Notice of meeting

Combined Ordinary and Extraordinary Annual Shareholders’ Meeting
of April 25, 2017 to be held at 3:00 p.m. at

Espace Grande Arche – Parvis de la Défense
92004 Paris-La Défense

schneider-electric.com
How to go to the Shareholders’ Meeting?

BY CAR
- Porte Maillot exit, head for La Défense
- At Neuilly, take Avenue Charles de Gaulle, cross Neuilly bridge, then take Boulevard Circulaire
- Exit at la Défense 7, then follow signs for Parking Valmy or Parking Les Quatre Temps Grande Arche PA

BY PUBLIC TRANSPORT
- La Défense Grande Arche station
  - Metro Line 1 (Château de Vincennes / La Défense Grande Arche)
  - RER A (Boissy-St-Léger / Marne-La-Vallée – Poissy/ Cergy)
  - Tramway T2 (Porte de Versailles – Parc des expositions / La Défense)
  - SNCF mainline train (line L: Saint-Lazare / Saint-Nom-la-Bretèche ou Versailles-RD)
- On foot: follow Grande Arche exit

FROM PARIS - CHARLES-DE-GAULLE AIRPORT
- RER B direction Saint-Rémy-lès-Chevreuse until Châtelet-les-Halles station
- From Châtelet-les-Halles:
  - Metro line 1 direction La Défense until La Défense Grande Arche station

From PARIS-ORLY AIRPORT
- Orlyval until Antony station
- RER B direction Mitry-Claye or Aéroport Paris - Charles-de-Gaulle until Châtelet-les-Halles
- From Châtelet-les-Halles:
  - Metro line 1 direction La Défense until La Défense Grande Arche station

NB: The request of the admission card is on the attached form.
# Contents

1. Message from Jean-Pascal Tricoire  
2. Interview with Emmanuel Babeau  
3. Agenda  
4. Conditions to attend the Shareholders’ Meeting  
5. Corporate governance  
6. Report of the Vice-chairman independent lead director of the board of directors  
7. Summary Overview of the Company’s Financial situation and business activity in 2016  
8. Agenda of the combined Annual and Extraordinary Shareholders’ Meeting  
9. Appendix  
10. Statutory Auditors’ special report on regulated agreements and commitments  
11. Resolutions  
12. Request for information
Focus on strategic priorities yielded strong results in 2016

At Schneider Electric, our role is to make sure that Life Is On for everyone, everywhere, at every moment. We do so by delivering energy and efficiency connected solutions in more than 100 countries.

In an unpredictable global environment, as we faced unprecedented events in Europe, in the US and everywhere in the world, we have kept our trajectory and 2016 has been a year of consistent and solid execution of this strategy.

We achieved all our key financial targets, our revenue reached EUR24.7 billion, with slightly positive underlying growth and adjusted EBITA margin of 14.1%, up 90 bps before foreign exchange impact. Our adjusted net profit was EUR1.8 billion, jumping up by 24%, and we delivered record cash generation with free cash flow of EUR2.2 billion; and a strong cash conversion at 118%.

Our Building business delivered solid results both in growth and profitability: the adjusted EBITA amounted to EUR2,099 million, or 19.6% of revenues, up +1.6 points mainly thanks to industrial productivity and cost control. Infrastructure margin improved by 1.3 points organic in difficult markets. Industry and IT businesses are turning the corner and remained resilient, both posted positive organic revenue growth in Q4.

Our global footprint and balanced exposure to four markets continue to be a strong asset for resilience: China resumed growth towards the end of the year while the rest of Asia Pacific and Western Europe stayed flat. North America slowed down, driven by weak infrastructure and O&G markets. Excluding the Middle East, the rest of the World was slightly up. Our strategic initiatives achieved good results in a mixed market: Services delivered growth higher than group average across all businesses, up by +5% for revenues.

In line with our commitments to our shareholders, we invested EUR853 million in share buybacks in 2016, and a cumulative of EUR1.5 billion in share buybacks over years 2015-2016. We are going to propose this year’s dividend at EUR2.04 per share, up 2% compared to 2015.

2016 was also a year to further optimize our offer portfolio, strengthening our focus on core businesses and driving the Group’s performance, with the complete disposal of Telvent Transportation and some minor acquisitions and strategic review of other businesses.

Schneider is On

2016 was the 2nd year of our company program, Schneider Is On, with continued progress along 5 axes bringing benefits for our customers: Do more; Simplify; Digitize; Innovate and Step up.

Within “Do More”, our Services revenues went up organically by 5%; Systems Gross Margin up by 40bps (+70bps before foreign exchange impact) thanks to greater Project selectivity and better execution; Global Strategic Account orders up mid-teens.

Our “Simplify” initiative delivered EUR620 million Gross Support Function Cost reduction plus industrial productivity in 2016, with accumulated cost cutting of EUR1.3 billion since 2015. We are well in line with our plan of EUR1.7 billion to EUR1.8 billion reductions by 2017.

Within the “Digitize” initiative: 2016 has been a defining year in converging our architectures into EcoStruxure™, which is our digital architecture for six segments (Building, Power, Data Center, Machine, Plant, Grid), across our four major markets. Between 2015-2016, the number of connected assets has increased by 15% and unique connected customers are up by 40%. The Internet of Things represents more than 45% of our total turnover.

Within our “Innovate initiative: we continue to invest 5% of our revenue (EUR1.3 billion) into R&D and launched numerous impactful key offers in connected products, edge control and software within our EcoStruxure™ digital architecture. We are leading the new world of energy and are pioneering the Internet of Things. Wherever people operate in the world, we make those technologies available to everyone, everywhere, at every moment.

We also innovate in sustainable development, our Planet & Society barometer reached 8.48/10, outpacing year-end target 2016 (7.5/10). More than 20 million people benefitted from our Access to Energy offers. Our positive impact has been honored externally by a few international recognitions: we’re proud to be among the top 25 companies in Fortune Magazine’s Change the World ranking; an Industry leader in the Dow Jones Sustainability Index (DJSI) and to be part of the CDP Climate A list for the 6th consecutive year. For the 1st time since inception in 2001, we joined the FTSE4Good Global and Europe indices. As President of the United Nations Global Compact France, I want to reaffirm my support to the UN Global Compact Ten Principles and the Sustainable Development Goals.
Finally, the Step Up initiative focuses on building talent and fostering employee engagement. At the end of 2016, more than 34,000 employees support our engagement in HeForShe, the UN women empowerment initiative. We made progress in empowering women as leaders, with women representing 20% of our management teams and we are pleased to see it has reached 30% in new economies.

We share our energy knowledge to cultivate tomorrow’s energy leaders, and have trained more than 50,000 people in 26 countries (and over 500,000+ online with our Energy University) through our ongoing sustainability education programs.

**2017 outlook**

We are starting 2017 with Schneider well positioned for profitable growth. Our major geographies are set to improve. North America expects improvement in industrial activity and continued growth in residential markets; Western Europe will benefit from an environment with a lower Euro and still relatively low oil price, although some Brexit-related risks remain. In the field of energy China is stabilizing, and growth has been positive in the past two quarters; a stark contrast from where it was one year ago. We will still face headwinds in Oil & Gas and continued weakness in some resource driven economies, although these may ease towards the end of the year.

In this environment, we are committed to furthering growth, as we focus on growing our partner network through the launch of many new innovative offers, developing services and software, working on margin improvement through continued selectivity on projects and keeping strong attention on cost control.

Finally, as sustainable innovators, we are very excited by the launch of EcoStruxure™ architecture in the domains of Building, Power, Datacenters, Machines, Plant and Grids and by the greater value we offer our customers through our innovative offers. The enhanced architecture and platform is open, scalable and interoperable, connecting the three core layers of our technology stack, from connected products, to edge control, to applications, analytics and services. The next generation EcoStruxure™ delivers enhanced value around safety, reliability, efficiency, sustainability, and connectivity.

We look forward to continuing this journey with you towards a strong 2017.
Schneider Electric delivered a strong performance in 2016, meeting all its key financial commitments. What were the performance highlights?

In 2016, we continued our strategy to deliver profitable growth, growing in products and services and being more selective in systems (equipments & projects). Our revenues of EUR24.7 billion were down – 0.9% organic in 2016 but grew slightly excluding the impact of our selectivity initiatives. We delivered a strong improvement in our adjusted EBITA margin which increased by c. +0.9pt before foreign exchange impact to 14.1%, helped by strong industrial productivity, positive net pricing and efficient cost control. We also benefited from an improving mix trend as we saw the benefits of a higher margin on our systems. This operational performance translated despite currency headwinds in our earnings per share growing by +2% adjusted for exceptional items and +26% on a reported basis. In addition, our free cash flow (1) was at record level of EUR2.2 billion, thanks to the strong delivery of our global supply chain initiatives.

What were the highlights of the performance by division?

Building, our largest division in term of revenues delivered a slight growth and improved adjusted EBITA margin by c. +1.5pt organic. Industry faced difficult markets in the first 3 quarters, but the momentum improved in Q4. Profitability remained resilient, with the adjusted EBITA margin being -0.2pt organically down mainly due to lower volumes. IT grew in large markets but suffered from weakness in EMEA. The division’s margin decreased but remains on high level. Infrastructure main objective for 2016 was to improve profitability. The adjusted EBITA margin of the division improved by c. +1.3pt organically, reaching 9.7%, this strong performance was however below the target of 10% due to a strong negative foreign exchange impact.

The Group targets profitable growth in 2017, what are the key levers?

Our priorities for 2017 are to resume organic growth for the business outside Infrastructure and continue to improve our operational margin level organically. We target between 1-3% organic growth for 3 divisions (Building, IT, Industry) and keep focusing on attractive opportunities in products, services and software. We will also continue our selectivity initiatives, impacting revenues in Infrastructure by -4% to -5% while underlying organic growth in the division is expected to be about stable. In addition to the leverage coming from growth, we should continue to benefit from our cost savings actions encompassing industrial productivity and gross support function costs savings with the combined objective to save c. EUR400-500 million in 2017, bringing the total cost-savings initiative to our objective of EUR1.7-1.8 billion over 2015-2017. Taking all these actions into consideration, our objective is to improve the Group’s adjusted EBITA margin by +20-50bps organically in 2017, in line with our 2017-2019 objective shared at the recent investor day.

Could you share the key levers highlighted at the recent investor day to drive shareholder value in the next years?

In our recent investor day, we have highlighted our levers to deliver shareholder value over the next 3 years. First, our objective is to continue our earnings growth through a combination of top line growth and margin expansion. Our objective is to grow around 3% organic on average over the 2017-2019 period in 3 divisions, Building, IT and Industry making c. 80% of our portfolio. Our company is indeed well positioned to benefit in the coming years from two major global investment drivers which are energy transition and the industry of the future, using our global reach and complementary business models. We have also launched in 2016 our digital architecture EcoStruxureTM which offers promising opportunities for growth. In addition to growth, we continue to focus on operational efficiency notably through simplification and cost-efficiencies initiatives as well as greater selectivity on projects for Infrastructure which enables us to target an improvement of our operational margin by 20-50bps organically on average per year in the next 3 years. This objective should translate into strong growth of our net profit. Combined with the strong free cash flow (1) generation and our solid balance sheet, this allows us to offer an attractive return to shareholder through a progressive dividend policy with no year-on-year decline, decline, ad through potential further share buybacks/special dividend.

(1) Cash provided by operating activities less change in working capital less net capital expenditure.

Interview with Emmanuel Babeau
Deputy Chief Executive Officer in charge of Finance and Legal Affairs

Interview with Emmanuel Babeau
Deputy Chief Executive Officer in charge of Finance and Legal Affairs
The board of directors has decided to convene the Schneider Electric SE Shareholders’ Ordinary and Extraordinary Annual General Meeting on April 25, 2017

At 3:00 p.m.
At Espace Grande Arche – Parvis de la Défense, 92004 Paris-La Défense

The board of directors has set the following agenda

Agenda

Draft resolutions are set forth in pages 42 to 50.

Within the material jurisdiction of the ORDINARY general assembly:

- Reports issued by the board of directors and the statutory auditors on accounts for the financial year ending on December 31, 2016;
- Approval of corporate financial statements for the 2016 financial year;
- Approval of consolidated financial statements for the 2016 financial year;
- Appropriation of income for the financial year, setting the coupon and withholding from issue premiums;
- Approval of the regulated agreements entered into in 2016 - compensation of the Vice-chairman independent lead director - and information regarding agreements and regulated commitments undertaken during previous financial years;
- Opinion on elements of the compensation due or awarded in respect of the 2016 financial year to Mr. Jean-Pascal Tricoire;
- Approval of principles and criteria for determining, allocating and withholding from issue premiums;
- Determination of the amount of attendance fees;
- Authority granted to the board of directors to buy back company shares – maximum purchase price per share EUR80.

Within the material jurisdiction of the EXTRAORDINARY general assembly:

- Amendment to article 11 of the company’s Articles of Association to provide for the appointment of directors representing employees in accordance with article L.225-27-1 of the French Commercial Code;
- Amendment to article 19 of the company’s Articles of Association to comply with amended laws;
- Delegation of authority to the board of directors to increase the nominal share capital within the limit of EUR800 million, i.e. approximately 33.75% of the capital on December 31, 2016, by issuing ordinary shares or securities giving access to capital of the company or any of its subsidiaries with shareholders’ preferential subscription right;
- Delegation of authority to the board of directors to increase the share capital by capitalizing reserves, earnings, premiums or other amounts for which capitalization may be allowed;
- Delegation of authority to the board of directors to increase the nominal share capital within the limit of EUR230 million, i.e. 9.7% of the capital on December 31, 2016, by issuing ordinary shares or securities giving access to the capital of the company or any of its subsidiaries without shareholders’ preferential subscription right through a public offering. This delegation may be used to pay for contributions of securities in connection with a public exchange offer initiated by the company;
- Delegation of authority to the board of directors to increase the amount of an initial issue, as approved pursuant to the nineteenth or twenty-first resolutions, with or without shareholders’ preferential subscription right;
- Delegation of powers to the board of directors to increase the share capital within the limit of 9.7% of the share capital for the purpose of paying for contributions in kind;
- Delegation of authority to the board of directors to undertake, through an offering as set forth in Paragraph II of article L.411-2 of the French Monetary and Financial Code, without shareholders’ preferential subscription right, a capital increase up to a nominal amount of EUR115 million, i.e. 4.85% of capital, by issuing ordinary shares or securities giving access to the capital of the company or any of its subsidiaries, the issue price of which shall be decided by the board of directors in accordance with the terms and conditions determined by the Annual Shareholders’ Meeting;
- Delegation of authority to the board of directors to undertake capital increases reserved to participants in a company Investment Plan up to a limit of 2% of share capital, without shareholders’ preferential subscription right;
- Delegation of powers to the board of directors to undertake capital increases reserved to a category of beneficiaries: in favor of employees of foreign companies of the Group, either directly or via entities acting on their behalf thereof to offer to employees of foreign companies of the Group benefits comparable to those offered to participants in the company Investment Plan up to 1% of share capital, without shareholders’ preferential subscription right;
- Authorization to the board of directors to cancel shares of the company, if any, bought back on the terms and conditions approved at the General Shareholders’ Meeting, up to a maximum of 10% of the share capital;
- Powers for formalities.
Conditions to attend the Shareholders’ Meeting

Who may attend

All shareholders, no matter how many shares they hold, have the right to take part in the meeting in person, be represented by a third party or vote by mail, after providing evidence of their status as shareholder. However, to be allowed to take part in the meeting, to vote by mail or be represented:

a) shareholders owning registered shares must be registered in the “pure” or “administered” accounts by midnight, Paris time, on the second working day before the meeting, i.e. April 21, 2017;

b) shareholders owning bearer shares must be registered by midnight, Paris time, on the second working day before the meeting, i.e. April 21, 2017. Book entry or registration of shares in bearer share accounts held by the authorized intermediary will be confirmed by a participation certificate issued by the latter, appended to the distance or proxy voting form (“single form”) or to the request for an entry pass drawn up in the name of the shareholder. A certificate may also be issued to any shareholder wishing to take part in the meeting in person and who has not received his or her entry pass by midnight, Paris time, on the second working day before the meeting, i.e. April 21, 2017.

Shareholders may obtain the single form referred to above on request by mail to their financial intermediary or to the BNP Paribas Securities Services, Service des assemblées, Immeuble GMP – Europe, 9, rue du Débarcadère – 93761 PANTIN.

WARNING: the company became a European company in 2014. As a result, voting procedures at the Shareholders’ Meeting have changed. From now on, abstention shall not be accounted for as a negative vote. We therefore invite you to read carefully the following paragraphs.

Procedures for attending this meeting

Application for an admission card

You must apply for the admission card that is required to be able to attend the meeting and vote in it*. You can obtain the card:

* by post: return the form attached after checking box A, and dating and signing it at the bottom (see opposite);

* by electronic means:

- if you are a registered shareholder, log into the secured VOTACCESS platform that you can access via the Planetshares site, whose address is as follows: https://planetshares.bnpparibas.com. If you are a pure registered shareholder, use your usual access codes for logging in. If you are an administered registered shareholder, you will find your Login ID for accessing the Planetshares site in your letter of invitation to the meeting. If ever you do not have your Login ID and/or its password, please contact 0 800 004 120 (toll-free line).

Once you have connected, follow the instructions given on the screen to access the VOTACCESS site for applying for your admission card,

- if you are a shareholder possessing bearer shares, check whether your authorized intermediary is connected to VOTACCESS or not and, if so, whether access is subject to any specific conditions of use.

If the authorized intermediary is connected to the VOTACCESS site, you must identify yourself on its portal with your usual access codes. Then, you must click on the icon on the line that corresponds to the Schneider Electric SE shares that you hold and follow the instructions given on the screen to access VOTACCESS and apply for an admission card.

* Note: If you have requested your admission card but have not received it in due time for the meeting, and that you can show that your shares are registered up to midnight, Paris time, on the second working day before the meeting in the accounts held by the company (for nominative shares), or in the accounts held by the authorized intermediary (for bearers who hold a participation certificate), you can still attend the meeting by checking in at the registration desk starting at 2:00 p.m.
Entry to the meeting
To ensure that the meeting proceeds as planned, we request you to:
1. present your admission card and sign the attendance sheet at the registration desk starting at 2:00 p.m.;
2. only enter the meeting room with the electronic voting terminal provided upon signing the attendance sheet;
3. carefully follow all the instructions for using the terminal given during the meeting.

YOU ARE UNABLE TO ATTEND the meeting, however you want to:
1. vote by mail or by internet;
2. give a proxy to another shareholder, your spouse or partner with whom you have an official civil union or to any other individual or legal entity of your choice under the applicable legal and regulatory conditions;
3. give the Chairman of the meeting power to vote on your behalf.
To do this, you can either use the attached form I either you connect on the dedicated website II.

I. Use of the single vote form attached
If you wish to make use of one of the above three possibilities by means of the attached single vote form, you must:
- for registered shareholders: return the single postal or proxy vote form to the following address: BNP Paribas Securities Services – CTS Assemblées – Grands Moulins de Pantin – 93761 Pantin Cedex;
- for bearer shareholders: return the enclosed single postal or proxy vote form accompanied by a participation certificate issued by your financial intermediary to the following address: BNP Paribas Securities Services – CTS Assemblées – Grands Moulins de Pantin – 93761 Pantin Cedex.
If you wish to use the single vote form attached, you will need to check the corresponding box but also indicate your vote on each resolution by shading the corresponding box. Otherwise, your vote will not be accounted for on the resolutions for which you have not indicated your vote.
To be taken into account, postal vote forms must be received by the “Service Assemblées Générales” of BNP Paribas Securities Services three days at the latest before the date on which the assembly is to be held, i.e. April 21, 2017.

II. Online
If you wish to make use of one of the above three possibilities via Internet, you must connect up with the VOTACCESS site.
The VOTACCESS site will be open as from April 5, 2017.
To access the VOTACCESS site, you must:
- if you are a registered shareholder connect up with the secured Votaccess platform via the Planetshares site, whose address is as follows: https://planetshares.bnpparibas.com. If you are a pure registered shareholder, use your usual access codes for logging in. If you are an administered registered shareholder, you will find your Login ID for accessing the Planetshares site in your letter of invitation to the meeting. If ever you do not have your Login ID and/or your password, please contact 0 800 004 120 (toll-free line).
Once you are logged in, follow the instructions on the screen to access the VOTACCESS site for voting, designating or revoking a proxy or appointing the Chairman as proxy;
- if you are a shareholder possessing bearer shares, check whether your authorized intermediary is connected to VOTACCESS or not and, if so, whether access is subject to any specific conditions of use.
If the authorized intermediary is connected to the VOTACCESS site, you must identify yourself on its portal with your usual access codes. Then, you must click on the icon on the line that corresponds to the Schneider Electric SE shares that you hold and follow the instructions given on the screen to access VOTACCESS for voting, designating or revoking a proxy or appointing the Chairman as proxy.
If your authorized intermediary is not connected to the VOTACCESS site, you may still notify the designation of revocation of a proxy by electronic means in compliance with the measures set forth in article R.225-79 of the Commercial Code. In this case, you must:
(i) send an e-mail to paris.bp2s.france.cts.mandats@bnpparibas.com. This email must contain the following information: the name of the company concerned (Schneider Electric SE), the date of the meeting (April 25, 2017), the name, forename, address, and bank references of the principal together with the name, forename and, if possible, the address of the proxy;
(ii) request the financial authorized intermediary that handles your securities account to send written confirmation to the Service Assemblées Générales at BNP Paribas Securities Services – CTS Assemblées Générales – Les Grands Moulins de Pantin -9, rue du Débarcadère – 93761 Pantin Cedex.
So that proxy designations or revocations sent by electronic mail can be taken into account validly, confirmations must be received on the day before the meeting at the latest, i.e. April 24, 2017, at 3:00 p.m. Paris time.
Only notice of designation or revocation of proxies may be sent to the above electronic mail address. Any other demand or notice concerning any other subject will not be taken into account and/or be processed.
Shareholders may obtain the documents provided for under articles R.225-81 and R.225.83 of the French Commercial Code within legal time limits, by requesting them from BNP Paribas Securities Services – CTS Assemblées Générales – Grands Moulins de Pantin – 93761 Pantin Cedex.

The board of directors
How to fill in your voting form?

If you intend to attend the meeting in person:
tick box A to request an admission card.

To cast a postal vote: tick here.
AND indicate your vote on each resolution by shading the appropriate box.
Sign and date at the form bottom.

To give proxy to the chairman of the General Meeting to vote on your behalf:
Simply tick box B at the top of the form and sign and date it at the bottom.

In every case, the owner of the shares must sign and date the form and to return it as soon as possible to:

If you hold registered shares:
BNP Paribas Securities Services
Corporate Trust Services - General Meeting
Les Grands Moulins de Pantin
9 rue du Débarcadère
93500 Pantin

If you hold bearer shares:
Your financial intermediary who manages the share account in which your Schneider Electric SE shares are registered.

• Double vote for shares which have been in registered form for at least two years prior to December 31st of the year preceding the date of the general meeting.

• Single vote.

Whatever you decide to do, do not forget to sign and date the form here.

NOTICE OF MEETING 2017 SCHNEIDER ELECTRIC
Corporate governance

Composition of the board of directors (February 15, 2017)

Chairman of the board of directors and Chief Executive Officer

M. Jean-Pascal Tricoire

Age: 53 years
Nationality: French
Business address: Schneider Electric
35, rue Joseph-Monier
92500 Rueil-Malmaison
366,595 Schneider Electric SE shares
First appointed: 2013/Term ends: 2017

Vice-chairman independent lead director

M. Léo Apotheker*

Age: 63 years
Nationality: French/German
Business address: Flat A, 15 Eaton Square London SW1W 9DD, England
2,038 Schneider Electric SE shares
First appointed: 2007/Term ends: 2020

Directors and other functions

Currently:
Chairman and CEO of Schneider Electric SE; Chairman and CEO of Schneider Electric Industries SAS; Director of DELIXI Electric Ltd; Director of Schneider Electric USA, Inc.; Director and Chairman of the board of directors of Schneider Electric Asia Pacific Ltd; Chairman of the board of directors of Schneider Electric Holdings Inc., Chairman of the France-China Committee.

Previous directorships and functions held in the past five years:
Chairman of the management board of Schneider Electric SA; director of NINGBO Schneider Power Distribution Apparatus Manufacturing Co. Ltd.

Experience and qualifications

After graduating from ESEO Angers and obtaining an MBA from EM Lyon, Jean-Pascal Tricoire spent his early career with Alcatel, Schlumberger and Saint-Gobain and rejoined the Schneider Electric Group (Merlin Gerin) in 1986. From 1988 to 1999 he occupied operational functions within Schneider Electric abroad, in Italy (five years), China (five years) and South Africa (one year). He held corporate positions from 1999 to 2001: director in charge of Strategic Global Accounts and the “Schneider 2000+” company program. From January 2002 to the end of 2003, he was Executive Vice-President of Schneider Electric’s International Division. In October 2003, he was appointed Deputy CEO, before becoming Chairman of the management board of Schneider Electric SA on May 3, 2006. On April 25, 2013, following the change in mode of governance of the company, he was appointed Chairman and CEO.

Directorships and other functions

Currently:
Vice-chairman independent lead director of Schneider Electric SE, Chairman of the Governance and Remunerations Committee and member of the Strategy Committee.

Other directorship at a listed company:
Director of NICE-Systems Ltd (Israel).

Other directorships or functions:
Chairman of the board of KMD A.S. (Denmark), Vice-Chairman of the board of Unit 4 NV (Netherlands); Chairman of the Supervisory board of Signavio GmbH (Germany); Director of P2 Energy Solutions (United States).

Previous directorships and functions held in the past five years:
Manager of “Efficiency Capital” fund; Vice-Chairman of Schneider Electric SA’s supervisory board; Member of the supervisory board of Steria, Chairman and CEO of Hewlett-Packard; Member of the board of directors of GTNexus (United States); Member of the board of directors and the Strategy Committee of Planet Finance.

Experience and qualifications

Léo Apotheker began his career in 1978 in management control after graduating with a degree in international relations and economics from the Hebrew University in Jerusalem. He then held management and executive responsibilities in several firms specializing in information systems including SAP France & Belgium, where he was Chairman and CEO between 1988 and 1991. Mr. Apotheker was founding Chairman and CEO of ECsoft. In 1995, he returned to SAP as Chairman of SAP France. After various appointments within SAP as Regional Director, in 2002 he was appointed as a member of the Executive Committee and Chairman of Customer Solutions & Operations, then in 2007 as Chairman CEO of SAP AG and in 2008 CEO of SAP AG. In 2010, he became CEO and Chairman of Hewlett-Packard, a position he held until the fall of 2011. Member of the Schneider Electric SA board of directors since 2007, Léo Apotheker was appointed Vice-chairman independent lead director in May 2014.

Note: bold indicates the names of companies whose securities are listed on a regulated market.

* An independent director within the meaning of the AFEP/MEDEF corporate governance guidelines for listed companies.

(1) Held directly or through the FCPE.

NOTICE OF MEETING 2017 SCHNEIDER ELECTRIC
## Directors

### Betsy Atkins*

<table>
<thead>
<tr>
<th>Age: 63 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nationality: American</td>
</tr>
<tr>
<td>Business address: BAJACORP 10 Edgewater Drive Ste 10A Coral Gables, FL 33133, United States</td>
</tr>
<tr>
<td>1,000 Schneider Electric SE shares</td>
</tr>
<tr>
<td>First appointed: 2011/Term ends: 2019</td>
</tr>
</tbody>
</table>

**Directorships and other functions**

- Currently:
  - Director of Schneider Electric SE and member of the Strategy Committee.
- Other directorships or functions at a listed company:
  - Member of the board of directors of HD Supply Holdings, Inc. (United States); Chairman of the advisory board of SAP; Member of the Audit Committee and member of the board of directors of SI Green Realty Corp (United States).
- Other directorships or functions:
  - Member of the board of directors of Volvo Cars AB (Sweden); Chairman and CEO of Baja LLC; Member of ZocDoc advisory board.
- Previous directorships and functions held in the past five years:
  - Member of the supervisory board of Schneider Electric SA; Chairman of the Compensation Committee and member of the board of directors of Polycom Inc. (United States); Member of the board of directors of Chico's FAS Inc. (United States), of SunPower Corp. (United States), of Vonage (United States), of Wix (Israel) and of Ciber (United States); Chairman and CEO of Clear Standards, Inc. (United States), Chairman of the Governance Committee and member of the board of directors of Darden (United States).

**Experience and qualifications**

After graduating from the University of Massachusetts, Betsy Atkins began her career co-founding several successful high-tech and consumer companies, including Ascend Communications. In addition, she served as Chairman and CEO of Clear Standards from 2008-2009, Chairman and CEO of NCI from 1991 to 1993 and as CEO of Key Supercomputer from 1987 to 1989.

---

### Cécile Cabanis*

<table>
<thead>
<tr>
<th>Age: 45 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nationality: French</td>
</tr>
<tr>
<td>Business address: Danone 17 boulevard Haussmann 75009 Paris, France</td>
</tr>
<tr>
<td>1,000 Schneider Electric SE shares</td>
</tr>
<tr>
<td>First appointed: 2015/Term ends: 2020</td>
</tr>
</tbody>
</table>

**Directorships and other functions**

- Currently:
  - Director of Schneider Electric SE and member of the Audit and Risks Committee.
- Other directorships or functions at a listed company:
  - Chief Financial Officer and member of the Executive Committee of Danone SA.
- Other directorships or functions:
  - Director of Danone CIS Holdings BV, Danone Industria LLC and Danone Russia; Member of the Supervisory board of Mediawan (France); Director of Michel et Augustin SAS (France).
- Previous directorships and functions held in the past five years:
  - Non voting director of Schneider Electric SE; Director of Danone Djurdura, Danone fund for Ecosystem; Director of Produits Laitiers Frais Iberia; Danone SA; Danone Chiquita Fruits; Compagnie Gervais Danone; Dan Trade; Danone Sp. z.o.o.; Member of the supervisory board of Toeca International Company B.V.

**Experience and qualifications**

With a degree in Engineering from Agro Paris Grignon, Cécile Cabanis started her career in 1995 at L’Oréal in South Africa, where she occupied the positions of Logistics Manager and Management Control Manager, before moving to France where she worked as an Internal Auditor. In 2000, she then became Deputy Director of the France Télécom group’s Mergers and Acquisitions Department. In 2004, she joined Danone as Corporate Finance Director. In 2005, she was appointed Business Development Director at Danone, and in 2008 became Financial Director for Fresh Dairy Produce in the Western Europe region. In September 2010, Cécile Cabanis was appointed Financial Director for Fresh Dairy Produce. Since January 2015, she has been Chief financial officer and a member of the Executive Committee of Danone.

*Note: bold indicates the names of companies whose securities are listed on a regulated market.
*An independent director within the meaning of the AFEP/MEDEF corporate governance guidelines for listed companies.
Xavier Fontanet*

Age: 68 years
Nationality: French
Business address:
3, rue Charles-Lamoureux
75016 Paris, France
1,000 Schneider Electric SE shares
First appointed: 2011/Term ends: 2018

Directorships and other functions
- Currently:
  Director of Schneider Electric SE and Chairman of the Strategy Committee.
- Other directorship at a listed company:
  Director of L’Oréal.
- Other directorships or functions:
  Associate professor at HEC; Member of the board of directors and of ANSA (French National Association of Joint-Stock Companies); Member of the board of directors of the Centre des Professions Financières.
- Previous directorships and functions held in the past five years:
  Member of the supervisory board of Schneider Electric SA; Director of Essilor; Chairman of the board of directors of Essilor International; Director of Crédit Agricole SA and of the Fonds stratégique d’Investissement (FSI); Chairman of EOA Holding Co. Inc. (USA), Nikon and Essilor Joint Research Center Co Ltd (Japan); Director of Nikon-Essilor Co. Ltd (Japan), Nikon and Essilor Joint Research Center Co Ltd (Japan), Essilor of America, Inc. (USA), Transitions Optical Inc. (USA), EOA Holding Co., Inc. (USA), Shanghai Essilor Optical Company Ltd (China), Transitions Optical Holdings B.V. (Netherlands), Essilor Manufacturing India Private Ltd (India), Essilor India Pvt Ltd (India), Essilor Amico LLC (United Arab Emirates); Permanent representative of Essilor International on the board of directors of the Association Nationale des Sociétés par Actions (ANSA).

Experience and qualifications
A graduate of the Ecole nationale des Ponts et Chaussées and Massachusetts Institute of Technology, Xavier Fontanet began his career as a Vice-President at the Boston Consulting Group. He was CEO for Bénéteau beginning in 1981. Between 1986 and 1991, he was in charge of central management of catering for the Wagons-Lits group. In 1991, he joined Essilor as Executive Vice-President and then served as Chairman and CEO from 1996 to 2009 and Chairman of the board of directors until the beginning of 2012.

Antoine Gosset-Grainville*

Age: 50 years
Nationality: French
Business address:
BDGS Associés
51 rue François 1er
75008 Paris, France
1,000 Schneider Electric SE shares
First appointed: 2012/Term ends: 2020

Directorships and other functions
- Currently:
  Director of Schneider Electric SE and member of the Audit and Risk Committee.
- Other directorships at a listed company:
  Director of the FNAC Group; Director and Chairman of the Audit Committee of Compagnie des Alpes.
- Other directorship or function:
  Partner at BDGS Associés law firm.
- Previous directorships and functions held in the past five years:
  Member of the supervisory board of Schneider Electric SA; Director of CNP Assurances and Icade; Deputy Managing Director of the Caisse des Dépôts et Consignations; Director of the Fonds Stratégique d’Investissement, La Poste and Véolia-Transdev; Director of Dexia.

Experience and qualifications
Antoine Gosset-Grainville is a graduate of the Institut d’études politiques in Paris and holds a DESS post-graduate degree in banking and finance from University Paris IX Dauphine. After graduating from France’s École nationale d’administration, he began his career at the Inspection Générale des Finances (1994-1997). Then, he became Deputy General Secretary of the European Monetary Committee and later of the Economic and Financial Committee of the European Union (1997-1999). He was appointed Adviser for Economic and Monetary Affairs in the office of the European Commissioner in charge of Trade (1999-2002). He is a member of the Paris and Brussels Bars, and was a partner at the Brussels office of the Gide Loyrette Nouel law firm (2002-2007) before becoming Deputy Director in the office of Prime Minister François Fillon (2007-2010). From May 2010 to May 2013, he was Deputy Managing Director of the Caisse des Dépôts et Consignations. In June 2013, he became a partner at BDGS Associés law firm.

Note: bold indicates the names of companies whose securities are listed on a regulated market.
* An independent director within the meaning of the AFEP/MEDEF corporate governance guidelines for listed companies.
Magali Herbaut

Age: 45 years
Nationality: French
Business address:
Schneider Electric Industries SAS
2 Chemin des sources
38240 Meylan, France
6,907(1) Schneider Electric SE shares
First appointed: 2012/Term ends: 2017

Directorships and other functions
❖ Currently:
  Director of Schneider Electric SE and member of the Human Resources and CSR committee.
❖ Other directorships or functions:
  Member of the supervisory board of FCPE Schneider Actionnariat and FCPE Solidaire Schneider Énergie; Member of the board of directors of the SICAV Schneider Énergie Solidaire; Member of the board of directors of the Cercle Ethique des Affaires (CEA); Elected member of the Chambre de Commerce et d’Industrie of Grenoble.
❖ Previous directorships and functions held in the past five years:
  Member of the supervisory board of Schneider Electric SA; Member of the supervisory board of GPA Castillon.

Experience and qualifications
Magali Herbaut graduated from the École supérieure de commerce in Grenoble and earned an MBA from Laval University (Canada). She began her career as an auditor for the firm Deloitte. She joined Schneider Electric in 1996 as a management controller for Schneider Electric Automation GmbH. Ms. Herbaut spent two years as a management controller for Schneider Electric Automation Inc. in the US, before becoming Chief financial officer for Normabarre (2000-2003), then for the Medium Voltage/Low Voltage Regional Facilities Unit (2003-2007), later taking charge of the Alombard plant (2007-2008). She managed the Electrical Wiring business in the LifeSpace Business Unit for the EMEAS region between 2009 and 2012, and then on a global scale in 2013 as part of the partner retail division. In 2014, she was in charge of the Group’s ethics and global policies before becoming in 2016 training manager within Energy Business Unit. Ms. Herbaut is a member of the supervisory board of the FCPE Schneider Actionnariat.

Fred Kindle*

Age: 57 years
Nationality: Swiss
Business address:
Vaistligasse 1
9490 Vaduz, Liechtenstein
40,000 Schneider Electric SE shares
First appointed: 2016/Term ends: 2020

Directorships and other functions
❖ Currently:
  Director of Schneider Electric SE, member of the Audit and Risks Committee and member of the Strategy Committee.
❖ Other directorships or functions at a listed company:
  Vice-Chairman of Zurich Insurance Group Ltd (Switzerland), member of the Governance and Appointments Committee and member of the Remuneration committee; Chairman of the board of directors of VZ Holding AG (Switzerland) and Chairman of the Compensation Committee; Director of Stadler Bussnang AG (Switzerland) and Chairman of the Strategy Committee; Director of Exova Plc (United Kingdom) and member of the Appointments Committee; Chief Executive Officer of Kinon AG (Switzerland).
❖ Previous directorships and functions held in the past five years:
  Partner of Clayton Dubilier & Rice LLC (USA); Chairman of the board of directors and Chairman of the Compensation Committee of Exova Group PLC (United Kingdom); Chairman of the board of directors of BCA Marketplace Plc (United Kingdom); Director of Rexel SA (France); Lead Director of VZ Holding Ltd (Switzerland); Member of the Development Committee of the Royal Academy of Engineering (London).

Experience and qualifications
Fred Kindle graduated from the Swiss Federal Institute of Technology (ETH) in Zurich and holds an MBA from Northwestern University, Evanston, USA. He began his career in the Marketing Department of Hilti AG in Liechtenstein from 1984 to 1986. From 1988 to 1992, he worked as a consultant at McKinsey & Company in New York and Zurich. He then joined Sulzer AG in Switzerland, where he held various management positions. In 1999, he was appointed Chief Executive Officer of Sulzer Industries and in 2001, he became CEO of Sulzer AG. After joining ABB Ltd in 2004, Mr. Kindle was appointed Chief Executive Officer of the ABB group, a position which he held until 2008. He then became a partner at Clayton, Dubilier & Rice LLP, a private equity fund based in London and New York. He is now an independent consultant and director at several companies.

Note: bold indicates the names of companies whose securities are listed on a regulated market.
* An independent director within the meaning of the AFEP/MEDEF corporate governance guidelines for listed companies.
(1) Held directly or through the FCPE.

NOTICE OF MEETING 2017 SCHNEIDER ELECTRIC
Willy R. Kissling

Age: 72 years
Nationality: Swiss
Business address:
Poststrasse n° 4 BP
8808 Pfaeffikon, Switzerland
1,000 Schneider Electric SE shares
First appointed: 2001/Term ends: 2018

Directorships and other functions

- Currently:
  Director of Schneider Electric SE, member of the Governance and Remunerations Committee and member of the Human Resources and CSR committee.
- Previous directorships and functions held in the past five years:
  Member of the supervisory board of Schneider Electric SA; Member of the board of directors of Cleantech Invest AG; Chairman of the board of directors of Grand Resort Bad Ragaz AG.

Experience and qualifications

Willy R. Kissling, a Swiss citizen, holds diplomas from the Universities of Bern (Dr. Rer.pol) and Harvard (P.M.D). He has extensive experience and recognized expertise in both CEO and director positions in multinational companies based in Switzerland, and particularly in the following fields: construction and energy management technologies (acquired as CEO of the former Landis&Gyr Ltd), information technology and vacuum processing (acquired as Chairman of Oerlikon Bührle Ltd, which became OC Oerlikon Ltd), construction materials (Holcim Ltd, Cement, Forbo Ltd Floring, Rigips GmbH, Gypsum), packaging (Chairman of SIG Ltd) and logistics (acquired at Kühne&Nagel Ltd). He began his career at Amiantus Corporation and then joined Rigips, a plasterboard manufacturer, in 1978. He was appointed to the Rigips Executive Committee in 1981 and subsequently became Chairman. From 1987 to 1996, Mr. Kissling served as Chairman and CEO of Landis & Gyr Corporation, a provider of services, systems and equipment for building management, electrical contracting and payment methods for payphone operators. From 1998 to 2005, he was Chairman of the board of directors of Oerlikon Bührle Holding AG (since renamed OC Oerlikon Corp.). In addition, Willy R. Kissling has also been a member on various supervisory boards including those of Pratt & Whitney and Booz Allen Hamilton.

Linda Knoll *

Age: 56 years
Nationality: American
Business address:
CNH Industrial N.V., 6900 Veterans Boulevard,
Burr Ridge, Illinois 60527, United States
1,000 Schneider Electric SE shares
First appointed: 2014/Term ends: 2018

Directorships and other functions

- Currently:
  Director of Schneider Electric SE, Chair of the Human Resources and CSR committee and member of the Governance and Remunerations Committee.
- Other directorships or functions at a listed company:
  Chief Human Resources officer and member of the Group Executive Council of CNH Industrial N.V.; Chief Human Resources officer and member of the Group Executive Council of Fiat Chrysler Automobiles N.V.

Experience and qualifications

Linda Knoll holds a Bachelor of Science Degree in Business Administration from Central Michigan University. After a career in the Land Systems division of General Dynamics, Ms. Knoll joined CNH Industrial in 1994 (Case Corporation at the time). She held various positions there, culminating in her appointment to multiple senior management positions. In 1999, Ms. Knoll became Vice-President and General Manager of the Group’s Crop Production Global Product Line. From 2003 to 2005, she was Vice-President for North America Agricultural Industrial Operations. She then served as Vice-President for Worldwide Agricultural Manufacturing until 2007, managing 20 plants in 10 countries, before being appointed Executive Vice-President for Development of Agricultural Products. From 2007 to 2011, she represented CNH as a board member for the National Association of Manufacturers. Ms. Knoll was appointed CHRO in CNH Industrial and Fiat Chrysler Automobiles in 2007 and 2011 respectively.

Note: bold indicates the names of companies whose securities are listed on a regulated market.

* An independent director within the meaning of the AFEP/MEDEF corporate governance guidelines for listed companies.
**Cathy Kopp**

**Age:** 67 years  
**Nationality:** French  
**Business address:** 22, square de l’Alboni 75016 Paris, France  
1,024 Schneider Electric SE shares  
First appointed: 2005/ Term ends: 2018

**Directorships and other functions**
- Currently:  
  Director of Schneider Electric SE and member of the Human Resources and CSR committee.  
- Other directorships or functions:  
  Director and chair of the Compensation and Appointments Committee of SFIL.  
- Previous directorships and functions held in the past five years:  
  Member of the board of the SNCF Foundation; Member of the supervisory board of Schneider Electric SA; Director of Dexia; Member of board of the École Normale Supérieure de la rue d’Ulm in Paris; Member of the Haut Conseil à l’Intégration.

**Experience and qualifications**
After studying mathematics, Cathy Kopp joined IBM France in 1973. In 1992, she became Human Resources Director at IBM France before being appointed Vice-President of Human Resources in the Storage Systems Division of IBM Corp in 1996. In 2000, Cathy Kopp became Chairman and CEO of IBM France. In 2002 she joined the Accor group as HR Director and served until 2009. Cathy Kopp was Chairman of the Social Committee of the Service Providers Group at MEDEF until 2009. She headed up the cross-sector negotiations on diversity at MEDEF in 2006, and the negotiations on modernizing the labor market in 2007.

**Gérard de La Martinière**

**Age:** 73 years  
**Nationality:** French  
**Business address:** 18, allée du Cloître 78170 La Celle-Saint-Cloud, France  
6,856 Schneider Electric SE shares  
First appointed: 1998/ Term ends: 2017

**Directorships and other functions**
- Currently:  
  Director of Schneider Electric SE and Chairman of the Audit and Risk Committee.  
- Other directorship or function:  
  Director of Monfinancier.  
- Previous directorships and functions held in the past five years:  
  Chairman of the Managing Committee of the Charte du Don en Confiance (a charity within the meaning of the 1901 French law); Member of the Haut Conseil de la Vie Associative; Director of Air Liquide; Director of the simplified joint-stock company Standard & Poor’s Credit Market Services France; Member of the supervisory board of Schneider Electric SA.

**Experience and qualifications**
A graduate of the École Polytechnique and the École nationale d’administration, Gérard de La Martinière held several positions in the French Finance Ministry before serving as General Secretary of the Commission des Opérations de Bourse and General Manager of the Société des Bourses Françaises. In 1989, he joined AXA, where he was appointed Executive Vice-President for Holding Companies and Corporate Functions in 1993, member of the management board in 1997 and Executive Vice-President of Finance, Budget Control and Strategy in 2000. He left the AXA Group in 2003 to become Chairman of the French Insurance Companies Federation (FFSA), a post he held until October 2008.

---

Note: bold indicates the names of companies whose securities are listed on a regulated market.  
* An independent director within the meaning of the AFEP/MEDEF corporate governance guidelines for listed companies.
**Gregory Spierkel**

**Age:** 60 years  
**Nationality:** Canadian  
**Business address:**  
325 Weymouth Place  
Newport Beach, California, United States  
1,000 Schneider Electric SE shares  
**First appointed:** 2015/Term ends: 2019

**Directorships and other functions**
- **Currently:**  
  Director of Schneider Electric SE, member of the Governance and Remunerations Committee and member of the Strategy Committee.
- **Other directorships or functions at listed companies:**  
  Director of MGM Resorts International, Chairman of the Audit committee and member of the Governance committee;  
  Director of PACCAR Inc., Chairman of the Compensation committee and member of the Audit committee.
- **Other directorships or functions:**  
  Member of advisory council to the Chancellor of University of California, Irvine; Advisor to two software and one cyber security start-ups.
- **Previous directorships and functions held in the past five years:**  
  Non-voting director of Schneider Electric SE; Chairman and Chief Executive Officer of Ingram Micro Inc.; President, Worldwide of Ingram Micro Inc.; Director of Ingram Micro Inc.

**Experience and qualifications**

Mr. Spierkel holds a Bachelor’s degree in Commerce degree from Carleton University (Ottawa) and a Master’s Degree in Business Administration from Georgetown University. He also attended the Advanced Manufacturing program at INSEAD.

Mr. Spierkel began his career working for Bell Canada in sales and product development, followed by a period with Nortel Inc. in market research. For four years, he served as Managing Director of Mitel Telecom with responsibilities over Europe and Asia. He then spent five years at Mitel Corp where he served as President of North America and President of Global Sales and Marketing. In August 1997, he joined Ingram Micro as a Senior Vice-President and Chairman of Ingram Micro Asia-Pacific. In June 1999, he was appointed as Executive Vice-President and Chairman of Ingram Micro Europe, where he led the transformation of the region into a best-in-class performer, delivering sales and operating margins at historic highs. He was promoted to Chairman of the Ingram Micro Inc. group in 2004, before assuming the role of Chairman and CEO of Ingram Micro Inc. in 2005. He retained this position, and his seat on the board of directors, until his departure in 2012. Since 2012, Mr. Spierkel has been providing advisory and consulting services to private equity firms with investments in the information technology sector.

**Non-voting director**

**Henri Lachmann**

**Age:** 78 years  
**Nationality:** French  
**Business address:**  
Schneider Electric  
35, rue Joseph-Monier  
92500 Rueil-Malmaison, France  
44,369 Schneider Electric SE shares  
**First appointed:** 1996/Term ends: 2018

**Directorships and other functions**
- **Currently:**  
  Non voting director of Schneider Electric SE and member of the Human Resources and CSR committee.
- **Other directorships or functions at a listed company:**  
  Member of the supervisory board of the XPO Logistics group;  
  Director of Carmat; non-voting director of Fimalac.
- **Other directorships or functions:**  
  Chairman of the board of directors of Marie Lannelongue Hospital; Member of the Steering Committee of the Institut de l’Entreprise; Director of the Association Nationale des Sociétés par Actions; Chairman of the Institut Télémaque; Director of Planet Finance and Fondation Entreprendre; Chairman of the Advisory Council of Campus d’Excellence au Commissariat Général à l’Investissement (Grand Emprunt).
- **Previous directorships and functions held in the past five years:**  
  Honorary Vice-Chairman of the supervisory board of Vivendi;  
  Director of Schneider Electric SE; Vice-Chairman lead director of Schneider Electric SA; Chairman of the supervisory board of Schneider Electric SA; Vice-Chairman of the supervisory board of Vivendi; Chairman of the Comité Sup’Emploi, Chairman of the Fondation pour le Droit Continental; Member of CODICE; Director of Solidarités Actives; Director of the Steering Committee of Proxinvest.

**Experience and qualifications**

A graduate of Hautes études commerciales (HEC), Henri Lachmann began his career in 1963 with Arthur Andersen. In 1970, he joined Compagnie Industrielle et Financière de Pompey. In 1971, he became Executive Vice-President of Financière Strafor, where from 1981 to 1997 he served as Chairman and CEO. He was elected to the Schneider Electric SA board of directors in 1996 and was appointed Chairman on February 25, 1999. On May 3, 2006, he became Chairman of the supervisory board of Schneider Electric SA. On April 25, 2013, following the change in mode of governance of the company, he was appointed Vice-Chairman lead director, a function he held until May 2014.
Board activities

This section is part of the report of the Chairman of the board of directors.

The board held 8 meetings in 2016. The meetings lasted 6 hours on average with an average participation rate of directors of 94%. They were primarily devoted to discussing the company’s corporate governance, strategy and its implementation, reviewing operations and the annual and interim financial statements, which it approved, and preparing the Annual Shareholders’ Meeting.

Corporate governance

The board of directors, depending on the subject, on the basis of the report of the Governance and remuneration committee, the Human Resources and CSR committee or the Audit and Risk Committee:

- discussed the composition of its membership and that of its committees and the principle of balanced representation of men and women.

To this end, it continued its work to “regenerate” its composition, with the goal of increasing the proportion of international and female members, bringing in new skills (particularly digitalization, technology and marketing) and embarking on a rejuvenation process, while also maintaining the long-term goal of achieving a lighter format, with strong competences in specific domains identified as being of strategic importance for Schneider Electric.

Accordingly, at the Annual Shareholders’ Meeting on April 25, 2016, Mrs. Cécile Cabanis, who joined the board as a non-voting director in October 2015, was appointed director due to her extensive knowledge of the challenges of a major French group in the CAC 40 and Mr. Fred Kindle, who joined the board as a non-voting director in February 2016 was appointed as director due to his in-depth knowledge of the market and sector on which Schneider Electric operates.

It also recommended renewing the terms which were due to expire, namely the terms of:

- Mr. Léo Apotheker, who brings to the board, and to the Governance and remunerations committee (which he chairs), his expertise in the fields of technology and management of multinationals,
- Mr. Xavier Fontanet, whose former experience at the helm of a major French listed company is extremely valuable,
- Mr. Antoine Gossel-Granville, who brings to the board his deep legal and economic expertise,
- Mr. Willy Kissling, who brings to the board his knowledge of the industry and information technology.

The board of directors also deliberated on the composition of its committees. It allowed the continuity of action of the Governance and remuneration committee by the renewal of Mr. Léo Apotheker who is also the Vice-chairman independent lead director chairing the Governance and remuneration committee:

- discussed whether to maintain the unification of the functions of Chairman and CEO (see above p. 134);
- examined the succession plan for corporate officers at one of its “executive sessions”;
- deliberated, during its meeting of February 16, 2016, on its self-assessment, and identified a certain number of improvement topics;
- debated its functioning during its meeting of December 15, 2016, reviewing the items identified further to the self-assessment of 2015 and identifying new improvement areas in the view of the preparation of the external assessment to be implemented in 2017;
- discussed and reviewed the rules relating to the compensation of the corporate officers (determining the level of achievement of their personal objectives in 2015 and setting the rules for their 2016 compensation: fixed part, variable part, complementary compensation and long-term incentive plan);
- conducted a study of the appropriateness and efficiency of the method applied by the board of directors in determining the compensation of the corporate officers. The findings of the study are presented in Chapter 8 section 1 of the registration document and the principle and rules applied by the board in determining compensation of corporate officers are presented below, see Chapter 3 section 7;
- was informed of the meetings with major shareholders conducted by the Vice-Chairman lead independent director on Governance topics;
- was informed of the review of changes in the compensation of members of the Executive Committee;
- was informed of the work done by the Human Resources and CSR committee on the succession plan for members of the Executive Committee;
- decided the implementation of the 2016 long-term incentive plan. It accordingly reviewed the performance conditions (see p. 159 of the registration document), drew up a list of beneficiaries (which includes the corporate officers) and set the terms of individual awards;
- validated the calculation of the level of achievement of performance criteria applicable to Performance Share plans 15 to 16 bis;
- decided on capital increases reserved for employees, see p. 304;
- approved the Chairman’s report on the composition of the board and the application of the principle of balanced representation of women and men on the board, and the conditions applicable for the preparation and organization of the work carried out by the board, and the internal control and risk management procedures implemented by the company;
- examined the regulated agreements and commitments.

In 2016, the board of directors held 3 “executive sessions” during which the members of the board of directors discussed: the strategy, the succession plan for the Chairman, the organisation and the composition of the Executive Committee.

In addition, the board discussed and determined the compensation of the Chairman and CEO and the Deputy CEO, without the presence of the interested parties.

Strategy

The board of directors conducted a thorough review of the strategy of the Group, like every year, as part of a meeting named “strategy session” specifically dedicated to the topic.

During this meeting, each activity and offering of the Group were subject to a detailed presentation, including figures, achievements,
clients, forecasts, positioning and respective competitors. During four days, members of the board of directors were able to share individually with the Executive Committee members and a certain number of Business managers, about twenty high functional and operational managers representing all activities and geographies of the Group.

During this strategy session which was held in the American West Coast in August 2016, the directors also spent a half-day in the R&D Center of Schneider Electric in Lakeforest, CA, devoted to a session of workshops organized in small group in order to review digital Industry offering of Schneider Electric per line of business. Finally, one day was devoted to interactions with digital partners and other strategic experts in this field and in the management.

Concerning the recurrent activity of the Strategy Committee, the board of directors examined and approved the growth strategy plan proposed by the senior management. Moreover, it heard the reports of the Chairman of the Strategy Committee on the work of this committee and has been informed of the moves and changes of competitors of Schneider Electric.

Activities and results

The board of directors was informed of the Group’s 2016 objectives. It read the quarterly business reports prepared by the Senior Management. At each meeting, the board was also informed of the business market.

On February 16, 2016, the board of directors reviewed and approved the 2015 financial statements based on the Audit and risks committee’s report and the report by the statutory auditors, who were present at the meeting. The board decided to propose to the Annual Shareholders’ Meeting that the dividend be set at EUR2 per share. Similarly, on July 27, 2016, it reviewed and approved the financial statements for the first half of 2016.

Based on the Audit and risks committee’s report, the board of directors was informed about and discussed changes in risk mapping and the work of the Group’s internal audit and internal control teams. The Audit and Risk Committee also reported to the board on its other duties, which were also a subject of discussion, in relation to risk management monitoring (risk coverage by insurance, supplier risks).

It reviewed the conclusions of the Audit and risks committee following its duties carried out particularly in relation to:

- the Finance Function reorganization as part of the Group “Simplification” initiative;
- the R&D governance transformation and set-up rationalization again as part of the Group “Simplification” initiative;
- the status of the “Commercial transformation” initiative deployment;
- diagnosis on the current situation and perspectives on the Group pricing policies;
- the evolution of the Tax environment and review of the mid-term perspectives;
- the main environmental risks identified and review of the related Group policies;
- the deployment status of the SAP – GRC (Governance, Risk, Compliance) and related policies and guidelines;
- the business model and potential risks;
- the management of major crises (policies, tools and external communication);
- the reporting on fraud prevention systems;
- the Invensys Pensions Scheme;
- risks mitigation measures for Cyber Security;
- the current status of the “Solutions / Projects tendering and execution”.

The board of directors also monitored the implementation of the share buyback and debt management program.

Annual Shareholders’ Meeting

The board approved the agenda and draft resolutions of the 2016 Annual Shareholders’ Meeting, and its report to the shareholders at the meeting. It read the proxy-advisors’ reports. It was informed of the stances expressed by the shareholders met during the preparation of the Annual Shareholders’ Meeting. It approved the responses to the written questions.

Almost all directors were present at the meeting (16/17). It approved all resolutions presented to it, including those relating to the composition of the board of directors, to “Say on Pay” and to the renewal of financial authorizations.
Corporate governance

Senior Management

The Senior Management of Schneider Electric SE consists of the Chairman and Chief Executive Officer and a Deputy Chief Executive Officer. The operational organization of the Senior Management of the Group is supported by the Executive Committee, which is chaired by the Chairman and Chief Executive Officer.

The Chairman and Chief Executive Officer

On April 25, 2013, the board of directors decided to unify the functions of Chairman and Chief Executive Officer, and to appoint Jean-Pascal Tricoire as Chairman and Chief Executive Officer. On April 25, 2016, the board of directors, which in accordance with its internal regulation must annually re-discuss the unification of the functions of Chairman and Chief Executive Officer, confirmed its decision for the reasons given on page 134 of the registration document.

The Chairman and Chief Executive Officer represents the company in its dealings with third parties. He is vested with the broadest authority to act in any and all circumstances in the name and on behalf of the company. He exercises this authority within the limits of the corporate purpose, except for those matters that are reserved by law expressly to the shareholders’ meetings or the board of directors. In addition, the internal regulations of the board of directors stipulate that the Chairman and Chief Executive Officer must submit for approval to the board any acquisition transactions or disposal of assets amounting to more than EUR250 million as well as any strategic partnership agreement.

The Deputy Chief Executive Officer

On April 25, 2013, on the proposal of Jean-Pascal Tricoire, the board of directors appointed Emmanuel Babeau as Deputy CEO in charge of Finance and Legal Affairs.

Emmanuel Babeau

Age: 49 years
Nationality: French
Business address:
Schneider Electric
35, rue Joseph-Monier
92500 Rueil-Malmaison, France
66,837(1) Schneider Electric SE shares
First appointed: 2013

Experience and qualifications

Emmanuel Babeau graduated from ESCP and began his career at Arthur Andersen in late 1990. In 1993, he joined the Pernod Ricard group as an internal auditor. He was appointed head of Internal Audit, the Corporate Treasury Center and Consolidation in 1996. Mr. Babeau subsequently held several executive positions at Pernod Ricard, notably outside France, before becoming Vice-President, Development in 2001, CFO in June 2003 and Group Deputy Managing Director in charge of Finance in 2006. He joined Schneider Electric in the first half of 2009.

(1) Held directly or through the FCPE.
Mr. Leo Apotheker hereby reports on the work he carried out in 2016 as part of his administrative functions as Vice-chairman independent lead director.

At the Annual Shareholders' Meeting of April 25, 2016 where Mr. Leo Apotheker was re-elected as director, the board of directors appointed him as Vice-chairman independent lead director for the term of his office.(1)

1. Powers of the Vice-chairman independent lead director

The Vice-chairman independent lead director is appointed by the board of directors in pursuance of article 12 of the by-laws, which provide for the appointment of a Vice-Chairman with the function of a senior independent director if the roles of Chairman and CEO are combined.

In compliance with article 12 of the by-laws, the duties of the Vice-Chairman lead director are defined by the internal regulations of the board of directors. Those internal regulations and the charter for the Vice-Chairman lead director can be found on pages 341 to 347 of the registration document. They are also published on the Company’s website, www.schneider-electric.com.

2. Activities of the Vice-chairman independent lead director

Information of the Vice-chairman independent lead director

To be able to carry out his duties, the Vice-Chairman lead director must have excellent knowledge of the Group and be particularly well informed about its business performance.

As such, the Vice-Chairman is kept informed of current events and the performance of the Group through weekly exchanges with the Chairman and CEO. He has met all members of the Group Executive Committee.

The Vice-Chairman has pursued his regular interactions with managers and other employees of the Group as well as visits to various entities. He is kept informed of the evolution of the competitive environment, technological breakthroughs and business opportunities. Besides being the Chairman of the Governance and remunerations committee, he is also participating to the Strategy Committee.

Participation in the preparation of the meetings of the board

The Vice-Chairman lead director participated in the preparation for meetings of the board of directors. As a result, he has participated in all the “pre-Board” meetings. Each meeting of the board of directors is preceded by two pre-Board meetings, in which the Chairman, the Vice-Chairman lead director, the Deputy Chief Executive Officer and Secretary of the board of directors review the topics and issues addressed by the committees, and establish the agenda prepared by the Chairman and the content of the meeting file.

Executive sessions

The Vice-Chairman lead director presides over the executive sessions. He makes the decision on holding them after consultation with the members of the board of directors. The item shall be included on the agenda of every meeting of the board of directors. The board of directors held three executive sessions during which its members expressed their views and observations on the organisation and composition of the Senior Management and the functioning of the board and its committees. They also exchanged views about some various aspects of the Group’s strategy, and about the succession plan of the Chairman. The Vice-Chairman lead director returned the conclusions to the Chairman that same day.

Interaction with shareholders

The Vice-Chairman lead director has met with individual shareholders and the Shareholders’ Advisory Committee. He has also met with several institutional investors to present to their governance analysts Schneider Electric’s governance principles. The conclusions of these meetings have been reported to the Governance and remunerations committee and to the board.

Other duties

The Vice-Chairman lead director conducted the annual discussion on the functioning of the board of directors with the assistance of the secretary of the board of directors. He notably followed-up on the areas for improvement identified by the board in the course of its self-assessment conducted in 2015. The conclusions of this discussion are presented on page 136 of the registration document.

The Vice-Chairman lead director has also had frequent contacts with each of the directors.

He ensured that there was no conflict of interest within the board of directors, which he would have been responsible for bringing to the attention of the Chairman.

(1) However in pursuance of the amended AFEP-Medef Code of November 2016, Mr. Apotheker will lose his independent status at the 2019 Shareholders’ Meeting.
Summary overview of the company’s financial situation and business activity in 2016

Solid execution in 2016

- FY Revenues EUR24.7 billion with organic growth of -0.9% and slightly positive underlying\(^{(1)}\) organic growth.
- FY Adjusted EBITA margin improved 40bps to 14.1%, around +90bps before FX.
- Net profit of EUR1.8 billion, increased +24% and EPS by +26%.
- Record cash generation with FCF of EUR2.2 billion; Cash conversion 118%.
- Planet & Society Barometer reached 8.48/10, a record increase of more than 2 pts in one year.
- Main awards and nominations: 1\(^{st}\) nomination among the 50 “companies which change the world” of Fortune magazine, selected in Climate A list of CDP for the 6\(^{th}\) consecutive year, ranked 3\(^{rd}\) among worldwide companies of the energy transition in Carbon Clean 200 List.

Revenue

The consolidated revenue of Schneider Electric SE totaled EUR24,693 million, a decrease of 7.3% compared to December 31, 2015.

Organic growth by business

<table>
<thead>
<tr>
<th>Building</th>
<th>10,700</th>
<th>+0.3%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>5,485</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>4,919</td>
<td>-3.4%</td>
</tr>
<tr>
<td>IT</td>
<td>3,589</td>
<td>-0.8%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>24,693</td>
<td>-0.9%</td>
</tr>
</tbody>
</table>

**UNDERLYING GROWTH**

SLIGHTLY POSITIVE

\(^{(1)}\) Estimated FY underlying organic growth excluding the impact of around -EUR280 million -300 million from project selectivity initiatives (working day impact on FY is neutral).
Adjusted EBITA

EBITA adjusted corresponds to operating profit before amortization and impairment of purchase accounting intangible assets, before goodwill impairment, before other operating income and expenses and before restructuring costs.

2016 Adjusted EBITA reached EUR3,480 million, increasing organically by 4% and the Adjusted EBITA margin improved +40 bps to 14.1%. The key drivers contributing to the earnings change were the following:

(i) volume impact was negative EUR113 million in the full year;
(ii) solid execution of tailored supply chain initiatives contributed EUR377 million in the year thanks to purchasing efficiency, quality value engineering and logistics efficiencies with improved container loading factors;
(iii) the net price impact was positive at EUR102 million, benefitting from a favorable raw materials tailwind of around EUR130 million. Price (gross) was slightly negative but remained positive outside China. In China, despite price investments, strong industrial productivity and cost efficiency protected the margin. Given the resurgence of raw material inflation, the Group expects a negative raw material impact in 2017 of around EUR200 million;
(iv) cost of Goods Sold inflation was EUR107 million, of which the production labor cost and other cost inflation was EUR78 million, and an increase in R&D in Cost of Goods Sold was EUR29 million;
(v) support function costs reduced organically by EUR28 million in the year. Total gross SFC reduction in 2016 is around EUR240 million, enabling reinvestments of around EUR60 million in strategic initiatives. Gross SFC reduction amounted to around EUR540 million for 2015 & 2016, in line with the Group’s target to reduce gross SFC by around EUR700 million to EUR800 million between 2015-2017;
(vi) currency decreased the adjusted EBITA by EUR199 million, mainly due to the depreciation of the GBP, Chinese Yuan, and other currencies against the euro;
(vii) mix was negative at EUR50 million, showing a strong improvement in trend compared to last year;
(viii) acquisitions, net of divestments, and others, were negative at EUR199 million for the year due mainly to the deconsolidation of Delixi and the disposal of Juno Lighting and Telvent Transportation.

Adjusted operating margin by activities

By business, the 2016 adjusted EBITA for Building amounted to EUR2,099 million, or 19.6% of revenues, up +1.6 points (around +1.5 pt organic) year-on-year mainly thanks to industrial productivity and cost control. Industry generated an adjusted EBITA of EUR918 million, or 16.7% of revenues, down -0.4 point (around -0.2 pt organic) from 2015, penalized by volume decline. Infrastructure adjusted EBITA was EUR477 million, or 9.7% of revenues, up +0.6 point year-on-year (around +1.3 pt organic) thanks to higher system gross margin and strong cost control. IT business reported an adjusted EBITA of EUR604 million, 16.8% of revenues, down -0.8 point (around -0.5 pt organic) compared to 2015, impacted by mix and investments in digital and services capabilities, but remains resilient at a high level. Corporate costs in 2016 amounted to EUR618 million or 2.5% of revenues.

EBITA

EBITA adjusted corresponds to operating profit before amortization and impairment of purchase accounting intangible assets and before goodwill impairment.

Reported EBITA was EUR3,104 million. This included EUR313 million in restructuring charges. Restructuring costs are expected to be towards around EUR900m in 2015-2017 to drive efficiency and simplification initiatives. Other operating income and expenses had a negative impact of EUR63 million, vs. EUR522 million in 2015.

Operating income (EBIT)

Operating income after amortization and impairment of purchase accounting intangible assets amounted to EUR2,951 million.

The amortization and depreciation of intangibles linked to acquisitions was EUR153 million compared to EUR572 million last year (which included a EUR295 million impairment on Pelco). The decrease in amortization comes mainly due to the end of the depreciation of several previously acquired brands.

Net income up +24%

Net financial expenses were EUR462 million, EUR16 million higher than in 2015. Cost of debt (net) decreased by EUR23 million but this decrease was offset by EUR35 million higher exchange losses due to volatile currency markets.

Income tax amounted to EUR712 million, including an exceptional EUR119 million adjustment of the net deferred tax assets following the planned reduction in the Corporate Income Tax rate in France. Without this exceptional item, Tax rate was 23.8% in line with expectations. For 2017, given the evolution of global tax regulations, the Group expects an effective tax rate of 26% to 28%. At this stage the impact of any proposed legislative tax changes in the U.S. is not considered.

Share of profit on associates amounted to EUR34 million.

The Adjusted Net Income was EUR2,117 million in FY 2016, stable vs. FY 2015.

The Net Income was EUR1,750 million in FY 2016, up +24% from FY 2015.
Summary overview of the company’s financial situation and business activity in 2016

Adjusted EPS(1)

The Adjusted Earnings Per Share (EPS) was **EUR3.77**, up +1%.

Free cash flow

Free cash flow was reported at a record **EUR2,206 million**, thanks to strong operating cash flow and working capital management. It included net capital expenditure of EUR764 million, representing ~3.0% of revenues. The trade working capital improved by EUR82 million thanks to strong control over inventories.

Balance sheet and treasury


Cash conversion

Cash conversion was 118% in 2016, above the Group target of ~100%.

Schneider is On update

The Group executed well on its initiatives as laid out in its company program, Schneider is On which runs from 2015 through 2020. Within our Do More initiative:

- around +1% organic growth for the Group excluding Systems & Transformers;
- Systems Gross Margin up →+40 bps (→+70 bps before FX) thanks to greater selectivity and better execution;
- services are up +5% organically in 2016;
- Global Strategic Account orders up mid-teen.

Within our Simplify initiative:

- around EUR620 million Gross Support Function Cost reduction plus industrial productivity in 2016 (~EUR1.3 billion since 2015).

Within our Digitize initiative:

- the number of connected assets increased +15% vs. 2015;
- unique connected customers, +40% since 2015.

Within our Innovate initiative:

- numerous key launches of products, control platforms and software within Ecostruxure.io;
- Planet & Society Barometer reached 8.48/10.

2017 targets

In 2017 the Group expects more positive momentum in its major end-markets. In North America, modest growth is anticipated with improvement in industrial activity and continued growth in residential markets. Western Europe is expected to grow moderately, benefiting from an environment with a lower Euro and still relatively low oil price, while some Brexit-related risks remain. China is expected to improve in Industry and Infrastructure markets while the construction market should grow at a slower pace due to policy tightening. The Group will still face headwinds from O&G and continued weakness in some resource driven economies, although these may ease towards the end of the year.

Additionally, in 2017 the Group will face a strong increase in raw material costs estimated at around EUR200 million at current prices. In this environment, the Group’s priorities are to grow its partner network through the launch of many new integrated offers, accelerate services and software, working on margin improvement through continued selectivity on projects and keep a strong attention on cost control. In addition, the Group should benefit from the recent deployment of its EcoStruxure™ architectures in several domains to create further opportunities for growth.

Therefore, in line with the objectives announced at the 2016 Investor day, the Group targets for 2017 are:

- organic revenue growth between +1% and +3% for the Group outside Infrastructure. For Infrastructure the priority remains margin improvement and the organic growth target for the division is to be about flat underlying, before an expected -4% to -5% impact from project selectivity for the division in 2017;
- +20bps to +50bps organic improvement on adjusted EBITA margin. The FX impact at current rates is expected to be about neutral on margin.

(1) Adjusted from non-recurring items: restructuration costs, adjustment of assets net of differed tax…
I. Approval of the annual financial statements, setting the distribution, approval and information on regulated agreements and commitments (resolutions 1 to 4)

The first two resolutions concern the approval of the company’s and of the Group’s consolidated financial statements, respectively. Schneider Electric SE recorded a net loss of EUR99.7 million. This is a result of the policy implemented by the company since 2013 of strengthening the capital base of its wholly-owned subsidiary Schneider Electric Industries SAS. Basically, the company which has over EUR8.7 billion in equity opts to leave at the level of Schneider Electric Industries SAS, which owns all of the entities that form the Group, any dividends and financial income that the latter receives from its own subsidiaries in order to enable the latter to achieve a sufficient level of its own funds.

The Group's consolidated net profit was EUR1,750 million and the adjusted net income from non-recurring items (asset impairment, restructuring costs, gains and losses as a result of sales of businesses, etc.) was EUR2,117 million.

The consolidated net income (before dilution) per share was EUR3.12 (adjusted earnings per share were EUR3.77).

The third resolution aims to allocate the results for the financial year and retained earnings, and to decide on a distribution of EUR2.04 per share entirely withheld from issue premiums related to the contribution of Legrand shares. The distribution amount increased by 2% compared to the dividend paid for the 2015 financial year. This represents a distribution rate of more than 57.1% of net profit for the Group.

The payout to the 592.5 million shares which made up the company’s capital on December 31, 2016 will represent a total amount of around EUR1,209 million.

On a tax standpoint, for individuals residing in France, this coupon of EUR2.04 per share will constitute a contribution repayment. On this basis, it is not subject to income tax, in pursuance of article 112-1° of the French Tax Code, as all earnings and reserves other than the legal reserve have been allocated. However, it will be deducted from the share acquisition price and will be subject to taxation on the gains when the corresponding shares are sold.

Shareholders are invited to consult their usual advisors for any further precision regarding the applicable tax regime.

The coupon will be paid on May 10, 2017, according to the following schedule:

<table>
<thead>
<tr>
<th>Description</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividend ex-date</td>
<td>Monday, May 8, 2017</td>
</tr>
<tr>
<td>Record date</td>
<td>Tuesday, May 9, 2017</td>
</tr>
<tr>
<td>Coupon payment date</td>
<td>Wednesday, May 10, 2017</td>
</tr>
</tbody>
</table>

By the fourth resolution, we request you to approve the agreement relating to the Vice-Chairman lead director’s remuneration and to acknowledge the continued agreements and commitments during the year related to the status of Messrs. Jean-Pascal Tricoire et Emmanuel Babeau.
Vice-chairman lead independent director’s compensation

The board of directors set at EUR250,000, excluding tax and expenses reimbursed at actuals, the annual compensation of Mr. Léo Apotheker for his duties as Vice-Chairman Lead independent director, being specified that as a director Mr. Apotheker also receives attendance fees which amounted to EUR130,000 in 2016. The board of directors considered this compensation as appropriate given the assignments performed towards the senior management and the shareholders.

In relation to the above resolution, we also request you to take note of the Statutory Auditor’s special report on regulated agreements and commitments prepared in accordance with article L.225-40 of the French Commercial Code regarding the implementation during the financial year of agreements and commitments already approved by the Annual Shareholders’ Meeting. These agreements and commitments mainly concern the status of Messrs. Jean-Pascal Tricoire and Emmanuel Babeau.

We invite you to familiarize yourself with this report which can be found on pages 38 to 41.

II. Individual Group compensation of the corporate officers (resolutions 5 to 8)

(i) Consultation of shareholders on individual Group compensation of corporate officers (resolutions 5 and 6)

In accordance with the recommendations of the AFEP/MEDEF corporate governance guidelines, you are requested to give a favorable opinion on the compensation elements due or awarded to the company’s corporate officers for the 2016 FY. These elements are presented in the tables below. For further details, notably on the comments on the achievement rates, you are invited to refer to Section 3.7 of the registration document.

By the fifth resolution you are requested to give a favorable opinion on the elements of Mr. Jean-Pascal Tricoire’s 2016 compensation and by the sixth resolution on those of Mr. Emmanuel Babeau.

The annual recurrent compensation and payments for retirement for Jean-Pascal Tricoire and Emmanuel Babeau are detailed in the tables below.
## I – Elements of compensation due or awarded for the past FY

<table>
<thead>
<tr>
<th>Amounts submitted to the vote</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1) Base salary</strong></td>
<td>EUR950,000</td>
</tr>
<tr>
<td></td>
<td>Gross annual fixed compensation of EUR950,000 from January 1, 2016 to December 31, 2016 set by the board of directors on February 16, 2016. This compensation has remained unchanged since 2013.</td>
</tr>
<tr>
<td><strong>2) Annual incentive</strong></td>
<td>EUR1,598,090</td>
</tr>
<tr>
<td></td>
<td>The annual incentive portion amounts to 130% of fixed compensation. The annual incentive may vary from 0 to 260% depending on achievement of objectives. It is unchanged since 2015. At the Board meeting held on February 15, 2017, annual incentives for 2016 paid in March 2017 were set at 168.22% of the fixed portion, which represents an achievement rate of 129.4% on a base 100. This calculation is broken down as follows:</td>
</tr>
<tr>
<td></td>
<td>1) <strong>Economic criteria component</strong> (80%) based on:</td>
</tr>
<tr>
<td></td>
<td>- Group financial indicators (40%), which are organic sales growth (13.33%), adjusted EBITA (13.33%) and cash generation targets (13.33%);</td>
</tr>
<tr>
<td></td>
<td>- Company program priorities (20%), which are growth of transactional sales (6.67%) and field services sales (6.67%) as well as systems gross margin (projects and equipment) (6.67%).</td>
</tr>
<tr>
<td></td>
<td>The achievement rate in connection with these criteria was 138.33% (base 100).</td>
</tr>
<tr>
<td></td>
<td>2) <strong>Non-economic criteria component</strong> (20%) based on customer satisfaction (10%) and Planet &amp; Society Barometer (10%) for which achievement rate was 132% (base 100).</td>
</tr>
<tr>
<td></td>
<td>3) <strong>Individual objectives</strong> (20%), which are specific objectives and, wherever possible, quantified, for which the board set the achievement rate at 100%. The multiple value was set at 1 without any impact as the amount of the incentive part.</td>
</tr>
<tr>
<td><strong>3) Complementary payments for retirement</strong></td>
<td>EUR182,000</td>
</tr>
<tr>
<td></td>
<td>Complementary payments intended to take account of the fact that, following the decision of the board of directors on February 18, 2015 to remove the benefit of the defined benefit pension scheme (article 39) for corporate executive officers, Mr. Tricoire is personally responsible for building up his additional pension. To determine this authorized complementary compensation, the board of directors sought the recommendation of an independent expert, namely the firm Willis Towers Watson.</td>
</tr>
<tr>
<td></td>
<td>The board of directors ensured that the mechanism implemented therefore was in line with shareholders’ interests.</td>
</tr>
<tr>
<td><strong>Annual complementary fixed portion</strong></td>
<td>EUR182,000</td>
</tr>
<tr>
<td></td>
<td>Accordingly, Mr. Tricoire receives annually a complementary component, split into a fixed part and a variable part dependent on performance criteria. This variable part is aligned in terms of criteria and rate (target rate of 130% of the fixed complementary part and variable part varying from 0 to 260%) to the annual incentive (see above).</td>
</tr>
<tr>
<td><strong>Annual complementary variable portion</strong></td>
<td>EUR306,160</td>
</tr>
<tr>
<td></td>
<td>At the meeting held on February 15, 2017 the annual complementary variable portion for 2016 paid in March 2017 was set by the board of directors at 168.22% of the annual complementary fixed portion, i.e. an achievement rate of 129.4% on a base 100. The calculation was broken down in the same way as that of the annual incentive presented in 2) above.</td>
</tr>
<tr>
<td></td>
<td>These complementary payments are intended to enable Mr. Tricoire to build up his pension. He undertook to redirect these complementary payments, net of taxes, to investment vehicles devoted to financing his additional pension.</td>
</tr>
</tbody>
</table>
### Agenda of the combined Ordinary and Extraordinary Shareholders’ Meeting

<table>
<thead>
<tr>
<th>Amounts submitted to the vote</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4) Long-term incentive</strong></td>
<td><strong>18,000 performance shares were granted under plan no. 25 to Mr. Tricoire in his capacity as Chairman and CEO of Schneider Electric SE</strong></td>
</tr>
<tr>
<td><strong>Performance shares</strong></td>
<td><strong>42,000 performance shares were granted under plan no. 26 to Mr. Tricoire in his capacity as Schneider Electric Asia Pacific CEO.</strong></td>
</tr>
<tr>
<td>EUR761,400 for 18,000 performance shares according to IFRS valuation</td>
<td>100% of these 60,000 performance shares are subject to performance criteria measured over a period of three years: 2016 to 2018 FY as follows: the Adjusted operational margin criterion is defined as the average of the annual rates of achievement of Adjusted EBITA margin for financial years 2016 to 2018 set by the board of directors of Schneider Electric SE, and is in line with the objectives announced to investors at the beginning of the year. For 2016, the board had decided that, if the Adjusted EBITA margin decreased by at least -10 basis points before foreign exchange impact compared with 2015, the achievement rate for the year would be 0% and if it increased by at least +40 basis points before foreign exchange impact, then the achievement rate for this criteria for 2016 would be 100% with a linear distribution between the two points. 25% of the shares are conditional on Group Cash conversion rate for 2016 to 2018 FY. The target average rate ranges between 80% and 100% according to following scale: 0% if the average rate is below or equal to 80%, 100% if the average rate is equal to or higher than 100% with a linear distribution between the two points. 20% of the shares are contingent on the progress of the Planet &amp; Society Barometer index at the end of 2018 as follows: if this index is lower than or equal to 8, no shares will vest. If this index is equal to or higher than 9, 100% of the shares will vest. Distribution is linear between the two points. 15% of the shares are conditional to Total Shareholder Return (TSR) objectives from 2016 to end of vesting period. The TSR objective is set based on Schneider Electric’s TSR ranking within the following panel of companies: ABB, Legrand, Siemens, Schneider Electric, Eaton, Emerson, Honeywell, Johnson Controls, Rockwell Automation, Fuji Electric, Mitsubishi Electric and Yokogawa, according to following scale: a ranking in first quartile (1st, 2nd, 3rd place) enables an achievement rate of up to 150%, with an average rate of 135% (this achievement rate will, on the one hand, enable 100% achievement of the TSR criterion and, on the other hand, can offset non-achievement of the Adjusted EBITA target or rate of cash conversion target over the three-year period. However, final acquisition of shares at the end of the three-year period will be capped at 100% of the number of shares originally subject to Adjusted EBITA margin and rate of cash conversion criteria; in second quartile (4th, 5th, 6th place), an average achievement rate of 87% of the criterion; in third quartile (7th, 8th, 9th place), an average achievement rate of 13% of the criterion; and in last quartile (10th, 11th, 12th place), a zero achievement rate. However, in the event that the gap between the Schneider Electric TSR and that of the peers above is less than 3% in TSR value, Schneider Electric will be deemed to have the same ranking as the latter. 25% of the shares vested are subject to a holding requirement until such time as Mr. Tricoire ceases his duties. Furthermore, in the event of vested shares being sold, Mr. Tricoire is required to reinvest 10% of the price of sale in Schneider Electric shares (net of taxes and contributions). These obligations are suspended insofar as Mr. Tricoire holds Schneider Electric shares with a value representing three times his annual fixed compensation.**</td>
</tr>
<tr>
<td>EUR1,814,400 for 42,000 performance shares according to IFRS valuation</td>
<td><strong>5) Attendance fees EUR0 Mr. Tricoire has waived his attendance fees.</strong></td>
</tr>
<tr>
<td><strong>6) Other benefits</strong></td>
<td><strong>EUR2,204</strong></td>
</tr>
<tr>
<td></td>
<td>This concerns:  the employer matching contribution paid to subscribers to the capital increase reserved for employees, in an amount of EUR1,404. Date of approval by the board: February 16, 2016. the employer matching contribution paid to subscribers to the collective saving pension fund (PERCO) in France, in an amount of EUR800. Approval by the board: February 18, 2015.**</td>
</tr>
<tr>
<td>EUR8,388</td>
<td><strong>Mr. Tricoire benefited from profit-sharing. Date of approval by the board: February 16, 2016.</strong></td>
</tr>
<tr>
<td>EUR13,408</td>
<td><strong>Mr. Tricoire benefited from company car. Date of approval by the board: February 16, 2016.</strong></td>
</tr>
</tbody>
</table>
## II – Other elements of compensation, which were or are subject to the approval of the Annual Shareholders’ Meeting pursuant to regulated agreements

<table>
<thead>
<tr>
<th>Description</th>
<th>Amounts submitted to the vote</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Termination benefit</strong></td>
<td>EUR0</td>
</tr>
<tr>
<td>Mr. Tricoire is entitled to involuntary termination benefits in case of change of control or strategy and taking into account the non-compete compensation described below, capped at twice the arithmetical average of his annual fixed and variable compensation (i.e. inclusive of compensation and complementary payments) paid over the last three years. (See Section 3-7 of the 2016 registration document). Board decision of June 18-19, 2013. Date of approval by the Annual Shareholders’ Meeting: May 6, 2014 (fifth resolution)</td>
<td></td>
</tr>
<tr>
<td><strong>Non-compete compensation</strong></td>
<td>EUR0</td>
</tr>
<tr>
<td><strong>Supplementary pension scheme</strong></td>
<td>N/A</td>
</tr>
<tr>
<td>(For the record) By decision of the board of directors’ meeting of February 18, 2015, Mr. Tricoire has lost the benefits of the defined-benefit pension scheme of 1995 and 2012 (article 39) for corporate executive officers, from which he previously benefitted. (See Section 3-7 of the 2016 registration document). Board decision of February 18, 2015. Date of approval by the Annual Shareholders’ Meeting: April 21, 2015 (fifth resolution)</td>
<td></td>
</tr>
<tr>
<td><strong>Supplementary Life &amp; Disability scheme</strong></td>
<td>EUR0</td>
</tr>
<tr>
<td>Mr. Tricoire benefits from rights to (i) a life-time annuity to the benefit of his surviving spouse in the event of his death before retirement or if he has left the company after the age of 55 without taking up any other employment. This life-time annuity shall be equal to 60% of 25% of the average compensation paid (i.e. including annual complementary payments) over the three years preceding the date of his death, less any theoretical income that may have been obtained under insurance conditions as a result of complementary payments already made (see above), (ii) a disability pension, payable to the surviving spouse at a rate of 60%, in cases of disability leading to the cessation of any professional activity as from the date of his retirement, equal to 25% of the average compensation paid (i.e. including annual complementary payments) over the three years prior to his disability, minus 1.25% per missing quarter required for obtaining a full-rate pension and less the theoretical income that may have been obtained through insurance schemes at the time of disability resulting from any complementary payments already made. (See Section 3-7 of the 2016 registration document). Board decision of February 18, 2015. Date of approval by the Annual Shareholders’ Meeting: April 21, 2015 (fifth resolution)</td>
<td></td>
</tr>
<tr>
<td>Moreover, in addition to the benefits of the collective welfare scheme applicable to Schneider Electric SE and Schneider Electric Industries SAS employees covering risks of illness, incapacity, disability and decease, Mr. Tricoire also benefits from the complementary cover granted to French executives in the Group against risks of illness, incapacity, disability, decease and accident. Welfare compensation and complementary cover are subject to performance conditions. Board decisions of 2009, 2012, and June 18-19, 2013 and February 18, 2015. Dates of approval by the Annual Shareholders’ Meeting: 2009, 2012, 2013 and April 21, 2015 (fifth resolution)</td>
<td></td>
</tr>
</tbody>
</table>
Mr. Emmanuel BABEAU, Deputy CEO

I – Elements of compensation due or awarded for the past FY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amounts submitted to the vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Base salary</td>
<td>EUR605,000</td>
</tr>
<tr>
<td>Description: Gross annual fixed compensation of EUR605,000 from January 1, 2016 to December 31, 2016 set by the board of directors on February 16, 2016. The fixed part, which had been unchanged since 2013, has been increased in 2016 to account for the Group’s evolution and development and Mr. Babeau’s expanded responsibility over the period.</td>
<td></td>
</tr>
<tr>
<td>2) Annual incentive</td>
<td>EUR782,870</td>
</tr>
<tr>
<td>Description: The target annual incentive amounts to 100% of fixed compensation. The annual incentive may vary from 0 to 200% depending on achievement of objectives. In 2015 the target annual incentive amounted to 100%. At the board meeting held on February 15, 2017, annual incentives for 2016 paid in March 2017 were set at 129.4% of the fixed portion, i.e. an achievement rate of 129.4% on a base 100. This calculation was broken down as follows: 1) Economic criteria component (60%) based on: ◆ Group financial indicators (40%), which are organic sales growth (13.33%), adjusted EBITA (13.33%) and cash generation targets (13.33%); ◆ Company program priorities (20%), which are growth of transactional sales (6.67%) and field services sales (6.67%) as well as systems gross margin (projects and equipment) (6.67%). The achievement rate in connection with these criteria was 138.33%. 2) Non-economic criteria component (20%) based on customer satisfaction (10%) and Planet &amp; Society Barometer (10%) for which achievement rate was 132%. 3) Individual objectives (20%), which are specific objectives and, wherever possible, quantified, for which the board set the achievement rate at 100%. The multiple value was set at 1, without any impact as the amount of the incentive part.</td>
<td></td>
</tr>
<tr>
<td>3) Complementary payments for retirement</td>
<td></td>
</tr>
<tr>
<td>Description: Complementary payments intended to take account of the fact that, following the decision of the board of directors on February 18, 2015 to remove the benefit of the defined-benefit pension scheme (article 39) for corporate executive officers, Mr. Babeau is personally responsible for building up his additional pension. To determine the amount of this authorized complementary compensation, the board of directors relied on the work of an independent expert, namely the firm Willis Towers Watson. The board of directors also ensured that the mechanism implemented was in line with shareholders' interests. Accordingly, he receives annually a complementary component, split into a fixed part and a variable part dependent on performance criteria. This variable part is aligned in terms of criteria and of rate (target rate of 100% of the fixed complementary part and variable part varying from 0 to 200%) to the annual variable part (see above). At the meeting held on February 15, 2017 the annual complementary variable portion for 2016 paid in March 2017 was set by the board of directors at 129.4% of the annual complementary fixed portion, i.e. an achievement rate of 129.4% on a base 100. This calculation was broken down in the same way as that of the annual incentive presented in 2) above. These complementary payments are intended to enable Mr. Babeau to build up his pension. He undertook to redirect these complementary payments, net of taxes, to investment vehicles devoted to financing his additional pension.</td>
<td></td>
</tr>
<tr>
<td>Annual complementary fixed portion</td>
<td>EUR136,400</td>
</tr>
<tr>
<td>Annual complementary variable portion</td>
<td>EUR176,502</td>
</tr>
</tbody>
</table>

NOTICE OF MEETING 2017 SCHNEIDER ELECTRIC
Agenda of the combined Ordinary and Extraordinary Shareholders’ Meeting

<table>
<thead>
<tr>
<th>Amounts submitted to the vote</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR329,940 for 7,800 performance shares according to IFRS valuation</td>
<td>7,800 performance shares were granted under plan no. 25 to Mr. Babeau in his capacity as Deputy CEO of Schneider Electric SE.</td>
</tr>
<tr>
<td>EUR786,240 for 18,200 performance shares according to IFRS valuation</td>
<td>18,200 performance shares were granted under plan no. 26 to Mr. Babeau in his capacity as CEO of Invensys Ltd. 100% of these 26,000 performance shares are subject to performance criteria measured over a period of three years:</td>
</tr>
<tr>
<td></td>
<td>• 40% of the shares are contingent on the level of achievement of an adjusted EBITA operating margin objective FY 2016 to 2018 as follows: the Adjusted operational margin criterion is defined as the average of the annual rates of achievement of Adjusted EBITA margin for the 2016 to 2018 financial years, set by the board of directors of Schneider Electric SE in line with the objectives usually announced to investors at the beginning of the year. For 2016, the board has decided that, if the Adjusted EBITA margin decreased by at least -10 basis points before foreign exchange impact compared with 2015, the achievement rate for the year would be 0% and if it increased by at least +40 basis points before foreign exchange impact, then the achievement rate for this criteria for 2016 would be 100% with a linear distribution between the two points.</td>
</tr>
<tr>
<td></td>
<td>• 25% of the shares are conditional on Group Cash conversion rate for FY 2016 to 2018. The target average rate ranges between 80% and 100% according to following scale: 0% if the average rate is below or equal to 80%, 100% if the average rate is equal to or higher than 100% with a linear distribution between the two points.</td>
</tr>
<tr>
<td></td>
<td>• 20% of the shares are contingent on the progress of the Planet &amp; Society Barometer index at the end of 2018 as follows: If this index is lower than or equal to 8, no shares will vest. If this index is equal to or higher than 9, 100% of the shares will vest. Distribution is linear between the two points.</td>
</tr>
<tr>
<td></td>
<td>• 15% of the shares are conditional to Total Shareholder Return (TSR) objectives from 2016 to end of vesting period. The TSR objective is set based on Schneider Electric’s TSR ranking within the following panel of companies: ABB, Legrand, Siemens, Schneider Electric, Eaton, Emerson, Honeywell, Johnson Controls, Rockwell Automation, Fuji Electric, Mitsubishi Electric and Yokogawa, according to following scale: a ranking in first quartile (1st, 2nd, 3rd place) enables an achievement rate of up to 150%, with an average rate of 135% (this achievement rate will, on the one hand, enable 100% achievement of the TSR criterion and, on the other hand, can offset non-achievement of the Adjusted EBITA target or rate of cash conversion target over the three-year period. However, final acquisition of shares at the end of the three-year period will be capped at 100% of the number of shares originally subject to Adjusted EBITA margin and rate of cash conversion criteria); in second quartile (4th, 5th, 6th place), an average achievement rate of 87% of the criterion; and in third quartile (7th, 8th, 9th place), an average achievement rate of 13% of the criterion; last quartile (10th, 11th, 12th place) gives a zero achievement rate. However, in the event that the gap between the Schneider Electric TSR and that of the peers above is less than 3% in TSR value, Schneider Electric will be deemed to have the same ranking as the latter. 15% of the shares vested are subject to a holding requirement until such time as Mr. Babeau ceases his duties. Furthermore, in the event of vested shares being sold, Mr. Babeau is required to reinvest 10% of the price of sale in Schneider Electric shares (net of taxes and contributions). These obligations are suspended insofar as Mr. Babeau holds Schneider Electric shares with a value representing twice his annual fixed compensation. The percentage of capital represented by Mr. Babeau’s share allocation is 0.004%. Date of authorization by the Annual Shareholders’ Meeting: April 25, 2013. Resolution number: Sixteenth. Date of the award decision by the board of directors: March 23, 2016.</td>
</tr>
<tr>
<td>EUR7,246</td>
<td>Mr. Babeau benefited from profit-sharing. Board authorization: February 16, 2016</td>
</tr>
<tr>
<td>EUR700</td>
<td>Mr. Babeau benefited from the employer matching contribution paid to subscribers to the Group collective saving plan (PEG) in France. Date of approval by the board: February 16, 2016.</td>
</tr>
<tr>
<td>EUR13,197</td>
<td>Mr. Babeau benefited from a company car. Board authorization: February 16, 2016</td>
</tr>
</tbody>
</table>

5) Attendance fees N/A

6) Other benefits EUR7,246 Mr. Babeau benefited from profit-sharing. Board authorization: February 16, 2016 EUR700 Mr. Babeau benefited from the employer matching contribution paid to subscribers to the Group collective saving plan (PEG) in France. Date of approval by the board: February 16, 2016. EUR13,197 Mr. Babeau benefited from a company car. Board authorization: February 16, 2016
II – Other elements of compensation, which were or are subject to the approval of the Annual Shareholders’ Meeting pursuant to regulated agreements

<table>
<thead>
<tr>
<th>Amounts submitted to the vote</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Termination benefit</strong> EUR0</td>
<td>Mr. Babeau is entitled to involuntary termination benefits in case of change of control or strategy and taking into account the non-compete compensation described below, amounting to twice the arithmetical average of his annual fixed and annual incentives (i.e. inclusive of compensation and complementary payments) paid over the last three years. (See Section 3-7 of the 2016 registration document). Board decisions of June 18-19, 2013 and February 18, 2015. Dates of approval by the Annual Shareholders’ Meeting: May 6, 2014 and April 21, 2015 (sixth resolution).</td>
</tr>
<tr>
<td><strong>Non-compete compensation</strong> EUR0</td>
<td>Mr. Babeau may receive non-compete compensation for a period of one year capped at 6/10th of his average gross compensation (monthly average of total gross compensation, i.e. including annual complementary payments – fixed and target variable – over the last 12 months of service). (See Section 3-7 of the 2016 registration document). Board decisions of June 18-19, 2013 amended in October 24, 2013, and February 18, 2015. Dates of approval by the Annual Shareholders’ Meeting: May 6, 2014 and April 21, 2015.</td>
</tr>
<tr>
<td><strong>Supplementary pension scheme</strong> N/A</td>
<td>(For the record) Mr. Babeau has lost the benefits of the defined-benefit pension scheme of 1995 and 2012 (“article 39”) for corporate executive officers, as well as those from defined-contribution pension plan (“article 83”) for French executives of the Group, due to giving up his employment contract with Schneider Electric Industries SAS, on February 18, 2015. (See Section 3-7 of the 2016 registration document). Application of the board’s February 18, 2015 decision relating to the cancelation of the benefit from an article 39 supplementary pension scheme for corporate executive officers.</td>
</tr>
<tr>
<td><strong>Supplementary Life &amp; Disability scheme</strong> EUR0</td>
<td>Mr. Babeau benefits from rights to (i) a life-time annuity to the benefit of his surviving spouse in the event of his death before retirement or if he has left the company after the age of 55 without taking up any other employment. This life-time annuity shall be equal to 60% of 25% of the average compensation paid (i.e. including annual complementary payments) over the three years preceding the date of his death, less any theoretical income that may have been obtained under insurance conditions as a result of complementary payments already made (see above), (ii) a disability pension, payable to the surviving spouse, at a rate of 60%, in cases of disability leading to the cessation of any professional activity as from the date of his retirement, equal to 25% of the average compensation paid (i.e. including annual complementary payments) over the three years prior to his disability, minus 1.25% per missing quarter required for obtaining a full-rate pension and less the theoretical income that may have been obtained through insurance schemes at the time of disability resulting from any complementary payments already made (See Section 3-7 of the 2016 registration document). Board decision of February 18, 2015. Date of approval by the Annual Shareholders’ Meeting: April 21, 2015 (sixth resolution) Moreover, in addition to the benefits of the collective welfare scheme applicable to Schneider Electric SE and Schneider Electric Industries SAS employees covering risks of illness, incapacity, disability and decease, Mr. Babeau also benefits from the complementary cover granted to French executives in the Group against risks of illness, incapacity, disability, decease and accident. Welfare compensation and complementary cover are subject to performance conditions. Board decisions of 2009, 2012, 2013 and February 18, 2015. Dates of approval by the Annual Shareholders’ Meeting: 2009, 2012, 2013 and April 21, 2015 (sixth resolution).</td>
</tr>
</tbody>
</table>
(ii) Approval of principles and criteria for determining, allocating or granting the components of the compensation and benefits of all types that may be granted to the Chairman and CEO and to the Deputy-CEO for the year 2017 (resolutions 7 and 8)

In pursuance of the new article L.225-37-2 of the French Commercial Code introduced by the “Sapin-2 law” on December 9, 2016, you are requested to approve the principles and criteria governing the determination and allocation of the remuneration and benefits of all types that may be granted to the corporate officers of the company on account of their mandates, i.e., the Chairman and CEO – currently Mr. Jean-Pascal Tricoire – and Deputy-CEO – currently Mr. Emmanuel Babeau – for the year 2017.

The scope of the approval covers all components of remuneration in cash, fixed and variable, benefits of all types, including the long-term incentive in the form of performance shares, fringe benefits, the pension cash allowance and other components subject to approval of the shareholders as part of regulated agreements.

In the second half of 2016, the Governance and remuneration committee deemed that the new legal regime was the opportunity to conduct a study of the methodology adopted by the board to determine the compensation granted to its corporate officers in the past 10 years (see registration document 2015, p. 151 and previous years) and issued a report in the form of a White Paper that was circulated to the board members.

In this study, the committee examined in particular whether such compensation was conformed to the principles previously set forth.

It examined in particular:

a) Whether the compensation package was competitive as compared to selected peers, comparable to Schneider Electric or that represent a potential source for recruitment or attrition. The proposed compensation peer group is composed of relevant:
   - International Business competitors – in particular those identified in the Relative TSR criteria applicable to the Long-Term Incentive Plan;
   - Talent competitors;
   - “Acceptance” peers, i.e., groups of a similar size, business or structure.

The detailed peer group reviewed by the board and updated from the 2012 review, is as follows:

Group 1: European peers - capital goods

| ABB | Legrand |
| Philips | Siemens |
| Atlas Copco |

Group 2: European construction companies

| Vinci | Saint Gobain |
| ACS | Lafarge Holcim |

Group 3: European software companies

| SAP | Dassault Systemes |
| Hexagon |

Group 4: Various industrial B to B companies, possible competitors for talent and part of the same European index for companies the size of Schneider Electric (Stoxx Europe 50)

| Bayer | Syngenta |
| Air Liquide | Airbus |
| Thyssen Krupp |

Group 5: US Peers

a) Capital goods

| Eaton | Emerson |
| JCI (Johnson Controls) | Honeywell |
| Rockwell Automation |

b) Software companies

| PTC | Autodesk |

Finding: The benchmarking study concluded that the compensation awarded to the Chairman-CEO and to the Deputy-CEO is consistently aligned to the median of the peer group, in line with the objective set by the board.

Finding: The study concluded that the compensation awarded to the Chairman-CEO and to the Deputy-CEO are within range set by the board for the relevant indices.

Finding: The benchmarking study concluded that the compensation granted to the CEO and Deputy-CEO was positioned within an acceptable range from the upper quartile from the CAC 40 and the median of the Stoxx Europe 50.

Finding: The study concluded that the compensation awarded to the Chairman-CEO and to the Deputy-CEO are within range set by the board for the relevant indices.

b) Whether the compensation package was positioned within the range of the upper quartile of the CAC 40 and the median of the Stoxx Europe 50 indices.

The benchmarking study concluded that the compensation granted to the CEO and Deputy-CEO was positioned within an acceptable range from the upper quartile from the CAC 40 and the median of the Stoxx Europe 50.

Finding: The study concluded that the compensation awarded to the Chairman-CEO and to the Deputy-CEO are within range set by the board for the relevant indices.

c) Whether the compensation package was designed to pay for performance

- By giving a prominent place to variable elements, which make up around 80% of the total compensation of the corporate officers, cash and benefits included;
- By determining the performance of the executive officers based on criteria that are mainly economic (not less than 60% of the variable cash compensation and 80% of the long-term benefits in the form of performance shares) and measurable (not less than 80% of the variable cash compensation and 100% of the long-term benefits in the form of performance shares);
- By ensuring that Financial and Sustainability & Transformation objectives are fairly balanced and distributed between short-
Finding: The study highlighted that the structure of compensation awarded to the Chairman-CEO and to the Deputy-CEO was designed to reward their individual and collective performance and in particular:

- that the corporate officers’ pay mix was heavily weighted towards the variable performance criteria, in a proportion significantly higher than the average of the market, whilst the fixed portion was on an average 6 points less than the average of the international peer group;
- that the determination of their compensation by the board based on the application of the performance criteria defined at the beginning of the year left little or no scope for subjectivity whilst ensuring that the board could evaluate the personal contribution of the Corporate Officers;
- that the nature of the performance criteria and required performance reflected the short- and medium-term ambitions conveyed to the shareholders;
- that they incorporated performance factors that enable the Group to offer a lasting and satisfactory outlook for all the stakeholders in the company’s success.

d) Whether the methodology used to determine the corporate officers’ compensation was appropriately designed to align compensation with the interests of shareholders, with share-based benefits representing half of the total compensation or more.

The evolution of the compensation of the corporate officers after reduction of the number of shares eventually acquired on account of performance was compared to the evolution of the stock price and enterprise value.

Finding: The compensation package of the corporate officers was designed to align shareholders’ interests and Group performances as measured by the market. This proves that the objectives set are truly challenging and aligned to the expectations of the stakeholders.

III. Composition of the board of directors and attendance fees (resolutions 9 to 15)

We remind you that the terms of office of Ms. Magali Herbaut, Messrs. Gérard de La Martinière and Jean-Pascal Tricoire are due to expire after the 2017 Annual Shareholders’ Meeting.

The board of directors has unanimously decided to recommend the renewal of the term of office of Mr. Jean-Pascal Tricoire for a period of four years to allow him to continue, in his capacity as Chairman and CEO, to execute the strategy established by the board of directors.

Based on the conclusions of this study and on the recommendation of the Governance and remunerations committee, 75% of whose members are independent under the definition given by the AFEP/MEDEF Code, the board of directors decided at its meeting of February 15, 2017, to pursue the compensation policy applied to the Group’s corporate officers, by maintaining the compensation structure applied in 2016, while introducing the following positive changes:

- increasing the weighting of economic criteria from 60% to 75% in the annual incentive;
- non-renewal of the multiple;
- maintaining the three-year performance period for the acquisition of performance shares, along with the creation of the separate plan reserved for the corporate officers with an additional holding period of one year.

The board also decided that the compensation level of the corporate officers would be maintained at the same level as 2016, both in amount (fixed and variable, target and cap) and in volume as far as performance shares are concerned.

The board further decided to increase its transparency with respect to such compensation, within limits safeguarding the interests of the company with respect to business secrets and confidentiality of certain aspects of its strategy.

The board reflected upon the principle of keeping the compensation proposed for the roles of CEO and Deputy CEO in the event of a change and their replacement by a candidate not promoted within the Group. Whilst acknowledging that the proposed compensation structure is market competitive and in line with the principles set forth by the board, the board may have to review the criteria for evaluation of the new corporate officer’s performance, depending upon his/her profile, or to consider an exceptional allowance in cash or in shares in order to compensate for loss of benefits that a candidate may suffer in the process.

The principles and criteria for determining, allocating or granting the components of all types of compensation and benefits that may be awarded to the Chairman and CEO and to the Deputy-CEO deriving from this policy and submitted to your approval are detailed further in Section 3.7 of the registration document 2016.

In adherence with applicable law, the payment of any variable or exceptional cash component in relation to the year 2017 will be subject to your approval at the Annual Shareholders’ Meeting following the year-end 2017.

By the seventh resolution you are requested to approve these principles and criteria for 2017 with respect to the Chairman and CEO, and by the eighth resolution those with respect to the Deputy-CEO.

Mr. Jean-Pascal Tricoire’s biography and his terms of office are provided on page 11.

At its meeting of February 15, 2017, the board of directors took note of Mr. Gérard de la Martinière’s term of office.

The board of directors was keen to highlight all the recognition that the company owes this individual who has supported the Group through different steps of its strong development and the great quality of his contributions in particular as Chairman of the Audit and risks committee.
Besides, the board of directors took also note of Ms. Magali Herbaut’s decision not to submit her candidacy as director representing employee shareholders.

As Ms. Magali Herbaut was appointed to represent employee shareholders pursuant to article 11-3 of the Articles of Association, her successor must be appointed according to the procedure provided in this Article, which stipulates that when employee shareholders hold more than 3% of the capital at the close of a given financial year, their representative must be elected by the Annual Shareholders’ Meeting from the candidates appointed by the supervisory boards of the FCPEs invested in company shares or by the employee shareholders when their shares are held directly and not via FCPEs.

The candidates designated by this procedure are Ms. Nadine Bouquin, Mr. Claude Briquet, Ms. Xiaoyun Ma, Mr. François Martin-Festa and Mr. Jean-Michel Vedrine whose biographies are provided below.

The board of directors, upon the report from the Governance and remuneration committee, has approved the twelfth resolution providing for the appointment of Ms. Xiaoyun Ma as member of the board of directors representing employee shareholders. Ms. Xiaoyun Ma’s profile fits in with the Group’s objectives in terms of feminization and rejuvenation and, given her experience within the Group, internationalization, as set by the board of directors in relation to its composition.

As a result, the board of directors invites you to vote in favor of the twelfth resolution only and to abstain from voting on the tenth, eleventh, thirteenth and fourteenth resolutions.

Ms. Nadine Bouquin, 56 years old, graduated from the Joseph Fourier University of Grenoble, where she obtained a Master of Computer Science and Advanced Programming. She started her career in 1985 with Schneider Electric. He occupied different jobs such as plant manager in Normandy or general manager of subsidiaries. He currently manages European industrial trading for imported or resale products. Elected for more than 20 years as employee representative to the FCPE supervisory board, he currently chairs two of the mains funds. He represented employee shareholders in the Schneider Electric management board from 2008 to 2012.

Ms. Xiaoyun Ma, 53 years old, graduated from top Chinese universities, and started her career finance professional at an Audit firm (PWC). She joined Schneider Electric in 1997 as the controller of the Variable Speed Drives Department. From 2003, she contributed actively to the R&D transformation of Industry Business with primary role of defining and implementing the development strategy of technological platforms. Three years ago, she was appointed VP R&D Governance and joined the Technology corporate team to lead the Group’s Offer Creation Process transformation. Innovation to develop new values and the efficiency in development are her favorite topics.

Mr. Claude Briquet, 57 years old, graduated from the Tarbes School of Engineering and ENSEEIHT. He started his career in 1985 with Schneider Electric. He occupied different jobs such as plant manager in Normandy or general manager of subsidiaries. He currently manages European industrial trading for imported or resale products. Elected for more than 20 years as employee representative to the FCPE supervisory board, he currently chairs two of the mains funds. He represented employee shareholders in the Schneider Electric management board from 2008 to 2012.

Mr. François Martin-Festa, 49 years old, Offer Data & Digital Order manager within corporate Digital Customer Experience. These initiatives aim at improving our digital Offer presentation and boosting adoption of our customer e-ordering platforms. Prior to this position, François led Supply Chain Planning & Logistics for the Group, Supply Chain Fulfillment Operations in Eastern and Central Europe (located in Hungary and Germany), Products and Equipment Manufacturing Operations and managed IT transformation projects in Turkey, South Africa and France, with a strong focus on client satisfaction.

Mr. Jean-Michel Vedrine, 55 years old, graduated from Clermont-Ferrand University and has a medal from the French National Defense. He started his career in the Roanne Arsenal, but quickly joined Schneider Electric in Nanterre in 1983 within its R&D center. In 1991 he moved to Angoulême, in charge of testing the new Industrial Control products, where Schneider had undisputed worldwide leadership. He contributed to the development of products outside France, and put the client at the heart of the testing process by going beyond the normative requirements. He has also promoted the local sales of Schneider products to employees.

If you approve the twelfth resolution, the board of directors will comprise 41.7% of women, for 58.3% of foreign directors and for 75% independent directors.

Indeed, the board of directors considers that in addition to Mr. Jean-Pascal Tricoire and the director representing employees, Mr. Willy Kissling does not have the status of independent director. Furthermore, under AFEP/MEDEF guidelines, he lost that status due to his long years of service on the board. The other directors are independent.

In the fifteenth resolution, the board recommends increasing the maximum budget of attendance fees allocated to members of the board from EUR1,500,000 to EUR2,000,000.

Firstly, starting 2017, in accordance with most common practices, it is intended to include in this budget the amount of Mr. Apotheker’s compensation on account of his role as Vice-Chairman lead independent director for which the proposed amount for 2016 is EUR250,000.

The net residual increase (EUR250,000) is made with a view to taking into account the directors’ increasing workload, marked in particular by an increase of the duration of the meeting and the increase of the committees’ workload.

Furthermore, the board of directors also considers that a revaluation of the attendance fees allocated to directors is really necessary in order to attract the best international skills and to help the board expand into new economies and digital expertise. In this respect, it is worthwhile to note that the median compensation of S&P 500 US companies’ non-executive directors was USD285,065 in 2015. More specifically in the sector in which Schneider Electric operates, the average compensation allocated to directors of companies which are international competitors of Schneider Electric selected to calculate the criteria of TSR of the long-term incentive plan was EUR229,302 (excluding Japanese companies – see page 28 for details of the panel).

The increase that is proposed to you helps to bridge the gap between Schneider Electric and its competitors and to become more competitive by attracting international talent. In addition, the new distribution rules of attendance fees applied by the board of directors increase the difference between French residents and foreigners in order to be as close as possible to their respective markets and thus to boost this competitiveness without excessively burdening the company with the associated expenses.
IV. Modification of the Articles of Association (resolutions 17 and 18)

By the seventeenth resolution, the board of directors recommends you to amend article 11 of the Articles of Association pursuant to article L.225-27-1 of the French Commercial Code which requires entry in the Articles of Association of the procedure for appointing directors representing employees. After assessing the various options, the board of directors issued its decision on the appointment of director(s) representing employees by the trade union organization or, in the case of two directors representing employees, by each of the two trade union organizations which have obtained the highest number of votes during the first round of the elections mentioned in articles L.2122-1 and L.2122-4 of the French Labor Code in the company and its direct or indirect subsidiaries, having their registered office in France. Under the amendment to the Articles of Association proposed to you, provision is made for establishing the principle based on which the board of directors includes one or two directors representing employees, depending on whether the number of directors is lower than or equal to twelve, being specified that the director representing employee shareholders appointed in accordance with article L.225-23 of the French Commercial Code is not taken into account when calculating the number of directors.

Under the eighteenth resolution, we present two other amendments to the Articles of Association concerning article 19 to make it consistent with the amended laws.

You will find appended the amended text of the articles 11 and 19 of the Articles of Association.

V. Renewal of financial authorization (resolutions 16 and 19 to 27)

(i) Share buybacks and cancellations (resolutions 16 and 27)

The sixteenth resolution seeks for renewal of the company’s authorization to buy back its own shares in accordance with articles L.225-209 et seq. of the French Commercial Code and European Regulation (EU) no. 596/2014 of April 16, 2014 on market abuse (regulation concerning market abuse) which came into force on July 3, 2016. Purchases can result in reducing the share capital, covering stock option plans, allocating shares to employees or corporate officers, fulfilling obligations related to convertible bonds, and market making as part of a liquidity contract. The maximum share purchase price is set at EUR90 per share. This authorization cannot be used during a tender offer.

In order to neutralize the increase in the number of shares linked to the shareholder plans for employees and managers as well as the increase in share capital implemented in 2014 as part of the acquisition of Invensys, Schneider Electric bought back 14.9 million shares for a total amount of EUR853 million in 2016.

Schneider Electric announced that it would buy-back its own shares in an amount of 1.5 billion over the period 2015-2016.

The twenty-seventh resolution (Extraordinary Meeting) seeks for renewing the authorization to cancel shares acquired within the framework of the company’s buyback program. This authorization, which is given to the board of directors for a duration of 24 months, covers 10% of the share capital. The board of directors had not made use of the authorization given by the Annual Shareholders’ Meeting of April 21, 2015.

(ii) The issue of new shares with or without preferential subscription rights (resolutions 19 to 24)

The nineteenth to twenty-fourth resolutions (Extraordinary Meeting), the purpose of these resolutions is to renew the authorization to increase the share capital, which will soon expire.

It is reminded that the board of directors did not implement these delegations irrespective to the increase in share capital resulting from the implementation of the delegation relating to the increase in share capital reserved for employees.

It is proposed, in accordance with the provisions of the French Commercial Code, that the board of director be delegated the authority to decide to increase the share capital by issuing equity securities or securities giving access to capital, while maintaining or cancelling subscription rights. Such authorizations may not be used during a tender offer. The maximum amount of capital increase is fixed at EUR800 million, or 200 million shares with a nominal value of EUR4 (33.75% of the capital). Under this proposal:

- the amount of transactions carried out with maintenance of preferential subscription rights is fixed at EUR800 million, or 200 million shares (33.75% of the capital) (nineteenth resolution);
- the maximum amount of transactions carried out with cancellation of preferential subscription rights is fixed at EUR230 million, or 57.5 million shares (9.7% of the capital). These operations may include:
  - capital increases through a public offering, in which case a mandatory priority period for the shareholders shall be established (twenty-first resolution);
  - capital increases in payment for shares in the event of a public exchange offer initiated by the company (twenty-first resolution);
  - capital increases in payment for contributions in kind for securities issued by other companies (twenty-third resolution);
  - capital increases through private placement, in which case the amount of the capital increase may not exceed EUR115 million or 4.85% of the capital and the issue price of new shares shall be at least equal to the choice of the board of directors (twenty-fourth resolution);
  - the weighted average of the trading prices of the shares on Euronext Paris over a maximum period of six months preceding the date on which the issue price is set, or the weighted average trading price by volume of the shares on Euronext Paris on the trading day preceding the setting of the issue price, possibly reduced, in both cases, by a maximum discount of 5%.

It is also proposed that the board of directors be authorized, while respecting the above limits, to increase the number of shares to be issued as it so decides, within the framework of the nineteenth and twenty-first resolutions, in case of oversubscription. The supplementary capital increase that may be made within 30 days after the initial subscription period closes may not exceed 15% of the original increase and must be carried out at the same price (twenty-second resolution).
The board of directors may also decide to increase the capital by capitalizing reserves or additional paid-in capital (twentieth resolution).

The authorization to carry out capital increases reserved for participants in the company Savings Plan (twenty-fifth resolution) will count against the limits of EUR800 million and EUR230 million above.

(iii) Financial authorization in favor of employees (increase in capital in favor of employees) (resolutions 25 and 26)

The purpose of the twenty-fifth resolution (Extraordinary Meeting) is to give the board of directors the necessary powers to carry out capital increases reserved for employees participating in the company Savings Plan, up to the limit of 2% of the share capital. This authorization, which is valid for 26 months, fixes at 20% the maximum amount of the discount that may be granted on the subscription price of the shares offered to employees participating in a company Savings Plan.

The twenty-sixth resolution (Extraordinary Meeting) is intended to allow the extension of employee shareholder operations to certain foreign countries where legislation or local practices are not in line with the rules of the company Savings Plan. To this end, it aims to authorize the board of directors to carry out capital increases reserved for a class of beneficiaries: in this case, employees of non-French Group companies. This authorization will not exceed 1% of the capital. The issues to be carried out will be deducted from the ceiling of 2% of the capital set for the issuance of shares to employees participating in company Savings Plan. The shares may be issued with a maximum discount of 20% over the reference share price. This authorization will be valid for 18 months.

The renewal of these authorizations to increase the share capital in favor of employees will allow the implementation of a new worldwide employee shareholding operation in 2018. We remind you that under the current authorizations, the board has decided to complete, in June 2017, the employee shareholding operation within the limit of 3.7 million shares (i.e. almost 0.62% of the share capital). This operation will not include any leveraged offer and will be proposed in 32 countries representing more than 80% of the Group’s employees.

Under the twenty-eighth resolution, we request you to grant the necessary powers for the purposes of carrying out legal and administrative formalities.

Appendix

Text in force after the Combined Ordinary and Extraordinary Shareholders’ Meeting of April 25, 2017, should the modification be approved:

Article 11 of the Articles of Association: adding a paragraph 4 drafted as follow:

4. The board of directors shall also include members representing employees, pursuant to article L.225-27-1 of the French Commercial Code, whose status shall be governed by applicable laws and regulations and by the present Articles of Association.

The number of directors representing employees shall be one if the number of directors referred to in articles L.225-17 and L.225-18 of the French Commercial Code is equal to or less than twelve at the time of appointment of the said director and shall be two if such number is more than twelve. The director representing employee shareholders is not included in the minimum and maximum number of directors specified in article L.225-17 of the French Commercial Code.

When only one director representing employees is to be appointed, he/she is designated by the trade union organisation which obtained the highest number of votes during the first round of the elections mentioned in articles L.2122-1 and L.2122-4 of the Labor Code in the company and its direct or indirect subsidiaries, having their registered office in France. When two directors representing employees are to be appointed, they are designated by each of the two trade union organisations which obtained the highest number of votes in the first round of these elections.

Directors representing employees are appointed for a term of four years (renewable). Their duties cease at the close of the Ordinary General Shareholders Meeting called to approve the previous year’s financial statements and held in the year during which their appointments expire.

In case the office of a director representing employees becomes vacant for any reason whatsoever, such vacancy office shall be filled in accordance with the provisions of article L.225-34 of the French Commercial Code.

As an exception to the second paragraph of article 11.1 of these Articles of Association, the directors representing employees are not required to hold a minimum number of shares.

Subject to the provisions of this Article or law, directors representing the employees shall have the same status, rights and liabilities than the other directors.

This Article shall cease to apply when, at the end of a financial year, the company no longer meets the prerequisites for the appointment of directors representing employees, being specified that the office of any director representing employees will cease when its term is due to expire.

Article 19 of the Articles of Association: paragraphs 6 and 7 are drafted as follows, modification being in bold:

When the decision is made to call a General Shareholders Meeting, the board of directors may authorize shareholders to fill out and sign these forms electronically through a secure site set up by the General Meeting organizer using a process that complies with the first sentence of sixth paragraph of article 1367 of the French Civil Code and consisting in a username and password.

Proxies or votes submitted electronically before the General Meeting, as well as the related acknowledgements of receipt, will be considered irrevocable and binding documents. However, in the event that shares are sold before the applicable record date (i.e., at midnight CET two days before the meeting date), the company will cancel or amend, as appropriate, any related proxies or votes submitted electronically before the General Shareholders Meeting.
To the Shareholders,

In our capacity as Statutory Auditors of your company, we present our report on regulated agreements and commitments.

Our responsibility is to report to you, based on the information provided, on the main terms, conditions and the reasons for the interest of the company of agreements that have been disclosed to us or that we would have discovered at the time of our work, without commenting on their relevance or substance or researching the existence of other agreements. Under the provisions of article R. 225-31 of the French Commercial Code, it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Furthermore, it is our responsibility, if appropriate, to inform you of the information set forth in the provisions of article R. 225-31 of the French Commercial Code pertaining to the signing during the past year of agreements already approved by the shareholders at the Shareholders’ Meeting.

We have performed the procedures we deemed necessary in accordance with the professional guidelines of the Compagnie nationale des commissaires aux comptes («CNCC» or French Institute of Statutory Auditors) relevant to our task. Those standards require that we perform procedures to verify that the information given to us agrees with the underlying documents.

Agreements and commitments previously approved by the Shareholders’ Meeting

Pursuant to the provisions of article R. 225-30 of the French Commercial Code, we were informed of the status of the following agreements and commitments already approved by the shareholders at the Shareholders’ Meetings in prior years, which were continued during the past financial year:

With Mr. Jean-Pascal Tricoire (Chairman & Chief Executive Officer)

Your Board of Directors, in its meetings of April 25, 2013, June 18/19, 2013, October 24, 2013 and February 18, 2015, authorized the commitments and agreements in favor of Mr. Jean-Pascal TRICOIRE as described hereunder:

Contingency and supplementary cover or insurance compensation plans

Mr. Jean-Pascal TRICOIRE benefits from the collective pension plan applicable to employees of Schneider Electric SE and Schneider Electric Industries SAS covering the supplementary sickness, incapacity, disability and death.

Mr. Jean-Pascal Tricoire benefits from the supplementary health, incapacity, disability and death cover available to the Group’s French senior executives as well as from coverage under the Group personal accident insurance policies.

Mr. Jean-Pascal Tricoire benefits from a spouse’s pension in the event that he should die before his retirement or before the end of his term of office, after 55 years of age without restarting work, following dismissal, or for reasons of a disability. The pension will equal 60 percent of 25 percent of average salaries paid over the years preceding the date of death (or the date of departure if death should occur once he has left Schneider Electric) minus the amount of additional remuneration authorized by the Board of Directors, converted into a theoretical annuity equivalent that may be purchased upon death in conformity with insurance conditions (technical rate, mortality rate).

Mr. Jean-Pascal Tricoire benefits in the event of disability giving rise to the termination of all professional activity, the right to pension payments (payable to the surviving spouse at a rate of 60 percent) beginning from retirement equal to 25 percent of average salaries paid over the three years preceding the date of disability minus 1.25 percent per quarter of absence so as to obtain a full rate of pension and minus the amount of additional remuneration authorized by the Board of Directors, converted into a theoretical annuity equivalent that may be purchased upon death in conformity with insurance conditions (technical rate, mortality rate).

Agreements and commitments submitted to the shareholders for approval at the Shareholders’ Meeting

Pursuant to the provisions of article L. 225-40 of the French Commercial Code, we were informed of the following agreement, which was approved by your Board of Directors.

With Mr. Leo Apotheker (Vice-Chairman Independent Lead Director)

Mr. Leo APOTHEKER was reelected by the Shareholders’ Meeting of April 25, 2016 as Vice-Chairman Independent Lead Director for four years, until the Shareholders’ Meeting in 2020.

Mr. Leo APOTHEKER benefits from a remuneration of 250,000 euros per annum payable biannually, for his first year assignment as Vice-Chairman Independent Lead Director, pursuant to the statutes and internal guidelines of the Board of Directors.

The Board of Directors has justified this agreement as follows: it is in the company’s interest that Mr. Leo Apotheker continues the assigned work as Vice-Chairman Independent Lead Director, with the same dedication and expertise.

This agreement, which was signed on January 25, 2017, took effect on April 26, 2016, for one year.

(1) The Board of Directors in its meeting of February 18, 2015, taking into consideration the fact that the corporate officers of the company are personally responsible for their top-hat pension plan, authorized the supplementary remuneration comprising: an annual component and an exceptional component the aim of which is to create seed capital for the establishment of an additional pension benefit.
Additionally, contingency and supplementary cover compensation for health, incapacity, disability and death inuring to the benefit of Mr. Jean-Pascal Tricoire shall be calculated on the basis of his overall remuneration (fixed/variable bonus and annual bonus(1)).

In conformity with the French Commercial Code, these rights relating to contingency, supplementary cover or insurance compensation are conditioned on one of the following two criteria being present:

- Positive average net profit for the five years preceding the event, or
- Positive average free cash flow for the five years preceding the event.

**Involuntary Severance Pay Scheme**

Mr. Jean-Pascal Tricoire benefits from an Involuntary Severance Pay scheme (hereinafter “Compensation”). Compensation is capped, taking into account the non-compete compensation stipulated below, at twice the mathematical average of the effective annual remuneration for the last three years as authorized by the Board of Directors (hereinafter “Maximum Amount”). The right to Compensation shall be granted in the following cases:

- Dismissal, non-renewal or resignation as Chief Executive Officer in the six months following a material change in Schneider Electric’s shareholder structure that could change the membership of the Board of Directors;
- Dismissal, non-renewal or resignation as Chief Executive Officer in the event of a reorientation of the strategy pursued and promoted by him until that time, whether or not in connection with a change in shareholder structure as described above;
- Requested dismissal, non-renewal or resignation as Chief Executive Officer when the average rate of achievement of performance objectives used to calculate the variable bonus in the four full financial years preceding his departure was 66.67 percent.

The right to Compensation is subject to and shall depend on the rate of achievement of Group performance objectives used to determine part of the variable portion of Mr. Tricoire’s compensation for the three financial years preceding the date of the Board meeting at which the decision is made.

Hence, if the Group’s performance rate is:

- Less than two-third; no Compensation shall be awarded;
- Two-third; the interested party shall receive 75 percent of the Maximum Amount;
- Between two-third and 100 percent; he shall receive Compensation calculated on a straight-line basis at a rate of 75 to 100 percent of the Maximum Amount;
- At least 100 percent; he shall receive 100 percent of the Maximum Amount.

It is hereby stipulated that compensation of any kind whatsoever which should be awarded by companies of the Group in which Mr. Jean-Pascal Tricoire exercises duties and responsibilities shall be deducted from the amount due by Schneider Electric, it being expressly specified that i) such compensation shall be recognized exclusively as Involuntary Severance Pay due to Mr. Jean-Pascal TRICOIRE and that ii) in each and every case, such compensation may not exceed the amount of Involuntary Severance Pay defined above.

Involuntary Severance Pay shall not be due in the event that termination occurs as a result of serious or gross misconduct.

**Non-Compete Agreement**

Mr. Jean-Pascal Tricoire benefits from the non-compete agreement which shall not exceed one year and shall be remunerated in an amount not exceeding 60 percent of authorized target gross remuneration.

Should Mr. Tricoire leave involuntarily, the Board of Directors shall rule on the application or the non-application of the agreement, within a period to not exceed eight days from the date of departure.

Should his departure be voluntary, the non-compete agreement shall be binding and Mr. Tricoire will benefit from the remuneration if:

- He satisfies the conditions criteria regulating the payment of Involuntary Severance Pay, and;
- If he is not nor shall not be entitled to accumulate his non-compete compensation with payments from a pension plan.

**Stock Options, Free Shares or Performance Shares**

Mr. Jean-Pascal Tricoire retains forthwith, subject to performance criteria and only in the event of his Involuntary Departure, the benefit of all his stock options, free shares or performance shares or any other shares attributed to him. The performance criterion depends on the mathematical average of the rate of achievement of Group performance objectives, used to determine Mr. Jean-Pascal TRICOIRE’s bonus for the three completed financial years preceding his departure and shall be equal to at least 66.67 percent of the target on the condition that Mr. Jean-Pascal TRICOIRE’s termination does not occur as a result of serious or gross misconduct.

With Mr. Emmanuel Babeau (Deputy Chief Executive Officer)

Your Board of Directors, in its meetings of June 18/19, 2013, October 24, 2013 and February 18, 2015, authorized the commitments and agreements in favor of Mr. Emmanuel Babeau as described hereunder:

**Contingency and supplementary cover or insurance compensation plans**

Mr. Emmanuel Babeau benefits from the collective pension plan applicable to employees of Schneider Electric SE and Schneider Electric Industries SAS covering the supplementary sickness, incapacity, disability and death.

Mr. Emmanuel Babeau benefits from the supplementary health, incapacity, disability and death cover available to the Group’s French senior executives as well as from coverage under the Group personal accident insurance policies.

Mr. Emmanuel Babeau benefits from a spouse’s pension in the event that he should die before his retirement or before the end of his term of office, after 55 years of age without restarting work, following dismissal, or for reasons of a disability. The pension will equal 60 percent of 25 percent of average salaries paid over the three years preceding the date of death (or the date of departure if death should occur once he has left Schneider Electric) minus the amount of additional remuneration authorized by the Board of Directors(1), converted into a theoretical annuity equivalent that may be purchased upon death in conformity with insurance conditions (technical rate, mortality rate).

---

(1) The Board of Directors in its meeting of February 18, 2015, taking into consideration the fact that the corporate officers of the company are personally responsible for their top-hat pension plan, authorized the supplementary remuneration comprising: an annual component and an exceptional component the aim of which is to create seed capital for the establishment of an additional pension benefit.
Mr. Emmanuel Babeau benefits, in the event of disability giving rise to the termination of all professional activity, the right to pension payments (payable to the surviving spouse at a rate of 60 percent) beginning from retirement equal to 25 percent of average salaries paid over the three years preceding the date of disability minus 1.25 percent per quarter of absence so as to obtain a full rate of pension and minus the amount of additional remuneration authorized by the Board of Directors\(^1\), converted into a theoretical annuity equivalent that may be purchased upon disability in conformity with insurance conditions (technical rate, mortality rate).

Additionally, contingency and supplementary cover compensation for health, incapacity, disability and death inuring to the benefit of Mr. Emmanuel Babeau shall be calculated on the basis of his overall remuneration (fixed/variable bonus and annual bonus\(^2\)).

In conformity with the French Commercial Code, these rights relating to contingency, supplementary cover or insurance compensation are conditioned on one of the following two criteria being present:

- Positive average net profit for the five years preceding the event, or
- Positive average free cash flow for the five years preceding the event.

**Involuntary Severance Pay Scheme**

Mr. Emmanuel Babeau benefits from an Involuntary Severance Pay scheme (hereinafter “Compensation”). Compensation is capped, taking into account the non-compete compensation stipulated below, at twice the mathematical average of the effective annual remuneration for the last three years as authorized by the Board of Directors (hereinafter “Maximum Amount”). The right to Compensation shall be granted in the following cases:

- Dismissal, non-renewal or resignation as Deputy Chief Executive Officer in the six months following a material change in Schneider Electric’s shareholder structure that could change the membership of the Board of Directors;
- Dismissal, non-renewal or resignation as Deputy Chief Executive Officer in the event of a reorientation of the strategy pursued and promoted by him until that time, whether or not in connection with a change in shareholder structure as described above;
- Requested dismissal, non-renewal or resignation as Deputy Chief Executive Officer when the average rate of achievement of performance objectives used to calculate the variable bonus in the four full financial years preceding his departure was 66 percent (including financial years during which he fulfilled responsibilities as a member of the Management Board).

The right to Compensation is subject to and shall depend on the rate of achievement of Group performance objectives used to determine part of the variable portion of Mr. Babeau’s compensation for the three financial years preceding the date of the Board meeting at which the decision is made.

Hence, if the Group’s performance rate is:

- Less than two-third ; no Compensation shall be awarded;
- Two-third; the interested party shall receive 75 percent of the Maximum Amount;
- Between two-third and 100 percent; he shall receive Compensation calculated on a straight-line basis at a rate of 75 to 100 percent of the Maximum Amount;
- At least 100 percent; he shall receive 100 percent of the Maximum Amount.

It is hereby stipulated that compensation of any kind whatsoever which should be awarded by companies of the Group in which Mr. Emmanuel Babeau exercises duties and responsibilities shall be deducted from the amount due by Schneider Electric, it being expressly specified that i) such compensation shall be recognized exclusively as Involuntary Severance Pay due to Mr. Emmanuel Babeau and that ii) in each and every case, such compensation may not exceed the amount of Involuntary Severance Pay defined above.

Involuntary Severance Pay shall not be due in the event that termination occurs as a result of serious or gross misconduct.

**Non-Compete Agreement**

Mr. Emmanuel Babeau benefits from the non-compete agreement which shall not exceed one year and shall be remunerated in an amount not exceeding 60 percent of authorized target gross remuneration.

Should Mr. Babeau leave involuntarily, the Board of Directors shall rule on the application or the non-application of the agreement, within a period to not exceed eight days from the date of departure. Should his departure be voluntary, the non-compete agreement shall be binding and Mr. Tricoire will benefit from the remuneration if:

- He satisfies the conditions criteria regulating the payment of Involuntary Severance Pay, and;
- If he is not nor shall not be entitled to accumulate his non-compete compensation with payments from a pension plan.

**Stock Options, Free Shares or Performance Shares**

Mr. Emmanuel Babeau retains forthwith, subject to performance criteria and only in the event of his Involuntary Departure, the benefit of all his stock options, free shares or performance shares or any other shares attributed to him. The performance criterion depends on the mathematical average of the rate of achievement of Group performance objectives, used to determine Mr. Emmanuel Babeau’s bonus for the three completed financial years preceding his departure and shall be equal to at least 66.67 percent of the target on the condition that Mr. Emmanuel Babeau’s termination does not occur as a result of serious or gross misconduct.
With Mr. Leo Apotheker (Vice-Chairman Independent Lead Director)

Your Board of Directors, in its meeting of May 6, 2014, authorized the remuneration of Mr. Leo Apotheker with regard to his assignments as Vice-Chairman Independent Lead Director pursuant to the statutes and internal guidelines of the Board of Directors, in the amount of 250,000 euros per annum payable biannually.

The agreement was approved by the Shareholders’ Meeting of April 21, 2015.

With Mr. Henri Lachmann (Director until April 25, 2016)

Your Supervisory Board, in its meeting of May 3, 2012, authorized the signature on the same day of an insurance contract for defined benefit company pensions (Article L.137-11 of the Social Security Code) with AXA France Vie, in order to outsource commitments under the 1995 Senior Executive Plan (closed article 39 plan), from which the former Chairman of the Supervisory Board - retired - benefits.

The principle of this outsourcing was authorized by the Supervisory Board meeting of December 15, 2010.

The nature of the contract’s guarantees and the implementation and operation methods were defined in accordance with legislative and regulatory provisions. The contract was agreed with normal insurance contract conditions, under which implementation depends on duration of human life.

It aims to guarantee payment of annuity arrears due under the rules of the different plans for contracting companies. It took effect on April 30, 2012 and can be terminated each year by the parties provided notice is given before October 31 that will take effect on December 31 of the same year.

The amount of the premiums for pre-financing of possible liabilities related to past services is determined by considering the periodic actuarial analyses. The financing of benefits for which payment is transferred to the insurer is calculated by the latter, on the basis of the regulatory tables.

Schneider Electric did not pay any premium in 2016.

Mr. Henri Lachmann is no longer concerned by this regulated agreement since the Shareholders’ Meeting of April 25, 2016.

Signed in Paris-La Défense and in Courbevoie, on March 15, 2017

The Statutory Auditors

ERNST & YOUNG et Autres
Jean-Yves Jégourel

MAZARS
Loïc Wallaert
ORDINARY Meeting

First resolution
(Approval of corporate financial statements for the 2016 financial year)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report on the company financial statements and the Statutory Auditors’ report, approves the corporate financial statements for the 2016 financial year as presented, as well as the transactions reflected in these statements or summarized in such reports showing a loss of EUR99,729,913.92.

Second resolution
(Approval of consolidated financial statements for the 2016 financial year)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report on the company consolidated statements and the Statutory Auditors’ report, approves the corporate consolidated statements for the 2016 financial year as presented, as well as the transactions reflected in these statements or summarized in such reports.

Third resolution
(Appropriation of income for the financial year, setting the coupon and withholding on issue premiums)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, at the proposal of the board of directors:

(i) after having noted the negative impact on retained earnings of EUR18,692.00 and the fact that income for the financial year shows a loss of EUR99,729,913.92, decides to allocate the amount of retained earnings and the loss for the financial year to issue premiums relating to the contribution of Legrand shares;

(ii) decides on the distribution to the 592,498,759 shares with a par value of EUR4 comprising the share capital at December 31, 2016, and a dividend payment as of January 1, 2017, at EUR2.04 per share, and as a result sets at EUR1,208,697,468.36 the amount to withhold on issue premiums relating to the contribution of Legrand shares which, after allocation of retained earnings and the financial year loss amount to EUR110,098,335.72, to carry out this distribution.

Fourth resolution
(Approval of the regulated agreements entered into in 2016 • remuneration of the Vice-chairman independent lead director- and information regarding agreements and regulated commitments undertaken during previous financial years)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report and the statutory auditors’ special report presented in accordance with the provisions of article L.225-40 of the French Commercial Code on the agreements covered by article L.225-38 of said Code, approves the agreement, presented in these reports, relating to compensation of the Vice-Chairman for his duties as Vice-chairman independent lead director, and takes due note of the information relating to the agreements and the commitments undertaken in previous financial years and approved by the Annual Shareholders’ Meeting.

Fifth resolution
(Opinion on elements of the compensation due or awarded in respect of the 2016 financial year to Mr. Jean-Pascal Tricoire)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for ordinary Meetings, consulted pursuant to the recommendation of Paragraph 26.2 of the AFEP/MEDEF corporate governance guidelines amended in November 2016, which constitutes the company’s code of reference in accordance with article L.225-37 of the French Commercial Code, hereby issues a favorable opinion on the components of the compensation due or awarded for the 2016 financial year to Mr. Jean-Pascal Tricoire as presented in the board of directors’ report to the Annual Shareholders’ Meeting.

Sixth resolution
(Opinion on elements of the compensation due or awarded in respect of the 2016 financial year to Mr. Emmanuel Babeau)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for ordinary Meetings, consulted pursuant to the recommendation of Paragraph 26.2 of the AFEP/MEDEF corporate governance guidelines amended in November 2016, which constitutes the company’s code of reference in accordance with article L.225-37 of the French Commercial Code, hereby issues a favorable opinion on the components of the compensation due or awarded for the 2016 financial year to Mr. Emmanuel Babeau as presented in the board of directors’ report to the Annual Shareholders’ Meeting.
SIXTEENTH RESOLUTIONS

Seventh resolution
(Approval of principles and criteria for determining, allocating and granting the components of the compensation and benefits of all types that may be granted to the Chairman and Chief Executive Officer)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, in accordance with article L.225-37-2 of the French Commercial Code, approves the principles and criteria for determination, distribution and allocation of the fixed, variable and exceptional elements which make up the total compensation and benefits of any type that may be granted, on account of his role, to the Chairman and CEO, as specified in the report attached to the report referred to in articles L.225-100 and L.225-102 of the French Commercial Code, presented in the registration document.

Eighth resolution
(Approval of principles and criteria for determining, allocating and granting the components of the compensation and benefits of all types that may be granted to the Deputy Chief Executive Officer)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, pursuant to article L.225-37-2 of the French Commercial Code, approves the principles and criteria for determination, distribution and allocation of the fixed, variable and exceptional components which make up the total compensation and benefits of any type that may be granted, on account of his role, to the Deputy CEO, as specified in the report attached to the report referred to in articles L.225-100 and L.225-102 of the French Commercial Code, presented in the registration document.

Ninth resolution
(Renewal of a directorship: Mr. Jean-Pascal Tricoire)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report, hereby resolves to re-elect Mr. Jean-Pascal Tricoire as director for a four-year term expiring at the close of the Annual Shareholders’ Meeting to be held in 2021 to approve the financial statements for the financial year ending December 31, 2020.

Tenth resolution*
(Appointment of the director representing the employee shareholders)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report, hereby appoints Ms. Nadine Bouquin as director representing employee shareholders for a four-year term expiring at the close of the Annual Shareholders’ Meeting to be held in 2021 to approve the financial statements for the financial year ending December 31, 2020.

Eleventh resolution*
(Appointment of the director representing the employee shareholders)

The Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report, hereby appoints Mr. Claude Briquet as director representing the employee shareholders for a four-year term expiring at the close of the Shareholders’ Meeting to be held in 2021 to approve the financial statements for the financial year ending December 31, 2020.

Twelfth resolution*
(Appointment of the director representing the employee shareholders)

The Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report, hereby appoints Ms. Xiaoyun Ma as director representing the employee shareholders for a four-year term expiring at the close of the Shareholders’ Meeting to be held in 2021 to approve the financial statements for the financial year ending December 31, 2020.

Thirteenth resolution*
(Appointment of the director representing the employee shareholders)

The Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report, hereby appoints Mr. François Martin-Festa as director representing the employee shareholders for a four-year term expiring at the close of the Shareholders’ Meeting to be held in 2021 to approve the financial statements for the financial year ending December 31, 2020.

Fourteenth resolution*
(Appointment of the director representing the employee shareholders)

The Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report, hereby appoints Mr. Jean-Michel Vedrine as director representing the employee shareholders for a four-year term expiring at the close of the Shareholders’ Meeting to be held in 2021 to approve the financial statements for the financial year ending December 31, 2020.

Fifteenth resolution
(Determination of the amount of attendance fees)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report, hereby resolves to set at EUR2,000,000 the maximum annual amount of attendance fees to be paid to the board of directors.

Sixteenth resolution
(Authority granted to the board of directors to buy back company shares – maximum purchase price per share EUR90)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report, hereby authorizes the board of directors, pursuant to the provisions of article L.225-209 of the French Commercial Code and of Regulation (EU) no. 596/2014 of April 16, 2014 on market abuse (market abuse regulation), to acquire or have acquired the company’s shares for the purpose of:

- reducing the share capital within the maximum legal limit;

* Tenth to fourteenth resolutions: in accordance with article 11-3 of the company’s Articles of Association, as there will be only one position as director representing employee shareholders to be filled, only the candidate who obtains the highest number of votes by the shareholders present and represented will be appointed. The board of directors has approved the twelfth resolution and, as a result, invites you to vote in favor of this resolution and to abstain from voting on the 10th, 11th, 13th and 14th resolutions.
meeting obligations relating to option plans or other plans involving awards of shares to employees or officers of the company or an associated company;
meeting obligations arising under, or in connection with, debt securities convertible into shares of the company;
undertaking (for exchange, payment or other purposes) external growth transactions, mergers, spin-offs or contributions (up to a limit of 5% of the share capital);
stimulating the market for the company's shares under and pursuant to a liquidity agreement consistent with the Autorité des Marchés Financiers' accepted market practices; or
implementing and carrying out any other market practice that may be recognized by law or the AMF.
The maximum number of shares that may be acquired under and pursuant to this authority shall not exceed 10% of the aggregate number of shares constituting the share capital on the date of the Annual Shareholders' Meeting (i.e. for information purposes, 59,249,875 shares on the basis of the share capital as of December 31, 2016).
The maximum share purchase price is set at EUR90 per share without exceeding the maximum price set by applicable laws and regulations. However, if all or some of the shares acquired pursuant to these conditions are intended to grant stock options, pursuant to articles L.225-177 et seq. of the French Commercial Code, the selling price of the shares in question will be determined in accordance with the legal provisions governing stock purchase options.
As a result of the aforesaid limits, the maximum aggregate amount of share buy-backs shall not exceed EUR5,332,488,750.

EXTRAORDINARY Meeting

Seventeenth resolution
(Amendment to article 11 of the company's articles of Association to provide for the appointment of directors representing employees in accordance with article L.225-27-1 of the French Commercial Code)
The Annual Shareholders' Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors' report, resolves to amend article 11 of the Articles of Association in order to insert the legal provisions concerning directors representing employees. The following provisions are added to article 11:

"4. The board of directors also includes, in accordance with the provisions of article L.225-27-1 of the French Commercial Code, directors representing employees, the arrangements for whom are subject to the legal and regulatory provisions in force and these Articles of Association.

The number of directors representing employees is equal to one if the number of directors provided for in articles L.225-17 and L.225-18 of the French Commercial Code is lower than or equal to twelve at the time of the appointment of said director and to two if this number exceeds twelve. The director representing employee shareholders appointed under article L.225-23 of the French Commercial Code is not taken into account when determining the number of directors referred to in article L.225-17 of the French Commercial Code.

The acquisition, sale or transfer of such shares may be made on one or more occasions by any means, in the market, on a multilateral trading facility (MTF), via a systemic internalizer, or by individual, person-to-person (over-the-counter) trade in compliance with applicable law and regulations. Such means and methods may include acquisition or sale of blocks on a regulated exchange or directly between individuals (over-the-counter), to the extent compliant with applicable law and regulations.

These transactions may be carried out at any time, in accordance with current regulations, except during public offerings on the company's share capital.

Shares acquired may also be canceled, subject to compliance with the provisions of articles L.225-204 and L.225-205 of the French Commercial Code and in accordance with the twenty-seventh resolution adopted by this Annual Shareholders' Meeting.

The board of directors may adjust the prices set forth above in the event of the capitalization of reserves or earnings giving rise either to an increase in the par value of the shares, or to the issuance and free awards of shares, in the event of a division of the par value of the shares (stock split) or amalgamation of shares (reverse split), and, more generally, in the event of a transaction involving shareholders' equity, to account for the impact of the consequences of such transactions on the value of the shares, such price then to be adjusted by a multiplier coefficient equal to the ratio between the number of shares constituting the share capital prior to the transaction and such number following such transaction.

Any and all authority is hereby granted to the board of directors with power to grant delegations of authority to implement and carry out this resolution.

This authority shall be valid for a maximum of 18 months from the date of this Annual Shareholders' Meeting.

When a single director representing the employees must be appointed, this director will be appointed by the trade union organization which has received the highest number of votes in the first round of the elections cited in articles L.2122-1 and L.2122-4 of the French Labor Code in the company and its direct or indirect subsidiaries whose head offices are in France. When two directors representing employees must be appointed, they are nominated by each of the two trade union organizations which have received the highest number of votes in the first round of these elections.

The term of office of directors representing the employees is a renewable four-year term. Their responsibilities shall expire at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ended and held in the year in which their term of office expires. Further, their office expires automatically in case of termination of their employment agreement or in case of dismissal in pursuance of article L.225-32 of the French Commercial Code or in case of any incompatibility under article L.225-30 of the said Code.

In the event that the position of director representing employees should become vacant for any reason, this position will be filled under the terms and conditions set forth in article L.225-34 of the French Commercial Code.

As an exception to the provisions of the second paragraph of article 11.1 of the company's Articles of Association, directors representing employees are not required to hold a minimum number of shares.
Subject to the provisions of this article or of the law, directors representing employees have the same status, the same rights and the same responsibilities as the other directors.

The provisions of this article shall cease to apply if, at financial year-end, the company no longer fulfills the prerequisites for the appointment of directors representing employees, it being specified that the term of office of any director representing employees appointed in accordance with this article shall expire at the close of the same.

The other provisions of article 11 and the company’s Articles of Association remain unchanged.

Eighteenth resolution
(Amendment to article 19 of the company’s Articles of Association to comply with amended laws)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report, resolves to amend article 19 of the Articles of Association as follows, in order to bring them in conformity with amended legal provisions:

◆ in the 6th paragraph, the reference to article “1316-4” of the French Civil Code is replaced by the reference to “1367”;
◆ in the 7th paragraph, the word “three” is replaced by “two”.

The other provisions of article 19 of the company’s Articles of Association remain unchanged.

A copy of the Articles of Association of Schneider Electric SE is attached to the minutes of this meeting.

Nineteenth resolution
(Delegation of authority to the board of directors to increase the nominal share capital within the limit of EUR800 million, i.e. approximately 33.75% of the capital on December 31, 2016, by issuing ordinary shares or securities giving access to share capital of the company or any of its subsidiaries with shareholders’ preferential subscription right)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Extraordinary Shareholders’ Meetings, having heard the board of directors’ report and the statutory auditors’ special report, and in accordance with the provisions of articles L.225-129 to L.225-129-6, L.225-132, L.225-134 and L.228-91 to L.228-93 of the French Commercial Code:

◆ delegates to the board of directors the authority, with the right to subdelegate in accordance with applicable law and regulations, to decide on one or several capital increases through the issue, in the proportions and at the times it deems appropriate, in France and/or abroad, of ordinary company shares and of all other securities issued in return for payment or free of charge granting access by any means, immediately and/or in the future, to ordinary shares of the company, or of a company in which it directly or indirectly owns more than half the capital. These securities may also be denominated in Euros or any other currency or unit of account determined by reference to several currencies, it being specified that (i) the subscription of shares and other securities may be performed, either in cash, or by offsetting receivables, and (ii) the shares to be issued shall grant the same rights as the old shares subject to their dividend date;
◆ resolves that the full amount of the capital increases which may be undertaken immediately and/or in the future on the basis of this resolution may not exceed a par value of EUR eight hundred (800) million (i.e. for information purposes, 33.75% of the capital at December 31, 2016). Added to this amount, as applicable, will be the additional amount of shares to be issued to preserve, in accordance with the law and, where applicable, the contractual stipulations providing for other adjustment cases, the rights of holders of securities granting access to the share capital, share subscription or purchase options or those relating to bonus or performance shares. Capital increases undertaken on the basis of the twentieth, twenty-first, second and twenty-fourth resolutions adopted by the Annual Shareholders’ Meeting, in addition to those undertaken, as applicable, on the basis of the twenty-first resolution of the Extraordinary Shareholders’ Meeting of April 25, 2016, will be deducted from this amount, without taking account of the necessary adjustments to preserve, in accordance with the law and, as applicable, the contractual stipulations providing for other adjustment cases, the rights of holders of securities granting access to the company’s capital, share subscription or purchase options, or those relating to free or performance shares. This limit with a par value of EUR (eight hundred) 800 million shall not apply to capital increases reserved for employees or corporate officers pursuant to the nineteenth and twentieth resolutions adopted by the Annual Shareholders’ Meeting of April 25, 2016, and by the twenty-sixth resolution of this Annual Shareholders’ Meeting;
◆ hereby resolves that securities granting access to the company’s shares may, in particular, consist of debt securities or be associated to the issuance of such securities, enable their issuance as securities held with an intermediary or even take the form of fixed-term or perpetual subordinated or unsubordinated notes;
◆ hereby resolves that shareholders have, on a proportional basis according to the amount of shares they hold, a preferential subscription right to the securities issued under this authority;
◆ hereby resolves that the board of directors will establish the conditions for and limits up to which shareholders may exercise their right to subscribe for new shares as of right and may grant shareholders a preferential subscription right to excess shares which will be exercised on a proportional basis to their right and within the limit of their requests;
◆ hereby resolves that if subscriptions for new shares as of right and, as applicable, for excess shares, have not fully absorbed an issue of shares or securities as defined above, the board of directors may make use of the options provided for in article L.225-134 of the French Commercial Code and in particular place all or part of the unsubscribed shares under public offerings;
◆ hereby takes note that this authorization shall constitute automatically and by law a waiver by the shareholders, in favor of the holders of securities that might be issued and granting access to the company capital, of their preferential right to subscribe for ordinary shares of the company which such securities carry the right to acquire;
◆ hereby resolves that the amount due, or that may later become due, to the company for each of the shares to be issued under the aforementioned authorization shall be at least equal to the par value of the share on the date of issue of said securities;
◆ hereby resolves that the board of directors may not, except with the prior authorization of the Annual Shareholders’ Meeting, make use of this delegation of authority from the time of the submission by a third party of a public offering concerning company shares, up to the end of the offer period;
Resolutions

hereby resolves that this delegation invalidates the fourteenth resolution of the Extraordinary Shareholders’ Meeting of April 21, 2015, in terms of the amounts not used by the board of directors;

sets the validity period of this delegation at 26 months from this Annual Shareholders’ Meeting.

Twentieth resolution
(Delegation of authority to the board of directors to increase the share capital by capitalizing reserves, earnings, premiums or other amounts for which capitalization may be allowed)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Ordinary Meetings, having heard the board of directors’ report, and in accordance with articles L.225-192-2 and L.225-130 of the French Commercial Code:

hereby delegates to the board of directors, with the power to subdelegate, the authority to decide, as and when it deems fit, on one or several capital increases by capitalizing, consecutively or simultaneously, reserves, earnings, additional issue premiums or other sums for which capitalization is permitted according to the legal and statutory provisions, in the form of the issue and allocation of free shares or increase of the par value of existing shares or the combined application of these two procedures;

resolves that the maximum par value of the capital increases which may be carried out under this delegation shall be deducted from the overall capital increase ceiling of EUR eight hundred (800) million set by the nineteenth resolution of the Annual Shareholders’ Meeting;

hereby resolves that fractional rights will not be negotiable or transferable and that the corresponding shares will be sold. The sums generated by the sale will be allocated to rights holders no later than 30 days after the record date in their account of the full number of shares awarded;

hereby takes note that the board of directors has all the necessary powers to implement this delegation of authority;

hereby resolves that the board of directors may not, except with the prior authorization of the Annual Shareholders’ Meeting, make use of this delegation of authority from the time of the submission by a third party of a public offering concerning company shares, up to the end of the offer period;

hereby resolves that this delegation invalidates the fifteenth resolution of the Extraordinary Shareholders’ Meeting of April 21, 2015, in terms of the amounts not used by the board of directors;

sets the validity period of this delegation at 26 months from this Annual Shareholders’ Meeting.

Twenty-first resolution
(Delegation of authority to the board of directors to increase the nominal share capital within the limit of EUR230 million, i.e. 9.7% of the share capital on December 31, 2016, by issuing ordinary shares or securities giving access to the share capital of the company or any of its subsidiaries without shareholders’ preferential subscription right through a public offering. This delegation may be used to pay for contributions of securities in connection with a public exchange offer initiated by the company)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Extraordinary Shareholders’ Meetings, having heard the board of directors’ report and the statutory auditors’ special report, and in accordance with the provisions of articles L.225-129 to L.225-129-6, L.225-135, L.225-136, L.225-148 and L.228-91 to L.228-93 of the French Commercial Code:

hereby delegates to the board of directors the authority, with the right to subdelegate, in compliance with applicable laws and regulations, to decide, by public offer, on one or several capital increases through the issue, in the proportions and at the times it deems appropriate, in France and/or abroad, of ordinary company shares or any securities granting access to any means, immediately and/or in the future, to ordinary shares of the company, or of a company in which it directly or indirectly owns more than half the capital. These securities may also be denominated in Euros or any other currency or unit of account determined by reference to several currencies, specifying that (i) the subscription of shares and other securities may be performed, either in cash, or by offsetting receivables, and (ii) the new shares will grant the same rights as the old shares subject to their dividend date;

hereby resolves that the issue of shares by the company may result, in accordance with article L.228-93 of the French Commercial Code, in the exercising of the rights attached to securities issued by companies in which it directly or indirectly owns more than half the share capital and which will give access by any means to ordinary shares of the company;

hereby resolves that the total amount of the capital increases which may be undertaken immediately and/or in the future on the basis of this resolution may not exceed a par value of EUR two hundred and thirty (230) million (i.e., for information purposes, 9.7% of the capital at December 31, 2016). Added to this amount, where applicable, will be the additional amount of shares to be issued to preserve, in accordance with the law and, where applicable, the contractual stipulations providing for other adjustment cases, the rights of holders of securities granting access to the share capital, share subscription or purchase options, or those relating to bonus or performance shares, it being specified that the amount of EUR two hundred and thirty (230) million shall be deducted from the overall capital increase ceiling of EUR eight hundred (800) million set in the nineteenth resolution adopted by this Annual Shareholders’ Meeting;

hereby resolves that securities granting access to the company’s shares may, in particular, consist of debt securities or be associated with the issuance of such securities, enable their issuance as securities held with an intermediary or even take the form of fixed-term or perpetual subordinated or unsubordinated notes;

hereby resolves to cancel the preferential subscription right granted to shareholders for securities issued in accordance with the legislation, it being specified that shareholders will be granted a priority entitlement to subscribe for new and/or excess securities in accordance with the provisions of article L.225-135 of the French Commercial Code;

hereby resolves that the amount payable to the company for each of the shares to be issued, or liable to be issued, after taking into account, in the case of detachable share subscription or allotment warrants, the issue price of said warrants, shall be at least equal to the minimum price provided for in the legal and/or regulatory provisions applicable on the issue date, which is currently the weighted average of the prices for the last three trading sessions prior to the setting of the issue price, potentially, less a maximum discount of 5%, after correction, as applicable, of this amount to take account of the difference in the dividend date;

hereby takes note that this authorization shall constitute automatically and by law a waiver by the shareholders, in favor of the holders of securities that grant access to company capital of their preferential right to subscribe for ordinary shares of the company which such securities carry the right to acquire;
hereby resolves that this delegation may be used for the purposes of paying for securities tendered in a public exchange offer initiated by the company, within the limits and under the conditions provided for in article L.225-148 of the French Commercial Code;

hereby resolves that the board of directors may not, except with the prior authorization of the Annual Shareholders’ Meeting, make use of this delegation of authority from the time of the submission by a third party of a public offering concerning company shares, up to the end of the offer period;

hereby resolves that this delegation invalidates the sixteenth resolution of the Extraordinary Shareholders’ Meeting of April 21, 2015, in terms of the amounts not used by the board of directors;

sets the validity period of this delegation at 26 months from this Annual Shareholders’ Meeting.

Twenty-second resolution
(Delegation of authority to the board of directors to increase the amount of an initial issue, as approved pursuant to the nineteenth or twenty-first resolutions, with or without shareholders’ preferential subscription right)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Extraordinary Meetings, having heard the board of directors’ report and the statutory auditors’ special report, and acting in accordance with article L.225-135-1 of the French Commercial Code:

hereby delegates to the board of directors the necessary power, for a period of 26 months from this Annual Shareholders’ Meeting, with the power to subdelegate, in compliance with applicable laws and regulations, to decide for each of the issues decided on in accordance with the nineteenth and twenty-first resolutions adopted by this Annual Shareholders’ Meeting, that the number of ordinary shares and securities to be issued may be increased by the board of directors under the legal and regulatory conditions and within the limit of the ceilings provided for respectively by the Nineteenth and twenty-first resolutions adopted by this Annual Shareholders’ Meeting;

hereby resolves that the board of directors may not, except with the prior authorization of the Annual Shareholders’ Meeting, make use of this delegation of authority from the time of the submission by a third party of a public offering concerning company shares, up to the end of the offer period;

hereby takes note that the board of directors has all the necessary powers to implement this delegation;

hereby resolves that this delegation invalidates the seventeenth resolution of the Extraordinary Shareholders’ Meeting of April 21, 2015, in terms of the amounts not used by the board of directors.

Twenty-third resolution
(Delegation of powers to the board of directors to increase the share capital within the limit of 9.7% of the share capital for the purpose of paying for contributions in kind)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Extraordinary Meetings, having heard the board of directors’ report and the statutory auditors’ special report, and acting in accordance with article L.225-147 of the French Commercial Code:

hereby delegates to the board of directors the necessary powers to, on the basis of the report of the statutory auditor for contributions, to carry out one or several capital increases, up to the limit of 9.7% of the share capital, in order to pay for contributions in kind granted to the company and consisting of capital securities or securities granting access to the capital, where the provisions of article L.225-148 are not applicable.

hereby resolves that, in any case, the amount of the capital increases undertaken pursuant to this resolution shall be deducted from the capital increase ceiling of EUR two hundred and thirty (230) million provided for in the twenty-first resolution of this Annual Shareholders’ Meeting;

hereby resolves that the board of directors shall have full powers, with the power to subdelegate, to implement this delegation, in particular to:

approve all the terms and conditions of authorized operations and, above all, assess the contributions and the granting, as applicable, of specific benefits;

establish the number of securities to be issued in payment for contributions and the dividend date for the securities to be issued;

perform, as applicable, any deductions from the acquisition premiums, and in particular those for costs incurred through issues;

record the resulting capital increases and amend the Articles of Association accordingly;

as a general rule, take all appropriate steps, enter into all agreements, take all the necessary formalities for admission to trading of the shares issued and perform all necessary disclosure formalities;

hereby resolves that the board of directors may not, except with the prior authorization of the Annual Shareholders’ Meeting, make use of this delegation from the time of the submission by a third party of a public offering concerning the company’s shares, up to the end of the offer period;

hereby resolves that this delegation invalidates the eighteenth resolution of the Extraordinary Shareholders’ Meeting of April 21, 2015, in terms of the amounts not used by the board of directors.

sets the validity period of this delegation at 26 months from this Annual Shareholders’ Meeting.

Twenty-fourth resolution
(Delegation of authority to the board of directors to undertake, through an offering as set forth in Paragraph II of article L.411-2 of the French Monetary and Financial Code, without shareholders’ preferential subscription right, a capital increase up to a nominal amount of EUR115 million, i.e. 4.85% of share capital, by issuing ordinary shares or securities giving access to the share capital of the company or any of its subsidiaries, the issue price of which shall be decided by the board of directors in accordance with the terms and conditions determined by the Annual Shareholders’ Meeting)

The Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Extraordinary Shareholder Meetings, having heard the board of directors’ report and the statutory auditors’ special report, and in accordance with the provisions of the French Commercial Code, in particular in articles L.225-129 to L.225-129-6, L.225-135, L.225-136 and L.228-91 to L.228-93, and in Paragraph II of article L.411-2 of the French Monetary and Financial Code:

hereby delegates to the board of directors, with the power to subdelegate, in compliance with applicable laws and regulations, the authority to decide without the shareholders’ preferential subscription right through an offer referred to in paragraph II of article L.411-2 of the French Monetary and Financial Code,
on one or several occasions, in the proportion and at the times it deems appropriate, in France and/or abroad, in Euros or in any other currency or unit of account set by reference to several currencies, the capital increase through the issue of ordinary shares or securities, governed by articles L.228-91 et seq. of the French Commercial Code granting access by any means, immediately and/or in the future, to ordinary shares of the company or of a company in which it directly or indirectly owns more than half of the share capital, it being specified that (a) the subscription of shares and other securities may be performed either in cash or by offsetting receivables, and (b) the new shares will grant the same rights as the old shares subject to their dividend date;

- resolves that the total amount of the capital increases which might be carried out immediately and/or in the future on the basis of this resolution may not exceed a par value of EUR one hundred and fifteen (115) million (i.e., for information purposes, 4.85% of the capital at December 31, 2016). Added to this amount will be the additional amount of shares to issue to preserve, in accordance with the law and, as applicable, the contractual stipulations providing for other adjustment cases, the rights of holders of securities granting access to the share capital, share subscription or purchase options, or those relating to free shares or performance shares, it being specified that the amount of EUR one hundred and fifteen (115) million shall be deducted from the capital increase ceiling of EUR two hundred and thirty (230) million provided for in the twenty-first resolution and to the capital increase ceiling of EUR eight hundred (800) million provided for in the nineteenth resolution adopted by the Annual Shareholders’ Meeting;

- resolves to set a maximum discount to be offered in connection with the company’s savings plan at 20% of an average of the trading price of the company’s shares on Euronext Paris during the 20 trading sessions preceding the date of the decision of the board of directors or of its authorized representative setting the date to begin taking subscriptions. The Annual Shareholders’ Meeting, however, hereby resolves expressly to authorize the board of directors to reduce the aforementioned discount within applicable legal and regulatory requirements, or not to grant one, in particular so as to take into account the laws and regulations applicable in countries where such offering may be implemented;

- hereby resolves that the delegation invalidates the nineteenth resolution of the Extraordinary Shareholders’ Meeting of April 21, 2015, in terms of the amounts not used by the board of directors;

- hereby authorizes the board of directors to make grants of free ordinary shares or other securities granting immediate or deferred access to ordinary share capital, in total or partial substitution for the discount and/or, as the case may be, for the matching contribution, provided that the value of the benefit resulting from this grant on account for the discount or the matching contribution, shall not exceed the limits imposed by applicable law and regulations;

- hereby resolves to waive in favor of the participants in a company savings plan the shareholders’ preferential right to subscribe for Twenty-fifth resolution

(Delegation of authority to the board of directors to undertake capital increases reserved for participants in a company savings plan up to a limit of 2% of share capital, without shareholders’ preferential subscription right)

The Annual Shareholders’ Meeting, having fulfilled the quorum and majority requirements required for Extraordinary Meetings, having heard the report of the board of directors and the special report of the Statutory Auditors, pursuant to the provisions of articles L.3332-1 et seq. of the French Labor Code and articles L.225-129-2, L.225-129-6, L.225-138-1 and L.228-92 of the French Commercial Code and in accordance with the provisions of that Code:

- delegates to the board of directors the authority, with the power to subdelegate, for a period of 26 months from the date of the Annual Shareholders’ Meeting, to undertake a capital increase on one or more occasions at its discretion by issuing shares or securities carrying the right to acquire shares of the company, under the terms and conditions set forth in article L.225-180 of the French Commercial Code and article L.3344-1 of the French Labor Code, reserved for participants in a company savings plan and French or non-French companies affiliated with the company in a maximum par value, or paid-in capital, amount of 2% of the share capital on the date this authorization is implemented and given effect, with the possibility to issue shares against cash or by capitalizing reserves, profits or premium in case of grants of free shares or of securities granting access to share capital on account for the discount or the matching contribution, it being specified that (i) such limit shall be charged against the limits set forth in the nineteenth and twenty-first resolutions approved at this Annual Shareholders’ Meeting, and (ii) this authorization may be used only from and after June 30, 2017;

- hereby resolves that this delegation invalidates the nineteenth resolution of the Extraordinary Shareholders’ Meeting of April 21, 2015, in terms of the amounts not used by the board of directors;

- sets the validity period of this delegation at 26 months from this Annual Shareholders’ Meeting.
the shares and securities granting access to capital to be issued under and pursuant to this resolution;

- acknowledges that this authorization entails an automatic waiver of preferential subscription rights to shares which the securities issued on the basis of this resolution may carry the right to acquire;

- hereby resolves that this authorization cancels, effective June 30, 2017, the authorization given by the Annual Shareholders’ Meeting of April 25, 2016, in its twenty-first resolution, for its amounts unused by the board of directors;

- the shareholders hereby take note that the board of directors has all authority, with the power to subdelegate authority, to undertake the transactions set forth in this resolution and to record and complete the capital increases resulting therefrom.

**Twenty-sixth resolution**

(Delegation of powers to the board of directors to undertake capital increases reserved for a category of beneficiaries: in favor of employees of foreign companies of the Group, either directly or via entities acting on their behalf thereof to offer to employees of foreign companies of the Group benefits comparable to those offered to participants in the company savings Plan up to 1% of share capital, without shareholders’ preferential subscription right)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Extraordinary Shareholder Meetings, having heard the board of directors’ report and the statutory auditors’ special report, and in accordance with articles L.225-129-1, L.225-138 et L.228-92 et seq. of the French Commercial Code:

- hereby delegates to the board of directors the authority, with the power to grant subdelegations of authority, necessary to undertake increases in the share capital on one or more occasions, at the times and in the proportions it deems appropriate up to a maximum of 1% of the share capital on the date of this Shareholders’ Meeting, by issuing shares or securities providing access to the capital of the company, granting the same rights as previously issued shares, such issue to be reserved for persons meeting the characteristics of the class defined below, provided, however, that (i) the 1% limit set forth above shall be charged against the 2% limit set forth in the twenty-fifth resolution of the Annual Shareholders’ Meeting, but, which, on the other hand, is separate and apart from the limits set forth in the nineteenth and twenty-first resolutions of this the Annual Shareholders’ Meeting, and (ii) this authorization may be used only from August 1, 2017;

- hereby resolves to waive the shareholders’ preferential right to subscribe for shares or other securities granting access to the share capital pursuant to this resolution and to reserve the right to subscribe to one and/or another class of beneficiaries or recipients having the following characteristics: (i) employees and officers of companies of Schneider Electric Group affiliated with the company under the terms and conditions set forth in article L.225-180 of the French Commercial Code and article L.333-1 of the French Labor Code and the head office of which is located outside France; (ii) and/or OPCVM mutual investment funds or other entities, with or without legal personality, of employee shareholders invested in equity securities of the company, the unit holders or shareholders of which consist of persons described in (i) of this paragraph; (iii) and/or any banking institution or affiliate or subsidiary of such institution acting at the company’s request for purposes of implementing and giving effect to a shareholder incentive or investment or savings plan for the benefit of the persons described in (i) of this paragraph, to the extent that subscription of the person authorized in accordance with this resolution would make it possible for employees of subsidiaries located outside France to benefit from and take advantage of forms of shareholder incentive or investment or savings plans equivalent in terms of economic benefit to those from which the other employees of the Group benefit;

- hereby takes note that this authorization shall constitute automatically and by law an express waiver by the shareholders, in favor of the holders of securities granting access to company capital, of their preferential right to subscribe for ordinary shares of the company which such securities carry the right to acquire;

- hereby resolves that the amount payable to the company for all shares issued, or to be issued, and pursuant to this resolution shall be set by the board of directors on the basis of the trading price of the company's shares on Euronext Paris; the issue conditions shall be determined at the discretion of the board of directors or the authorized representative thereof setting the issue conditions, or (ii) of an average of the quoted prices for the company’s shares during the 20 trading sessions preceding the date of the decision by the board of directors or the authorized representative thereof setting the issue conditions under and this resolution or setting the issue price under the twenty-fifth resolution approved by this Annual Shareholders’ Meeting; the board of directors may set the issue price by applying a maximum discount of 20% of the trading price of the company's shares determined in accordance with either of the two methods set forth in clauses (i) and (ii) of this paragraph; the percentage of such discount applied to the trading price of the company’s shares shall be determined by the board of directors taking into consideration, among other things, legal, tax, and regulatory provisions of foreign law applicable, as the case may be, to the persons benefiting from the issue;

- hereby resolves that the board of directors shall have full authority, on the terms and conditions provided by law and within the limits set forth hereinafter, to implement and give effect to this authorization and determine the list of the beneficiaries and recipients within the classes described in this resolution and the number of securities to be offered to each thereof, provided that the board of directors may decide that the capital increase shall be completed for the amounts subscribed, on the condition that a minimum of 75% of the shares or other offered securities providing access to capital have been subscribed, as well as, among other things:

- to determine the characteristics of the securities to be issued, to decide on the issue price, dates, time periods, terms and conditions of subscribing therefore, paying the paid-in capital, or nominal amount thereof, delivery and effectiveness of the shares and equity securities, the lock-up and early release period, within applicable limits of the law and regulations,

- to record and determine the capital increase, to undertake the issuance of the shares and other securities carrying the right to acquire shares, to amend the Articles of Association accordingly;

- and, as a general rule, to enter into any agreement, in particular to ensure the due and proper completion of the contemplated issuances, take all steps and complete any required formalities in connection with the issue, the listing and financial servicing of the securities issued under and this authorization, as well as the exercise of the rights attaching thereto, and, more generally, to do whatever may be necessary;

- resolves that this delegation shall nullify as of August 1, 2017, the authority given by the Annual Shareholders’ Meeting of April 25,
2016, in its twenty-second resolution for its amounts not used by the board of directors.

The authorization granted under and pursuant to this resolution shall be valid for 18 months from and after this Annual Shareholders’ Meeting.

**Twenty-seventh resolution**
( Authorization to the board of directors to cancel shares of the company, if any, bought back on the terms and conditions approved at the Annual General Shareholders’ Meeting, up to a maximum of 10% of the share capital)

The Annual Shareholders’ Meeting, acting in accordance with the quorum and majority requirements for Extraordinary Meetings, having heard the board of directors’ report and the statutory auditors’ special report, authorizes the board of directors, in accordance with article L.225-209 of the French Commercial Code, to cancel the company’s own shares acquired by virtue of the authorizations granted by the Annual Shareholders’ Meeting, in accordance with article L.225-209 of the French Commercial Code, under the following conditions:

- the board of directors is authorized to cancel, at its sole discretion, on one or several occasions, all or part of the shares acquired by virtue of the share buyback authorizations for the company’s own shares up to the limit of 10% of the capital over a period of 24 months from this Annual Shareholders’ Meeting, and to apply the corresponding reductions to the share capital;
- the difference between the purchase price for the canceled shares and their par value shall be deducted from the issue premiums and, where applicable, from the legal reserve for up to 10% of the canceled capital;
- the board of directors shall have the necessary authority, with the power to subdelegate, to establish the terms and conditions for this or these cancelations, to undertake all actions, formalities, and declarations with a view to canceling the shares and to complete the capital reductions, and to amend the Articles of Association accordingly.

This authorization shall remain valid for a period of 24 months from the date of this Annual Shareholders’ Meeting.

**ORDINARY Meeting**

**Twenty-eighth resolution**
(Powers for formalities)

The Annual Shareholders’ Meeting confers full powers upon the bearer of a copy or excerpts of the minutes confirming these resolutions for the purposes of carrying out all legal and administrative formalities.
Request for information

Ordinary and Extraordinary Meeting of 25 avril 2017

I, the undersigned:
Mr. ☐ Ms ☐

Surname (or company name): ............................................................................................................................................
Forename: ............................................................................................................................................................................
Adress: ................................................................................................................................................................................
..............................................................................................................................................................................................
Town / City: .................................................. Postal Code:...................................................................................................
Country: ................................................................................................................................................................................

Owner of: ............................................ Schneider Electric SE registered shares
Owner of: ............................................................ Schneider Electric SE bearer shares, attached a copy of the shareholding certificate ("attribution de participation") issued by your intermediary

Hereby request that I be sent the documents and information relating to the Ordinary and Extraordinary General Meeting to be held on April 25, 2017, as specified in article R.225-83 of the French Commercial Code.

Place of signature ............................................................. date of signature. ........................................................... 2017

Signature

If you hold registered shares:
BNP Paribas Securities Services
Corporate Trust Services - General Meeting
Les Grands Moulins de Pantin
9 rue du Débarcadère
93500 Pantin

If you hold bearer shares:
Your financial intermediary who manages the share account in which your Schneider Electric SE shares are registered.

(1) In accordance with article R.225-88 of the French Commercial Code, owners of shares may, by a single request, have the company send them the documents and information specified in articles R.225-81 and R.225-83 of the French Commercial Code in advance of all subsequent General Meetings. Shareholders wishing to take advantage of this option must indicate on this request form that they wish to do so.
SCHNEIDER ELECTRIC SE
EUROPEAN COMPANY WITH A BOARD OF DIRECTORS
INCORPORATED IN FRANCE WITH AN ISSUED CAPITAL OF EUR2,369,995,036
REGISTERED OFFICE: 35 rue Joseph Monier, 92506 Rueil Malmaison
REGISTERED WITH TRADE REGISTRY OF NANTERRE UNDER NUMBER 542 048 574