

## In progress, the Planet & Society barometer reaches 6.70/10 in Q1 2016

- Growth above the target of 5.25/10
- 57% of employees work in countries with Schneider gender pay equity plan
- 8.4% CO<sub>2</sub> savings from transportation in 2015

Rueil-Malmaison (France), April 21, 2016 – Schneider Electric announces today its non-financial results for the first quarter of 2016. Using 16 indicators from the 2015-2017 Planet & Society barometer, Schneider Electric measures on a quarterly basis its ambitious commitment in terms of sustainable development. Reaching a total score of 6.70/10 at the end of March 2016, Schneider Electric exceeds its barometer target of 5.25/10. The barometer's score having reached 6.33/10 at the end of December 2015, its 2016 target has been restated at 7.5/10 instead of 6/10 initially for the year.

The non-financial results by indicator are as follows:

Planet & Society barometer		Start 2015	Results Q4 2015	Results Q1 2016	Targets 2017
<b>Planet Indicators</b>					
<b>Climate</b>	10% energy savings	-	4.5%	<b>4.5%</b>	10%
	10% CO <sub>2</sub> savings from transportation <sup>i</sup>	-	8.4%	<b>8.4%</b>	10%
<b>Circular economy</b>	Towards zero waste to landfill for 100 industrial sites	34	64	<b>69</b>	100 sites
	100% of products in R&D designed with <i>Schneider ecoDesign Way</i> <sup>TM</sup>	-	13.3%	<b>8.9%</b>	100%
<b>Profit Indicators</b>					
<b>Climate &amp; Development (sustainable offers)</b>	75% of product revenue with <i>Green Premium</i> <sup>TM</sup> eco-label	60.5%	67.1%	<b>66.7%</b>	75%
	100% of new large customer projects with CO <sub>2</sub> impact quantification <sup>ii</sup>	-	-	-	100%
	120,000 tons of CO <sub>2</sub> avoided through maintenance, retrofit and end-of-life services	-	44,777	<b>56,137</b>	120 000
	x5 turnover of Access to Energy program to promote development	-	x2.07	<b>x3.04</b>	x5
<b>Ethics</b>	100% of our recommended suppliers embrace ISO 26000 guidelines	48%	64.7%	<b>65.2%</b>	100%
	All our entities pass our internal Ethics & Responsibility assessment <sup>iii</sup>	-	88%	<b>88%</b>	100%
<b>People Indicators</b>					
<b>Health &amp; Equity</b>	30% reduction in the Medical Incident Rate (MIR)	-	17%	<b>37%</b>	30%
	One day training for every employee every year <sup>iv</sup>	79%	85.6%	<b>85.6%</b>	85%
	64% scored in our Employee Engagement Index <sup>v</sup>	61%	61%	<b>61%</b>	64%
	85% of employees work in countries with Schneider gender pay equity plan <sup>vi</sup>	-	57%	<b>57%</b>	85%
<b>Development</b>	150,000 underprivileged people trained in energy management	73,339	102,884	<b>108,365</b>	150,000
	1,300 missions within Schneider Electric Teachers NGO	460	878	<b>938</b>	1 300
<b>Overall combined score (out of 10)</b>		<b>3</b>	<b>6.33</b>	<b>6.70<sup>vii</sup></b>	<b>8</b>

Gilles Vermot Desroches, Sustainability Senior VP at Schneider Electric, commented: *"The Planet & Society barometer 2015-2017 gained 0.37 point this quarter, in line with its year-end target of 7.5/10. As a matter of fact, Schneider Electric has decided to revise the 2016 barometer's target upwards, from 6/10 to 7.5/10. This additional challenge points out our ambition to exceed our commitments. Also noteworthy this quarter, our selection in the Ethisphere list of the world's most ethical companies for the sixth consecutive year. Indeed, Schneider Electric is one of just 130 international companies recognized for their commitment and approach to ethics. Performance is measured based on the existence and depth of governance, the company's reputation and influence, the quality of actions to promote citizenship and societal responsibility, and the culture and actions carried out to promote ethics."*

In Q1 2016, 15 out of 16 indicators have been published and audited with a limited or reasonable assurance, and 13 indicators boosted the overall barometer score.

Highlights of this quarter:

On the Planet pillar:

- **The "10% CO<sub>2</sub> savings from transportation" indicator** achieved and notably surpassed its year-end target, with a reduction of 8.4% versus the objective of 3.5%. However, this figure varies significantly across the different modes of transport: reduction of 24.5% on long-distance freight (air/sea) and increase of 5.4% on short-distance freight (road). From 2012 to end-2014, the indicator had already exceeded its target of 10% and reached 16% compared to 2011, thanks mainly to the optimization of long-distance freight modes. The program had contributed to saving 250,000 tons of CO<sub>2</sub> and EUR5.8 million.
- **The indicator "100% of products in R&D designed with Schneider ecoDesign Way"**, at 8.9% this quarter, aims to ensure that the environmental impact of the Group's new products has improved compared to the external reference product or previous Schneider Electric range. The approach is to measure improvement according to a range of different indicators concerning: impact on climate change including CO<sub>2</sub> footprint; consumption of raw materials; reduction of chemicals hazardous to health; energy efficiency; serviceability of the product (repair, recycling, reuse, etc.); circularity for recyclability at end of life; and product packaging. The goal is 50% at the end of 2016 and 100% at the end of 2017.

On the Profit pillar:

- **The indicator "75% of product revenue with Green Premium eco-label"** shows a stable result in the first quarter. It covers more than EUR 9 billion of the Group's product-based turnover. This label benefited in 2015 from a set of designed innovations, such as a smartphone App with QR Code capacity, allowing stakeholders to 24/7 access to digitized environmental information (REACH, RoHS, Product Environmental Profile/PEP, End of Life Instructions/EoLI).
- **The indicator "100% of our recommended suppliers embrace ISO 26000 guidelines"** publishes a result of 65.2% this quarter, in number of suppliers, representing over 80% in purchasing volume. The objective is to motivate "recommended" Group suppliers to roll out and monitor improvement plans conforming to ISO 26000. Recommended suppliers represent 56% of

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Schneider Electric's purchasing volume at the end of 2015. An assessment of recommended suppliers is carried out by a third party, and suppliers whose assessments would not meet the desired standard would have to improve to reach the target. In 2015, the Group has set a target figure of increasing the average score achieved in the assessment. This target was reached and the average score increased by 10% between 2014 and 2015.

On the People pillar:

- **The indicator “85% of employees work in countries with Schneider gender pay equity plan”** aims to measure the percentage of employees who work in countries with an operating gender pay equity plan, i.e. measurement of pay equity and, if pay gaps, corrective actions in place. Schneider Electric uses a common global standard methodology to identify gender pay gaps within comparable groups of employees and uses a country driven approach to address gaps with appropriate corrective actions. Up till now, the process covers 16 countries and 57% of employees. The target by 2017 is to extend this process around the globe to reach 85% of the global workforce.
- **The indicator “1,300 missions within Schneider Electric Teachers NGO”** displays 60 additional missions this quarter, including 43 in India. A total of 938 missions have been carried out since the program began in 2012. These volunteer missions are coordinated by a specific NGO called « Schneider Electric Teachers ». It works closely with the Access to Energy Training teams, the Fighting fuel poverty teams, the Schneider Electric Energy Access fund and Human Resources. Schneider Electric Teachers also develops partnerships with local NGOs (ESF, ADEI, etc.).

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**The non-financial results for the first quarter of 2016 are available on our site [www.schneider-electric.com/sri](http://www.schneider-electric.com/sri)**

## About Schneider Electric

Schneider Electric is the global specialist in energy management and automation. With revenues of ~€27 billion in FY2015, our 160,000+ employees serve customers in over 100 countries, helping them to manage their energy and process in ways that are safe, reliable, efficient and sustainable. From the simplest of switches to complex operational systems, our technology, software and services improve the way our customers manage and automate their operations. Our connected technologies reshape industries, transform cities and enrich lives. At Schneider Electric, we call this **Life Is On**.

[www.schneider-electric.com/sri](http://www.schneider-electric.com/sri)

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## APPENDIX

### Schneider Electric's COP21 10 Sustainability Commitments

1. Ensure **CO2 impact** quantification for **100% of new large customer projects**;
2. Design **100%** of new offers with **Schneider Electric ecoDesign Way™** and realize **75%** of **product revenue with [Green Premium™](#)** eco-label;
3. Avoid **120,000 tons of CO2** through Circular Economy “**end-of-life**” services;
4. Facilitate access to lighting and communication with **low carbon solutions for 50 million inhabitants at the Base of the Pyramid in 10 years**;
5. Implement [storage initiatives](#) to develop renewable energy and mini grid;
6. Solve SF6 issues with new alternatives in 5 years and **eliminate SF6 from Schneider Electric products in 10 years**;
7. Reduce Schneider Electric **energy intensity by 3.5% per annum**;
8. Reduce Schneider Electric **transportation CO2 emissions by 3.5% per annum**;
9. Invest **EUR 10bn in R&D innovation on sustainability** in the next 10 years;
10. Issue a [climate bond to finance low CO2 R&D](#) across Schneider Electric businesses.

<sup>i</sup> 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.

<sup>ii</sup> Results measured from 2016 (measurement tools deployed in 2015).

<sup>iii</sup> Bi-annual results in Q3 and in Q4.

<sup>iv</sup> Measurement on a rolling year. We are changing providers in Q1 2016 and will resume publishing the indicator from Q2.

<sup>v</sup> Bi-annual results in Q2 and in Q4.

<sup>vi</sup> Annual result in Q4.

<sup>vii</sup> Target Q1 2016: 5.25 (year-end target 2016 restated at 7.5/10 instead of 6/10).