for other offers. The Group's public sector efficiency business saw good demand towards the end of the quarter, though sales growth remained impacted by higher interest rates. Q4 saw the completion of the acquisition of EcoAct, which is a pivotal addition to the portfolio of the Sustainability Business.

Digital update:

In 2023, the Digital Flywheel represented 56% of Group revenue, showing good progress towards a target range of 60% - 65% by 2027. The growth of the Digital Flywheel outperformed the Group average, led by strong performance in connectable products (which now represent 28% of Group revenues) and Software & Services (which now represent 19% of Group revenues). Within its agnostic software businesses, around 70% of revenues were classified as recurring, showing strong progress towards a target of around 80% by 2027.

The breakdown of revenue by business and geography was as follows:

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3. At constant currency, adjusted for Russia impacts

Region	Q4 2023			FY 2023		
	Revenues € million	Reported Growth	Organic Growth	Revenues € million	Reported Growth	Organic Growth
North America	2,738	+5.2%	+10.5%	10,449	+16.2%	+19.5%
Western Europe	1,866	+6.9%	+10.6%	6,658	+7.0%	+11.6%
Asia Pacific	2,085	+2.1%	+9.9%	7,803	+0.4%	+8.3%
Rest of the World	948	+1.2%	+18.8%	3,331	-3.5%	+20.1%
Total Energy Management	**7,637**	**+4.2%**	**+11.3%**	**28,241**	**+6.8%**	**+14.4%**
North America[4]	438	-20.0%	-0.3%	1,762	-11.6%	+7.4%
Western Europe	529	-1.4%	-2.5%	2,254	+8.4%	+6.6%
Asia Pacific	578	-6.8%	-1.7%	2,444	-4.8%	+0.8%
Rest of the World	298	+3.3%	+14.7%	1,201	+9.8%	+20.1%
Total Industrial Automation	**1,843**	**-7.5%**	**+0.7%**	**7,661**	**-0.9%**	**+6.7%**
North America	3,176	+0.8%	+8.8%	12,211	+11.1%	+17.6%
Western Europe	2,395	+4.9%	+7.4%	8,912	+7.3%	+10.3%
Asia Pacific	2,663	0.0%	+7.2%	10,247	-0.9%	+6.4%
Rest of the World	1,246	+1.7%	+17.8%	4,532	-0.3%	+20.1%
Total Group	**9,480**	**+1.7%**	**+9.1%**	**35,902**	**+5.1%**	**+12.7%**

Q4 2023 PERFORMANCE BY END-MARKET

Schneider Electric sells its integrated portfolio into four end-markets: Buildings, Data Center, Infrastructure and Industry, leveraging the complementary technologies of its Energy Management and Industrial Automation businesses and supported by the focus on electrification, automation and digitization to enable a sustainable future.

- **Buildings** – The majority of the Group's exposure in the Buildings end-market is towards Non-Residential technical buildings where demand remains strong both year-on-year and sequentially. There was strength across many geographies supported by the completeness of the Group's offer from design to execution, including services. In the quarter there was double-digit demand growth in Hotels and Retail, while there was continued good demand in Healthcare. In Residential buildings, both demand and sales growth showed stabilization with some variation by geography.

- **Data Center & Networks** – Demand remained very strong in Q4 driven both by larger data centers (internet giants and co-location providers), which saw strong sales growth helped by Artificial Intelligence developments, and by Enterprise data centers. Demand and sales growth in the more consumer-orientated distributed IT segment was stable.

- **Infrastructure** – The Group sells its unique combination of Energy Management and Industrial Automation offers into the Infrastructure end-market. The Electric Utilities segment represents the largest exposure within this end-market and Q4 saw very strong demand. The Group has comprehensive solutions for operators which enhance grid stability and sustainability with growth in digital offers in the quarter up strong double-digit including pull-through to AVEVA. Demand was strong in Water & Wastewater (WWW), particularly for Energy Management offers helped by EU Green Deal related investments and desalination needs in countries with fresh-water shortages. Demand was also very strong in the Transportation segment.

- **Industry** – The Group sells its unique combination of Energy Management and Industrial Automation offers into the Industry end-market. Similar to Q3, sales growth in Q4 was contrasted between good growth in Process & Hybrid automation markets while sales into Discrete automation markets declined. Discrete automation demand continues to be down after high demand in the prior year associated with supply chain constraints, in particular impacting sales growth in Western Europe, China and East Asia. In Process & Hybrid automation

4. OSIsoft revenues are reported by region from January 1, 2023. 2022 baseline has been adjusted in the organic growth calculation.

there was good demand for both Energy Management and Industrial Automation offers in the Energies & Chemicals (E&C) and Metals, Mining & Minerals (MMM) segments.

Group trends by geography:

North America (34% of FY 2023 revenues) was up +8.8% organic in Q4.

Energy Management grew +10.5% organic against a strong double-digit base of comparison. There was double-digit growth in the U.S., high-single digit growth in Mexico while Canada was down low single-digit. In the U.S., there was strong growth in Systems revenues, as a function of continued strong demand across Data Center and Infrastructure end-markets. Products sales growth in the U.S. was less strong, including in the Residential building market where sales declined due to continued supply constraints and against a very high base of comparison. Mexico saw strong growth across many end-markets. Canada was down against an overall high base of comparison though seeing some recovery in Residential buildings. Across the region, there was double-digit growth in Field Services, with good traction for those associated with the digitization of Non-residential buildings.

In Industrial Automation, which was slightly down -0.3% organic, the U.S. was down low single-digit, while Mexico delivered double-digit growth and Canada also grew. Process & Hybrid automation markets saw solid growth, led by Mexico where there was strong execution on ongoing projects. Sales into discrete automation markets were flat, with Canada and Mexico growing while the U.S. saw a small decline driven by a demand normalization in response to elevated levels of stock held by customers, partly mitigated by backlog execution.

Western Europe (25% of FY 2023 revenues) grew +7.4% organic in Q4 against a double-digit base of comparison for each of the five major economies, in both Energy Management and Industrial Automation.

Energy Management was up +10.6% organic, with growth led by Italy, up strong double-digit, supported by investment in many end-markets and segments including Non-residential buildings, Transportation, Grid and Data Center. The U.K. grew double-digit with strength in Infrastructure, e-mobility, Data Center and Building markets. Germany and France also grew double-digit while Spain was up high-single digit amid strong growth in several other countries. Across the region, Systems revenues grew double-digit on continued strong demand in the Infrastructure and Data Center end-markets. Product sales growth was positive, supported by price carryover and backlog execution. Distributed-IT showed a recovery while there was stabilization in the Residential buildings market in general, though remaining weak in Germany. Field Services grew double-digit across the region notably in France. Sustainability services grew strong double-digit supported by good activity in Power Purchase Agreements (PPA) advisory services. Software grew high-single digit, led by ETAP.

In Industrial Automation, which was down -2.5% organic, the U.K. delivered very strong growth in Process & Hybrid automation markets in part due to a large contract renewal at AVEVA. The U.K. also delivered strong growth in systems for Process industries, while sales into Discrete Automation markets were slightly positive with strength in the Food & Beverage segment. The other major economies of the region, France, Germany, Italy and Spain all declined with the anticipated weakness in Discrete Automation markets confirmed as demand continues to normalize in response to high customer stock levels and reduced lead-times. Each of these countries fared better in Process & Hybrid automation markets, with France and Germany also seeing strong growth in Software at AVEVA, as did the Netherlands.

Asia Pacific (28% of FY 2023 revenues) grew +7.2% organic, with China up mid-single digit and India up strong double-digit.

In Energy Management, which grew +9.9% organic, China was up high-single digit with strength in areas such as transportation and renewable power while Residential buildings growth was stable. India delivered another quarter of strong double-digit growth with strength across end-markets, notably in Infrastructure and Buildings. Australia also grew double-digit benefitting from execution on a large Data Center project. Performance across the rest of the region was mixed, with strong growth in Thailand and good growth in South Korea, while some countries in East Asia saw declines with weakness in construction and semiconductor markets.

In Industrial Automation, which contracted -1.7%, China was down mid-single digit with contrasting performance between strong growth in Process & Hybrid markets and declines in Discrete Automation markets, where the Group has more exposure, with machine builders and industrial OEMs remaining weak. India delivered another quarter of double-digit growth, where sales growth into Discrete Automation markets remained strong, supported by backlog execution. Japan and South Korea each saw declines in Discrete Automation markets though South Korea benefitted from strong performance at AVEVA. Australia delivered double-digit growth, with strong performance at AVEVA and resilient performance in Discrete Automation.

Rest of the World (13% of FY 2023 revenues) grew +17.8% organic, with strong growth supported by price actions in Turkey, Argentina and Egypt as the Group continues to take measures to control its exposure to significant currency devaluations. Each of these three countries consequently delivered strong double-digit growth in both Energy Management and Industrial Automation, and while price was a significant contributor each also saw volume expansion.

In Energy Management, which grew +18.8% organic, Africa grew strong double-digit while the Middle East and South America were both up double-digit, excluding contributions from the above-named countries. Africa saw strong growth across many countries, largely due to execution on infrastructure projects across the region. There were strong growth contributions in the Middle East from Saudi Arabia and countries in the Gulf region where there was continued execution on Data Center projects. In South America, there was strong growth in Brazil supported by execution on several projects, and a recovery in sales to the Buildings end-market. Central & Eastern Europe grew high-single digit.

In Industrial Automation, which grew +14.7% organic, the Middle East and Africa both delivered double-digit growth, while South America delivered high-single digit growth excluding contributions from the above-named countries. The performance was primarily driven by strong growth at AVEVA particularly in the Middle East, and was supported by solid growth in Discrete automation markets particularly in the Gulf region, while Process & Hybrid automation markets were around flat. Central & Eastern Europe was down slightly with Discrete Automation demand following similar trends to Western Europe.

SCOPE[5] AND FOREIGN EXCHANGE[6] IMPACTS IN Q4

In Q4, net acquisitions/disposals had an impact of **-€184 million** or **-1.9%** of Group revenues, including the divestments of the Group's industrial sensors business, its transformer plants in Poland and Turkey and Gutor, along with the net impact of some smaller acquisitions and disposals.

Based on transactions completed to-date, the Scope impact on FY 2024 revenues is estimated to be **around -€300 million**. The Scope impact on adjusted EBITA margin for FY 2024 is estimated to be **around flat**.

In Q4, the impact of foreign exchange fluctuations was negative at -**€443 million** or **-4.9%** of Group revenues, mostly driven by the weakening of the U.S. Dollar, Chinese Yuan and Argentinian Peso against the Euro.

Based on current rates, the FX impact on FY 2024 revenues is estimated to be between **-€400 million to -€500 million**. The FX impact at current rates[7] on adjusted EBITA margin for FY 2024 could be **around -30bps**.

5. Changes in scope of consolidation also include some minor reclassifications of offers among different businesses.

6. For those currencies meeting the criteria to be considered hyperinflationary under IAS 29, such as Argentina and Turkey, an IFRS technical adjustment for hyperinflation impact is reflected as FX and therefore excluded from the organic growth calculation. The effect of operational actions taken in these countries such as increased pricing to mitigate the inflationary impact is reflected as part of the organic growth.

7. 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.

II. FULL YEAR 2023 KEY RESULTS

€ million	2022 FY	2023 FY	Reported change	Organic change
Revenues	**34,176**	**35,902**	**+5.1%**	**+12.7%**
Gross Profit	**13,876**	**15,012**	**+8.2%**	**+18.1%**
Gross profit margin	*40.6%*	*41.8%*	*+120bps*	*+200bps*
Support Function Costs	**(7,859)**	**(8,600)**	**+9.4%**	**+13.7%**
SFC ratio (% of revenues)	*23.0%*	*24.0%*	*-100bps*	*-20bps*
Adjusted EBITA	**6,017**	**6,412**	**+6.6%**	**+24.5%**
Adjusted EBITA margin	*17.6%*	*17.9%*	*+30bps*	*+180bps*
Restructuring costs	(227)	(147)		
Other operating income & expenses	(433)	98		
EBITA	**5,357**	**6,363**	**+19%**	
Amortization & impairment of purchase accounting intangibles	(424)	(430)		
Net Income (Group share)	**3,477**	**4,003**	**+15%**	
Adjusted Net Income (Group share)[8]	**3,968**	**4,066**	**+2%**	**+16.9%**
Adjusted EPS[8] (€)	**7.11**	**7.26**	**+2%**	**+16.5%**
Free Cash Flow	**3,330**	**4,594**	**+38%**	

ADJUSTED EBITA MARGIN AT 17.9%, UP +180 BPS ORGANIC DUE TO STRONG PRICE CARRYOVER, GOOD VOLUME GROWTH AND IMPROVEMENT IN SYSTEMS MARGIN

Gross profit was up **+18.1%** organic with Gross margin up **+200bps** organic, reaching **41.8%** in 2023. The organic increase in margin percentage was driven by a strong net price impact mainly related to carryover from price actions taken in 2022, an improvement of gross margin in systems business and improved industrial productivity, particularly in H2.

2023 Adjusted EBITA reached **€6,412** million, increasing organically by **+24.5%** and the Adjusted EBITA margin expanded by **+180bps** organic to **17.9%** as a consequence of good volumes and the strong gross margin improvement, combined with control over support function cost growth while investing for the future.

8. *See appendix Adjusted Net Income & Adjusted EPS.*

The key drivers contributing to the earnings change were the following:

€ million	Adj. EBITA	YoY change	Comments
Adj. EBITA FY 2022	**6,017**		
Volume impact		**1,135**	Positive impact from higher sales volumes.
Industrial productivity		**148**	The Group's industrial productivity level was +€148m with good acceleration in H2 as the supply chain environment returns to a more normalized state.
Net price[9]		**1,391**	The net price impact was positive at +€1,391m in 2023. Gross pricing on products was positive at +€1,179m slowing as expected in H2 as mostly due to carryover from pricing actions taken in 2022. In total, RMI was a tailwind at +€212m.
Gross pricing on products		*1,179*	
Raw Material Impact		*212*	
Cost of Goods Sold inflation		**-152**	Cost of Goods Sold inflation was -€152m in 2023, of which the production labor cost and other cost inflation was -€127m, and an increase in R&D in Cost of Goods Sold was -€25m. The overall investment in R&D, including in support function costs continued to increase as expected and represented 5.4% of 2023 revenue.
Production labor cost and other cost inflation		*-127*	
R&D in Cost of Goods Sold		*-25*	
Support function costs		**-1,033**	Support Function Costs increased organically by -€1,033m, or +13.7% org. in 2023, deteriorating as a percentage of sales by -20bps org. The Group was impacted by inflation for -€376m and continued to focus on its strategic priorities with investments of -€568m mainly linked to innovation through R&D, commercial footprint expansion and digital transformation including AI projects. Despite completing its operational efficiency plan in 2022, the Group delivered a further +€226m of cost savings. Other increases of -€315m include impacts from bonus accruals and some one-time items linked to technical accounting changes on employee share plans and marketing costs.
Mix		**192**	2023 performance resulted in a positive mix effect of +€192m where strong improvement of Gross Margin in the Systems business was partly offset by impacts from the relatively faster growth of Systems revenues compared to Products.
Foreign currency impact[10]		**-573**	The impact of foreign currency decreased the adjusted EBITA by -€573m in 2023, or around -100bps of margin, of which around -40bps related to impacts from Argentina, Egypt and Turkey which saw significant currency devaluation in the year.
Scope and Others		**-713**	The impact from scope & others was -€713m in 2023, with net Scope impacts representing a -50bps adj. EBITA margin headwind primarily due to the reincorporation of Solar activities and the exit from Russia. Others represents primarily the positive impact from inventory revaluation in H1 2022.
Adj. EBITA FY 2023	**6,412**		

By business, the FY 2023 adjusted EBITA for:

9. Price on products and raw material impact
10. For those currencies meeting the criteria to be considered hyperinflationary under IAS 29, such as Argentina and Turkey, an IFRS technical adjustment for hyperinflation impact is reflected as FX and therefore excluded from the organic growth calculation. The effect of operational actions taken in these countries such as increased pricing to mitigate the inflationary impact is reflected as part of the organic growth

- **Energy Management** generated an adjusted EBITA of **€5,967 million**, or **21.1%** of revenues, up c.+220bps organic (up +70bps reported), due mainly to a combination of strong net price impact, good contribution from volumes and an improvement of gross margin in the systems business, more than offsetting investment in SFC and inflationary impacts.

- **Industrial Automation** generated an adjusted EBITA of **€1,304 million**, or **17.0%** of revenues, down c.-110bps organic (down -190bps reported), where strong net price contribution, improved productivity and improvement of gross margin in the systems business were more than offset by impacts from inflation and increased strategic investment within support function costs.

- **Central Functions & Digital Costs** in 2023 amounted to **€859 million** (€833 million in 2022), remaining stable at 2.4% of Group revenues. Investment in the Group's strategic priorities continued, while the Corporate cost element continued to be an area of focus and remained under tight control, remaining at around 0.7% of Group revenues in 2023.

- **NET INCOME UP +15%**

€ million	2022 FY	2023 FY	Comments
Adj. EBITA	**6,017**	**6,412**	
Other operating income and expenses	(433)	98	Other operating income and expenses had an impact of +€98m in 2023, consisting mainly of +€265m gains on business disposal including from Telemecanique Sensors, Gutor and VinZero, offset by M&A costs -€111m.
Restructuring costs	(227)	(147)	Restructuring costs were -€147m in 2023, €80m lower than in 2022 following completion of the Group's operational efficiency program and moving towards a target of around €100m per year, as previously communicated.
Amortization and impairment of purchase accounting intangibles	(424)	(430)	Amortization and impairment of intangibles linked to acquisitions was -€430m in 2023, €6m higher than in 2022.
Net financial income/(loss)	(215)	(530)	Net financial expenses were -€530m in 2023, -€315m higher than last year. The cost of debt was -€202m higher, as expected, due to higher interest rates and a higher base following the acquisition of AVEVA minorities. Other financial income and expenses were -€113m higher than in 2022, mainly attributable to impacts in hyperinflationary economies and FX.
Income tax expense	(1,211)	(1,285)	Income tax amounted to -€1,285m, higher than in 2022 by -€74m as a consequence of the higher pre-tax profit. The Effective Tax Rate was 23.8%, in line with the expected range of 23-25% for FY2023, and slightly lower than 2022 when excluding impacts of Russia exit.
Profit/(loss) of associates and non-controlling interests	(30)	(115)	Share of profit on associates increased to +€51m, up +€22m compared to 2022. The net income from Delixi was stable year-on-year. Amounts attributable to non-controlling interests increased to -€166m compared to -€59m in 2022.
Net Income (Group share)	**3,477**	**4,003**	Net Income (Group share) was €4,003m in 2023, up +15% on 2022, which included losses associated with Russia exit.
Adjusted Net Income (Group share)[11]	**3,968**	**4,066**	Adjusted Net Income was €4,066m in 2023, up +2% vs. 2022.

[11]. See appendix Adjusted Net Income & Adjusted EPS.

- **FREE CASH FLOW REACHED €4.6 BILLION**

  The Group delivered Free Cash Flow of **€4,594 million**, primarily due to the P&L performance driving record operating cash flow of +€5,529 million. This included R&D cash costs of €2,016 million, which increased to 5.6% of 2023 revenue.

  Net capital expenditure of -€1,313 million increased slightly to 3.7% of revenue, in line with the Group's plans to make capacity investment to fuel future growth.

  Trade working capital unwind boosted the free cash flow in 2023 by +€173 million, with a strong rebound in H2 of +€1,065 million. Inventory days were stable compared to December 2022, having seen an increase in the middle of the year as the Group sought to secure supply and prioritize deliveries to customers. For receivables, DSO also remained broadly stable while in relation to payables DPO increased slightly, helping working capital. Non-trade working capital requirements were primarily impacted by the level of bonus accruals.

- **BALANCE SHEET REMAINS STRONG**

  Schneider Electric's net debt at December 31, 2023 amounted to **€9,367 million** (down from €11,225 million at December 2022) after payment of -€1.9 billion to fulfill the 2022 dividend and payment of -€0.7 billion in relation to share buyback, offset by net acquisitions of +€0.6 billion and the strong Free Cash Flow performance of +€4.6 billion.

  The Group remains committed to retaining its strong investment grade credit rating.

- **CASH CONVERSION & PROPOSED DIVIDEND**

  Cash conversion was 115% in 2023, benefitting from the strong working capital tailwinds experienced in H2 2023 as product backlog was drawn down with a resulting decrease in inventories from highs at the end of H1 2023. This follows a period of lower cash conversion in 2021 and 2022 related to global supply chain challenges which necessitated the holding of higher levels of inventory. The three-year average cash conversion (2021-2023) is 97% (excluding impacts from Russia exit in 2022) in line with the Group's expectation to deliver ~100% cash conversion on average across the cycle.

  The proposed dividend[12] is €3.50 per share, up +11% vs. 2022 as the Group maintains its progressive dividend policy for the 14th year.

III. SCHNEIDER SUSTAINABILITY IMPACT

Schneider Electric, recognized as a sustainability leader by independent environmental, social and governance (ESG) ratings, announced its strong sustainability impact performance as part of the full-year financial results. The 2023 Schneider Sustainability Impact score exceeded expectations, reaching 6.13 out of 10, surpassing the year-end target of 6 out of 10.

Schneider's Sustainability Impact program drives and measures company-wide progress toward 11 global sustainability targets over the period 2021-2025. It is complemented by locally led initiatives, all of which support Schneider Electric's six long-term ESG commitments.

[12] *Subject to Shareholder approval on May 23, 2024*

Key highlights of Schneider's Sustainability Impact 2023 results:

- Schneider Electric solutions for electrification, digitalization, and automation continue to lower the emissions of customers, 112 million of tonnes of CO_2 were saved and avoided in 2023 alone.
- Carbon emissions from Schneider Electric's top 1,000 suppliers fell by 27% — significant progress compared to the 10% reduction achieved in 2022 — and 21% of the company's most strategic supply chain partners have met Schneider Electric's decent work standards.
- 63% of Schneider Electric's product packaging is now free of single-use plastic and uses recycled cardboard.
- 46.5 million people now access clean and reliable electricity thanks to Schneider Electric initiatives around the world.
- Schneider Electric has now trained more than 578,000 people with new skills to help them address the future energy needs of their communities.

Additionally in 2023, Schneider Electric maintained a strong performance in the Dow Jones Sustainability Index (DJSI), in Corporate Knights' list of Global 100 Most Sustainable Corporations in the world for the 13th year running, and obtained high scores from Moody's Analytics, CDP, and EcoVadis with a Platinum medal.

2021 – 2025 SCHNEIDER SUSTAINABILITY IMPACT

Q4 2023 Results

	Q1	Q2	Q3	Q4	2023 Target
Score[1]				6.13	6.00

6 long-term commitments		Baseline	Q4 2023	2025 Target
CLIMATE	1. Grow Schneider Impact revenues*[2]	70%	74%	80%
	2. Help our customers save and avoid millions of tonnes of CO_2 emissions[3]	263M	553M	800M
	3. Reduce CO_2 emissions from top 1,000 suppliers' operations	0%	27%	50%
RESOURCES	4. Increase green material content in our products	7%	29%	50%
	5. Primary and secondary packaging free from single-use plastic, using recycled cardboard	13%	63%	100%
TRUST	6. Strategic suppliers who provide decent work to their employees[4]	1%	21%	100%
	7. Level of confidence of our employees to report unethical conduct[5]	81%	+1pt	+10pts
EQUAL	8. Increase gender diversity in hiring (50%), front-line management (40%) and leadership teams (30%)	41/23/24	41/28/29	50/40/30
	9. Provide access to green electricity to 50M people[6]	30M	+16.6M	50M
GENERATIONS	10. Double hiring opportunities for interns, apprentices and fresh graduates[2]	4,939	x1.52	x2.00
	11. Train people in energy management[6]	281,737	578,709	1M
LOCAL	+1. Country and Zone Presidents with local commitments that impact their communities	0%	100%	100%

*Per Schneider Electric definition and methodology
[1] 2021 baseline 3/10, 2025 target 10/10 [2] 2019 baseline [3] cumulated since 2018 [4] 2022 baseline [5] 2021 baseline [6] cumulated since 2009

To access Schneider Electric Sustainability reports with detailed results and highlights, click here.

IV. PORTFOLIO UPDATES

Since reporting on Q3 2023, Schneider Electric engaged in the following transactions:

Acquisitions

- EcoAct

  As announced on November 2, 2023, the Group completed the acquisition of EcoAct from Atos Group. EcoAct is an international leader in climate consulting and net zero solutions headquartered in Paris, France. The acquisition will expand and accelerate Schneider Electric's global Sustainability Business and will be reported within Energy Management.

- ETAP

  On January 23, 2024, the Group purchased the remaining 20% minority interests of ETAP in accordance with the forward agreement concluded in 2021 when it acquired 80% of the company.

Disposals

- Industrial Sensors Business
  As announced on October 31, 2023, the Group completed the disposal of its industrial sensors business, Telemecanique Sensors, to YAGEO. Until the date of disposal, Telemecanique Sensors was reported as part of the Industrial Automation business.
- AutoGrid
  On December 14, 2023, the Group entered into an agreement with Uplight Inc. (in which Schneider Electric holds a strategic minority investment) to sell AutoGrid to Uplight. AutoGrid is the U.S. based leader in artificial intelligence (AI)-driven optimization for distributed energy resources (DERs), which Schneider Electric had acquired in 2022. This transaction represents a reorganization among Schneider Electric-owned or affiliated businesses aimed at Prosumers, to better align their capabilities. The transaction closed on February 8, 2024.

Schneider Electric believes that a continuous and ongoing review of the portfolio is a healthy business practice to ensure and retain the strategic focus of the Group. In 2023 this has been embedded as part of a 'business as usual' approach to portfolio optimization and will be reported externally where relevant.

V. FINANCING UPDATE

Since reporting on Q3 2023, Schneider Electric has successfully issued bonds enabling the Group to increase its debt maturity profile and to strengthen its liquidity position:

- On November 20, 2023 the Group announced the success of its offering of bonds convertible into new shares and/or exchangeable for existing shares (OCEANEs) due 2030 for a nominal amount of €650 million.

- On January 4, 2024 the Group launched the successful issue of a €1.3 billion bond in two tranches respectively maturing in 7 years (€600 million) and long 11 years (€700 million).

VI. EXPECTED TRENDS IN 2024

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

VII. 2024 TARGET

The Group sets its 2024 financial target as follows:

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

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

- Revenue growth of **+6% to +8% organic**

- Adjusted EBITA margin up **+40bps to +60bps organic**

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

Further notes on 2024 available in appendix

VIII. 2024-2027 FINANCIAL TARGETS AND LONGER-TERM AMBITIONS AS ANNOUNCED IN 2023 CAPITAL MARKETS DAY

Based on its current view and assuming no major changes to the macro-economic and geopolitical environment, Schneider Electric announced its medium-term financial targets as follows:

2024-27 Financial Targets:

- Organic revenue growth of between +7% to +10%, CAGR 2023-2027[13]
- Organic expansion of Adjusted EBITA margin of around +50 basis points, CAGR 2023-2027[13]

Longer-term ambitions:

- Organic revenue growth of 5%+ on average across the economic cycle
- To consistently be a Company of 25[14] across the economic cycle
- Cash conversion ratio[15] expected to be around 100%, on average, across the economic cycle

****

The financial statements of the period ending December 31, 2023 were established by the Board of Directors on February 14, 2024. At the date of this press release, the audit procedures were carried out and the report of the statutory auditors is being finalized.

The Q4 2023 & FY 2023 Annual Results presentation is available at www.se.com

Q1 2024 Revenues will be presented on April 25, 2024.

The Annual General Meeting will take place on May 23, 2024.

Contact Details:

Investor Relations
Schneider Electric
Amit Bhalla
Tel: +44 20 4557 1328
ISIN : FR0000121972

Press Contact:
Schneider Electric
Anthime Caprioli
Tel: +33 6 45 636 835

Press Contact:
Primatice
Olivier Labesse
Hugues Schmitt
Tel: +33 6 79 11 49 71

13 4-year CAGR
14. Sum of organic revenue growth % and adj. EBITA margin %
15. Free Cash Flow as a proportion of Net Income (Group Share)

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.

About Schneider Electric:
Schneider's purpose is to **empower all to make the most of our energy and resources, bridging progress and sustainability** for all. We call this **Life Is On**.
Our mission is to be your **digital partner for Sustainability and Efficiency**.
We drive digital transformation by integrating world-leading process and energy technologies, end-point to cloud connecting products, controls, software and services, across the entire lifecycle, enabling integrated company management, for homes, buildings, data centers, infrastructure and industries.
We are the **most local of global companies**. We are advocates of open standards and partnership ecosystems that are passionate about our shared **Meaningful Purpose, Inclusive and Empowered** values.

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Appendix – Further notes on 2024

- **Foreign Exchange impact:** Based on current rates, the FX impact on FY 2024 revenues is estimated to be between **-€400 million to -€500 million**. The FX impact at current rates[16] on adjusted EBITA margin for FY 2024 could be **around -30bps**
- **Scope:** around **-€300 million** on 2024 revenues and **around flat** on 2024 adjusted EBITA margin, based on transactions completed to-date
- **Tax rate:** The ETR is expected to be in a **22-24%** range in 2024
- **Restructuring:** The Group expects restructuring costs to decrease towards target of around **€100 million** per year

Appendix – Revenues breakdown by business

Q4 2023 revenues by business were as follows:

	Q4 2023				
	Revenues € million	**Organic growth**	**Changes in scope of consolidation**	**Currency effect**	**Reported growth**
Energy Management	7,637	+11.3%	-1.6%	-4.8%	+4.2%
Industrial Automation	1,843	+0.7%	-3.1%	-5.2%	-7.5%
Group	**9,480**	**+9.1%**	**-1.9%**	**-4.9%**	**+1.7%**

H2 2023 revenues by business were as follows:

	H2 2023				
	Revenues € million	**Organic growth**	**Changes in scope of consolidation**	**Currency effect**	**Reported growth**
Energy Management	14,572	+12.3%	-2.4%	-6.0%	+3.1%
Industrial Automation	3,697	+2.7%	-2.6%	-6.6%	-6.7%
Group	**18,269**	**+10.2%**	**-2.4%**	**-6.1%**	**+0.9%**

FY 2023 revenues by business were as follows:

	FY 2023				
	Revenues € million	**Organic growth**	**Changes in scope of consolidation**	**Currency effect**	**Reported growth**
Energy Management	28,241	+14.4%	-2.5%	-4.2%	+6.8%
Industrial Automation	7,661	+6.7%	-2.6%	-4.6%	-0.9%
Group	**35,902**	**+12.7%**	**-2.5%**	**-4.3%**	**+5.1%**

[16]. 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.

Throughout this document growth percentage calculations are compared to the same period of the prior year, unless stated otherwise.

Appendix – Scope of Consolidation

Number of months in scope	Acquisition / Disposal	2023				2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Autogrid Energy Management Business	Acquisition	3m	3m	1m					
EcoAct Energy Management Business	Acquisition					3m	3m	3m	3m
VinZero Energy Management Business	Disposal	3m	2m						
Gutor Energy Management Business	Disposal	3m	3m	1m					
Industrial Sensors Business Industrial Automation Business	Disposal	3m	3m	3m	1m				
Autogrid Energy Management Business	Disposal			2m	3m	1m			

Appendix – Adjusted EBITA, Analysis of Change

€ millions	H1 Adj. EBITA[17]	H2 Adj. EBITA	FY Adj. EBITA
2022 Adj. EBITA	2,782	3,235	6,017
Volume	588	547	1,135
Net Price	981	410	1,391
Productivity	45	103	148
Mix	112	80	192
R&D & Production Labor Inflation	(67)	(85)	(152)
SFC	(620)	(413)	(1,033)
FX	(185)	(388)	(573)
Scope & Other	(462)	(251)	(713)
2023 Adj. EBITA	**3,174**	**3,238**	**6,412**

17. H1 2023 Adjusted EBITA analysis of change restated to reflect clarification published on August 1, 2023 regarding a presentational correction between categories.

Appendix - Results breakdown by division

€ million		H1 2022	H1 2023	Organic	H2 2022	H2 2023	Organic	FY 2022	FY 2023	Organic
Energy Management	Revenues	12,307	13,669		14,135	14,572		26,442	28,241	
	Adjusted EBITA	2,506	2,824		2,886	3,143		5,392	5,967	
	Adjusted EBITA margin	20.4%	20.7%	c. +140 bps	20.4%	21.6%	c. +280 bps	20.4%	21.1%	c. +220 bps
Industrial Automation	Revenues	3,770	3,964		3,964	3,697		7,734	7,661	
	Adjusted EBITA	685	758		773	546		1,458	1,304	
	Adjusted EBITA margin	18.2%	19.1%	c. +180 bps	19.5%	14.8%	c. -410 bps	18.9%	17.0%	c. -110 bps
Corporate	Central Functions & Digital Costs	(409)	(408)		(424)	(451)		(833)	(859)	
Total Group	Revenues	16,077	17,633		18,099	18,269		34,176	35,902	
	Adjusted EBITA	2,782	3,174		3,235	3,238		6,017	6,412	
	Adjusted EBITA margin	17.3%	18.0%	+190 bps	17.9%	17.7%	+160 bps	17.6%	17.9%	+180 bps

Appendix – Adjusted Net Income & Adjusted EPS

Key figures (€ million)	2022 FY	2023 FY	Reported Change	Organic Change
Adjusted EBITA	**6,017**	**6,412**	**+7%**	**+24.5%**
Amortization of purchase accounting intangibles	(423)	(396)		
Financial Costs	(215)	(530)		
Income tax with impact from adjusted items[18]	(1,381)	(1,305)		
Equity investment & Minority Interests	(30)	(115)		
Adjusted Net Income (Group share)	**3,968**	**4,066**	**+2%**	**+16.9%**
Adjusted EPS (€)	**7.11**	**7.26**	**+2%**	**+16.5%**

18. The effective tax rate implied in the adjusted net income calculation *for 2022* is adversely impacted by the write-offs in relation to Russia exit

Appendix – Free Cash Flow and Net Debt

Analysis of net debt change in € million	FY 2022	FY 2023
Net debt at opening at Dec. 31	**(7,127)**	**(11,225)**
Operating cash flow	5,393	5,529
Capital expenditure – net	(1,024)	(1,313)
Operating cash flow, net of capex	**4,369**	**4,216**
Change in trade working capital	(785)	173
Change in non-trade working capital	(254)	205
Free cash flow	**3,330**	**4,594**
Dividends	(1,775)	(1,851)
Acquisitions – net	(297)	611
Net capital increase	(11)	(419)
Purchase commitments on NCI	(4,748)	(55)
FX & other (incl. IFRS 16)	(597)	(1,022)
(Increase) / Decrease in net debt	**(4,098)**	**1,858**
Net debt at Dec. 31	**(11,225)**	**(9,367)**

Appendix – ROCE

ROCE calculation

P&L items (€ million)		2022 reported	2023 reported
EBITA	(1)	**5,357**	**6,363**
Restructuring costs	(2)	(227)	(147)
Other Operating Income & Expenses	(3)	(433)	98
= Adjusted EBITA	(4) = (1)-(2)-(3)	6,017	6,412
x Effective tax rate of the period	(5)	25.7%	23.8%
= After-tax Adjusted EBITA	(A) = (4)*(1-(5))	**4,471**	**4,886**

Balance sheet items (€ million)	2022 reported	2023 reported		2022 avg. of 4 quarters	2023 avg. of 4 quarters
Shareholders' equity	26,094	27,168	(B)	29,458	26,676
Net financial debt	11,225	9,367	(C)	9,097	11,522
Adjustment for Associates and Financial assets (fair value)	(1,853)	(1,907)	(D)	(1,876)	(1,875)
= Capital employed	35,466	34,628	(E) = (B)+(C)+(D)	36,679	36,323
= ROCE			(A)/(E)	**12.2%**	**13.5%**

"

FORM OF FINAL TERMS

The fourth paragraph of Part A – Contractual terms of the section entitled "*Form of Final Terms*" appearing on page 111 of the Base Prospectus is hereby deleted and replaced with the following:

"[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**"), which are the [●] EMTN Conditions which are incorporated by reference in to the Base Prospectus dated 12 April 2023. This document constitutes the Final Terms of the Notes described herein for the purposes of the Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**") and must be read in conjunction with the Base Prospectus dated 12 April 2023 which received approval n°23-[●] from the *Autorité des marchés financiers* (the "**AMF**") on 12 April 2023 **[**and the supplement(s) to the Base Prospectus dated [●] which received approval n°[●] from the AMF on **[●]** (the "**Supplement[s]**")**]**, which **[**together**]** constitute**[**s**]** a Base Prospectus for the purposes of the Prospectus Regulation in order to receive all relevant information, including the [2014/2015/2016/2017/2018/2019/2020/2022] EMTN Conditions which are incorporated by reference in the Base Prospectus. The Base Prospectuses [and the supplement(s) to the Base Prospectus**]** are available for viewing at the office of the Fiscal Agent or each of the paying agents and on the website of the Issuer (https://www.se.com) and on the website of the AMF (https://www.amf-france.org), and copies may be obtained from Schneider Electric SE, 35, rue Joseph Monier - 92500 Rueil-Malmaison, France.]"

GENERAL INFORMATION

Paragraph (5) on page 124 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

"5. Except as disclosed in the "Recent Developments" section of this Base Prospectus and the information incorporated by reference herein, there has been no significant change in the financial position or financial performance of the Issuer or the Group since 31 December 2023."

Paragraph (11)(ii) on page 125 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

"(ii) the 2022 Universal Registration Document, the 2021 Universal Registration Document and the 2023 Annual Financial Report;"

Paragraph (12)(iii) on page 125 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

"(iii) the documents incorporated by reference in this Base Prospectus (save for the 2023 Annual Financial Report which will only be available on the website of the Issuer)."

PERSON RESPONSIBLE FOR THIS FOURTH PROSPECTUS SUPPLEMENT

In the name of the Issuer

I declare that, to the best of my knowledge, the information contained in this Fourth Prospectus Supplement is in accordance with the facts and contains no omission likely to affect its import.

Issued in Rueil-Malmaison, on 28 February 2024.

Schneider Electric SE
35, rue Joseph Monier
92500 Rueil-Malmaison
France

Duly represented by:
Matthieu Meunier
Senior Vice President Financing and Treasury

AMF | AUTORITÉ DES MARCHÉS FINANCIERS

Autorité des marchés financiers

This Fourth Prospectus Supplement has been approved on 28 February 2024 by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129.

The AMF has approved this Fourth Prospectus Supplement after having verified that the information it contains is complete, coherent and comprehensible within the meaning of Regulation (EU) 2017/1129.

This approval is not a favourable opinion on the Issuer and on the quality of the Notes. Investors should make their own assessment of the opportunity to invest in such Notes.

This Fourth Prospectus Supplement has received approval number 24-051.