

Press release

The new Planet & Society barometer reaches 4.66/10 in Q2 2015, above its year-end target

- Access to Energy program's sales almost doubled compared to Q2 2014
- Schneider Electric awarded most sustainable company of the CAC 40 for the second year by *Enjeux Les Echos* and Institut RSE

Rueil-Malmaison (France), July 29th, 2015 – Schneider Electric announces today its non-financial results for the second quarter of 2015. Schneider Electric measures its ambitious commitment in terms of sustainable development for the 3-year period from 2015 to 2017 through 16 indicators reported on a quarterly basis in the Planet & Society barometer. Reaching a score of **4.66 (out of a possible 10)** at the end of June 2015, the barometer exceeds its year-end target of 4.5/10.

The non-financial results by indicator are the following:

Planet & Society barometer		Start 2015	Results Q1 2015	Results Q2 2015	Targets 2017
Planet Indicators					
Climate	10% energy savings	-	2%	2.7%	10%
	10% CO ₂ savings from transportation ¹	-	-	9.5%	10%
Circular economy	Towards zero waste to landfill for 100 industrial sites	34	39	49	100 sites
	100% of products in R&D designed with <i>Schneider ecoDesign Way</i> TM	-	0.5%	7.8%	100%
Profit Indicators					
Climate & Development (sustainable offers)	75% of product revenue with <i>Green Premium</i> TM eco-label	60.5%	64.1%	65%	75%
	100% of new large customer projects with CO ₂ impact quantification ²	-	-	-	100%
	120,000 tons of CO ₂ avoided through maintenance, retrofit and end-of-life services	-	6,669	19,338	120,000
	x5 turnover of Access to Energy program to promote development for underprivileged people	-	x1.18	x1.92	x5
Ethics	100% of our recommended suppliers embrace ISO 26000 guidelines	48%	51%	56.4%	100%
	All our entities pass our internal Ethics & Responsibility assessment ³	-	-	-	100%
People Indicators					
Health & Equity	30% reduction in the Medical Incident Rate (MIR)	-	19%	23%	30%
	One day training for every employee every year ⁴	79%	70.8%	71.4%	85%
	64% scored in our Employee Engagement Index ⁵	61%	-	61%	64%
	85% of employees work in countries with Schneider gender pay equity plan ²	-	-	-	85%
Development	150,000 underprivileged people trained in energy management	73,339	78,448	86,060	150,000
	1,300 missions within Schneider Electric Teachers NGO	460	523	582	1,300
Overall combined score (out of 10)		3	3.67	4.66⁶	8

¹ With the exception of the annual results, there is a time lag of one quarter in the reporting of this indicator: in Qn, the reported result is that of Qn-1.

² Results measured from 2016 (measurement tools deployed in 2015).

³ Bi-annual results in Q3 and in Q4.

⁴ Measurement on a rolling year.

⁵ Bi-annual results in Q2 and in Q4.

⁶ Target Q1 2015: 3.42. Year-end target 2015: 4.5.

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Gilles Vermot Desroches, Sustainability Senior VP at Schneider Electric, comments:

"In the first half of 2015, the Planet & Society barometer 2015-2017 reaches 4.66/10, a result above its year-end target of 4.5/10. We know that the main challenge is to sustain the efforts of the first quarters, in order to reach or even exceed our three-year targets.

As planned, three indicators will be published later on. All other barometer's indicators show a satisfactory start. It may be noted that the sales of our Access to Energy program is almost twice higher in the first half of 2015 than 1 year ago. The objective remains ambitious: to multiply by 5 the turnover of this program in 2017 compared to the reference year 2014.

Finally, we are proud to have been ranked, in early July 2015, the company most committed to sustainable development of the CAC 40 index for the second consecutive year. This ranking was published in Enjeux Les Echos magazine in partnership with Institut RSE."

In the second quarter of 2015, 10 indicators over 16 boosted the overall barometer score and 3 indicators are not yet measured: the percentage of new large customer projects with a quantification of their CO₂ impact, the percentage of Schneider Electric's entities that succeed in the Ethics and Responsibility internal audit, and the percentage of employees working in countries with Schneider Electric's gender pay equity plan.

Highlights of this quarter:

On the Planet pillar:

- **2.7% energy savings were recorded on Schneider Electric's sites** in the first half of 2015 through the Energy Action program. The latter makes use of the energy management solutions developed by the Group. This result is in line with the target of 10% savings on the 2015-2017 period and follows the 13% savings achieved over the previous period 2012-2014.
- **9.5% CO₂ savings were achieved in the transport of the Group's goods.** This result is quite promising compared to its target of 10% over the period 2015-2017. It concerns the first quarter of 2015 as the indicator is published with a time lag of one quarter; indeed, each quarter, Schneider Electric teams must perform a long quality review of the data received from the approximately 100 carriers involved in this program. This great performance underscores both the reduction of air transport in favor of sea, and the optimization of road transport.

On the Profit pillar:

- **Revenues of the Access to Energy program is 1.92 times higher in the first half of 2015** than that achieved in the first half of 2014. Africa has outperformed in Q2 2015 through contracts in Kenya (schools' electrification), Nigeria (streetlights) and South Africa (portable and home lighting systems).
- **56.4% of Schneider Electric's recommended suppliers have passed the assessment based on ISO 26000 by a third party.** Since 2011, sustainable development has become one of the seven pillars used to measure Schneider Electric suppliers' performance, allowing the highest-performing suppliers to become "recommended". This category of suppliers represents more than 50% of the Group's purchases.

On the People pillar:

- **The employee engagement score reaches 61%.** It is stable compared to the last survey conducted in late 2014. The goal is to gain 1 point of engagement each year, to reach 64% at the end of 2017. This semester, the participation rate achieved a record level of 74%.
- **582 local and international volunteering missions have been conducted** since 2012 by Schneider Electric employees or retirees. This quarter, 59 missions have been finalized,

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including 13 international missions, 21 local missions for India, and 11 local missions for Brazil.

A dynamic and recognized commitment

- On May 20th and 21st 2015, Jean-Pascal Tricoire, CEO of Schneider Electric, has co-chaired the Business & Climate Summit with Pierre-André de Chalendar, CEO of Saint-Gobain. Over 1500 international business leaders, policymakers and investors gathered in Paris in preparation of COP 21; an unprecedented mobilization of businesses that are committed to leading the transition to a low-carbon and climate resilient global economy.
- On July 2nd 2015, Schneider Electric has been awarded as the most sustainable company of the CAC 40 for the second consecutive year by Enjeux Les Echos magazine and Institut RSE (CSR Institute). "Engaging in sustainability is positive for everyone: our customers, our employees, the communities in which we operate, our shareholders and the planet we share", says Jean-Pascal Tricoire to Enjeux Les Echos, at the announcement of the results. With a score of 840/1000, the position of Schneider Electric shows that the Group has been integrating sustainability into its overall performance, and its decision-making and execution processes for a long time. Schneider Electric is, the top 5 ranking Schneider Electric is followed, by Danone, L'Oreal, EDF and BNP Paribas.
- Schneider Electric has been ranked 3rd industrial and 25th global greenest company within the Newsweek Green Ranking 2015. For this ranking, US magazine Newsweek partners with Corporate Knights, a Canadian research and investment consulting firm. Earlier this year, the Group also ranked 9th in the "100 Most sustainable corporations in the world" list established by Corporate Knights.
- Schneider Electric launched the Energy Access Ventures fund for access to sustainable energy in Sub-Saharan Africa, whose characteristics are: secured commitments of 54.5 million euros, 5-year financial instruments for approximately 20 African SMEs, and an aim to provide access to energy for one million people by 2020. On this occasion, a conference on access to energy in Africa was organized at the French Ministry of Foreign Affairs on June 22th 2015, in the presence of Annick Girardin, Secretary of State for Development and Francophonie, Jean-Pascal Tricoire, entrepreneurs and investors. The fund was created in partnership with CDC Group – the UK Department for International Development (DFID), European Investment Bank, AFD - PROPARCO, OFID and FFEM. It is managed by Aster Capital and advised by Energy Access Venture (EAV), a company based in Africa.

The non-financial results for the second quarter of 2015 are available on our site
www.schneider-electric.com/sri

About Schneider Electric

As a global specialist in energy management with operations in more than 100 countries, Schneider Electric offers integrated solutions across multiple market segments, including leadership positions in Utilities & Infrastructure, Industries & Machines Manufacturers, Non-residential Building, Data Centers & Networks and in Residential. Focused on making energy safe, reliable, efficient, productive and sustainable, the Group's 170,000 employees achieved revenues of 25 billion euros in 2014, through an active commitment to help individuals and organizations make the most of their energy.

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