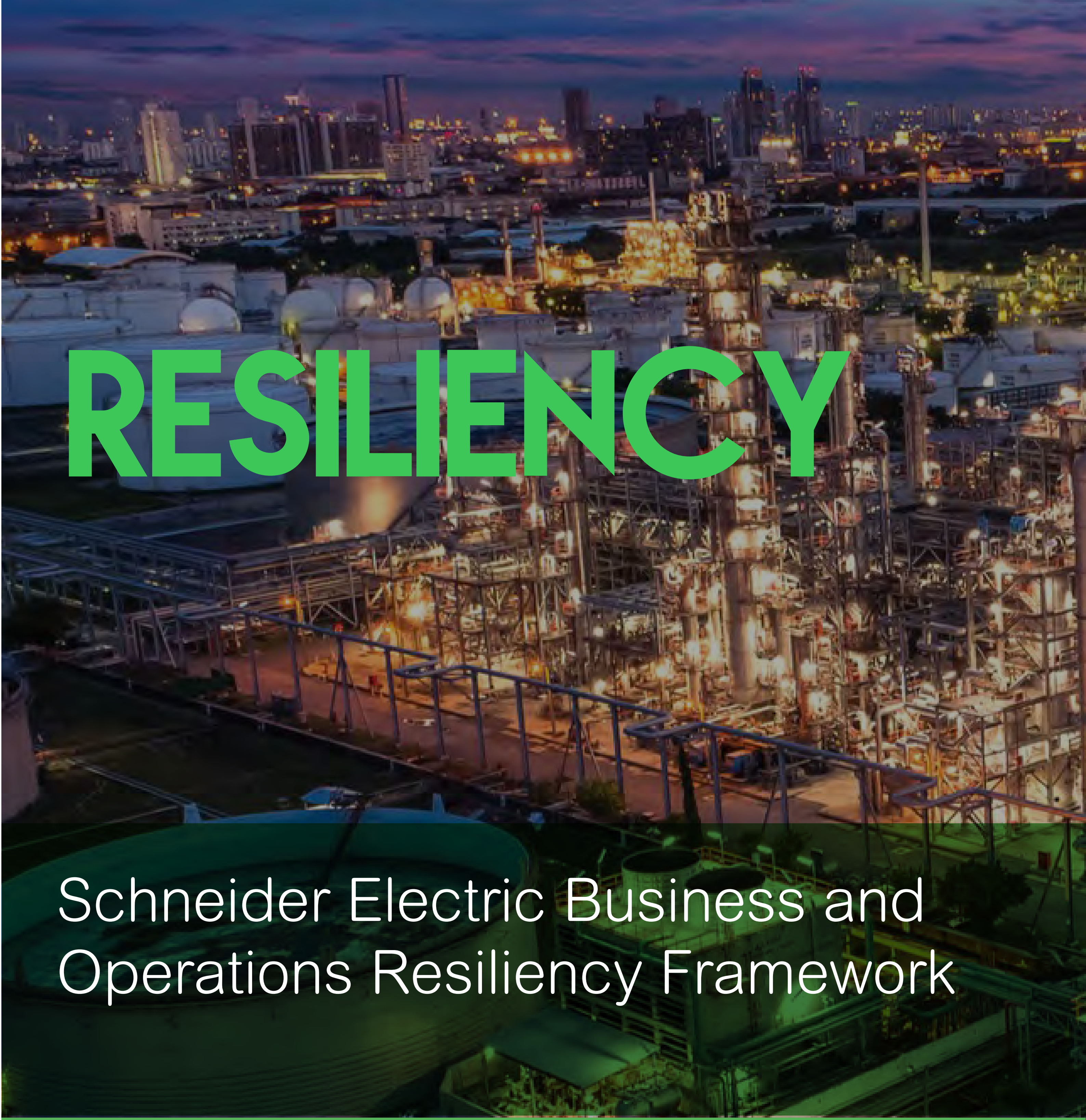

RESILIENCY

Schneider Electric Business and Operations Resiliency Framework

Resiliency allows Schneider Electric to provide reliable products and services

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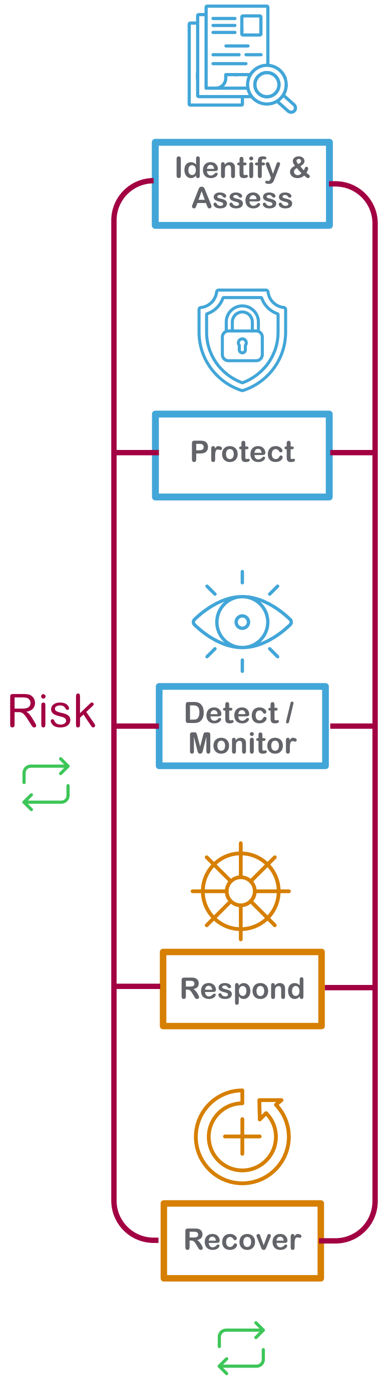
Our commitment: keep our services and operations running smoothly, so that we can provide our customers with the best service possible and a peace of mind to their customers and business.

Our priorities: identify and manage the technological, environmental, process, geo-political, and health risks that could disrupt business.

Schneider Electric is the most local of global companies. As such, decisions are made at the very beginning of a crisis to triage an incident to the right leadership team for maximum efficiency.

Schneider Electric business & operations resiliency framework overview

Here is the risk-centric framework that lays out our approach for a reduced risk exposure and preparedness for any hazards.



Risk

Identify & Assess

- Risk register definition & update
- Risk owner identification & animation
- Intelligence

Protect

- Mitigation actions (policies, training, capabilities, tools)
- Coverage (insurance, hedging, provisions)
- Influencing
- Action prioritizations & resource allocation

Detect / Monitor

- Reality check (audit, controls, simulation)
- Automatic & manual systematic controls

Respond

- Crisis management plan

Recover

- Business Continuity Plan
- Disaster recovery plan

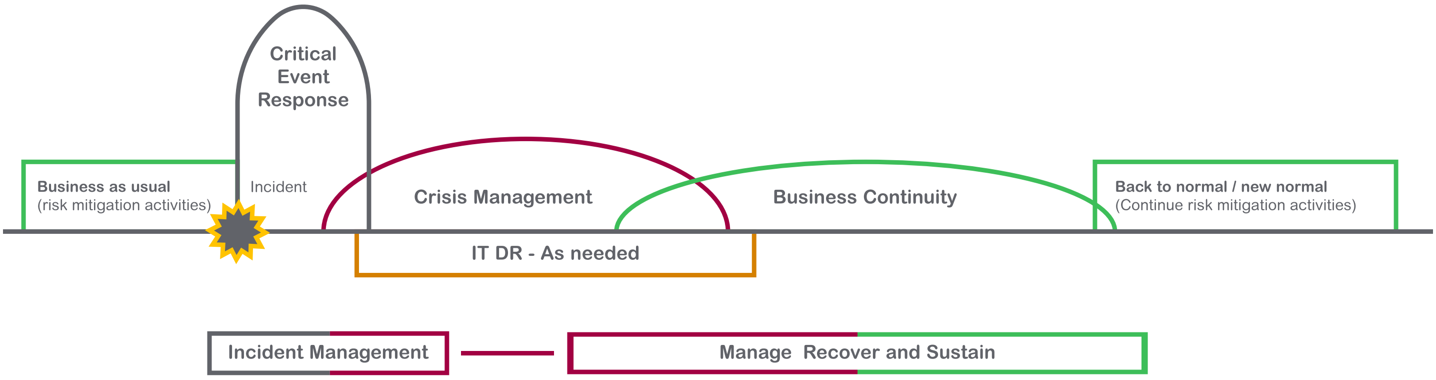
Legend

🟦 Reduced risk exposure

🟧 Preparedness

Get ready: Plan development

Crisis management preparedness plans, disaster recovery plans and business continuity plans prepare us to respond and recover efficiently when our operations are affected. They all serve a different purpose.



We take an "All Hazards" approach to our resiliency planning; ready to respond to all types of challenges.

Natural disasters

E.g. hurricanes, floods, fires, earthquakes

Terrorist/man-made disasters

E.g. Active shooter, protests

Technology crisis

E.g. Software failure, industrial accidents, cyber attacks

Organizational misdeeds

E.g. Management misconducts, product misinformation and recalls

Crisis management preparedness plan

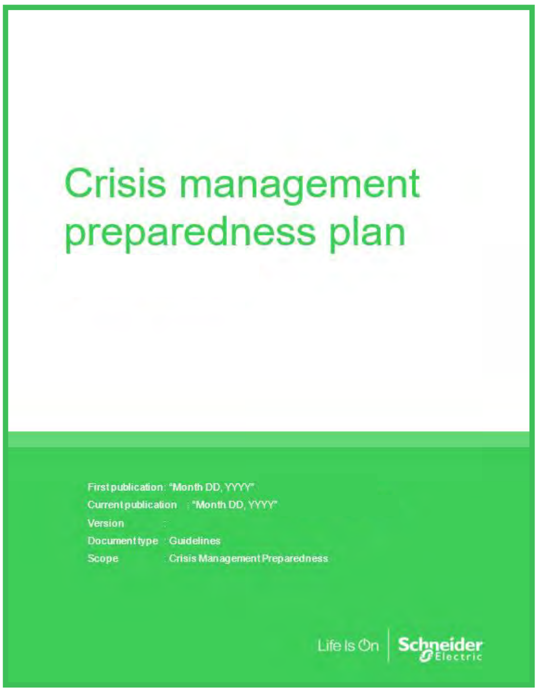
The purpose of **preparedness planning at Schneider Electric** is to protect employees and business operations by providing actionable guidance and tools to effectively manage a crisis.

Schneider Electric prescribes the tools, responsibilities and roles to ensure immediate and effective management of a crisis.

It includes the definition of triggers for escalation of an incident to a crisis, the composition of the crisis team and communications/media handling.

This preparedness planning ensures Schneider Electric is ready to:

- ensure safety and security,
- assess the situation and damages quickly,
- provide internal & external communication for full transparency.



Crisis management preparedness plan

First publication: "Month DD, YYYY"
Current publication : "Month DD, YYYY"
Version :
Document type : Guidelines
Scope : Crisis Management Preparedness

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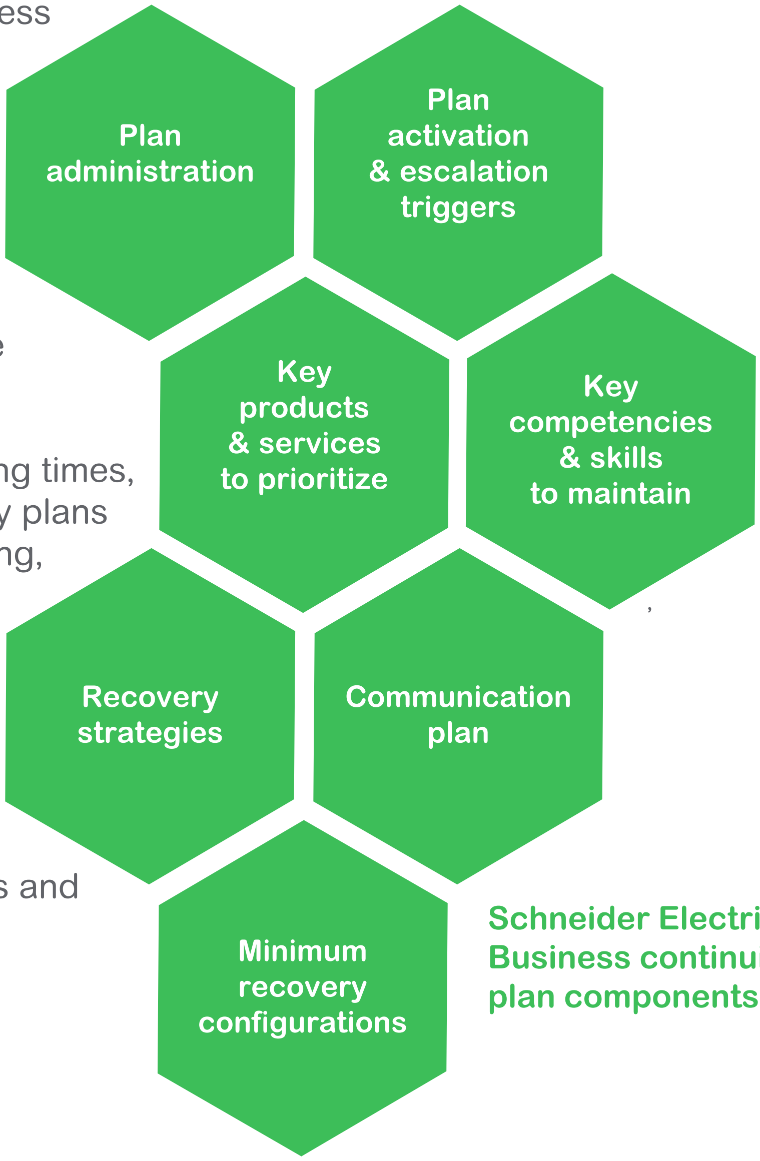
Business continuity plan

Based on our risk assessment and business impact analysis, Schneider Electric business continuity plans are developed to sustain or restore our critical operations after a crisis.

When there is an unplanned event that affects Schneider Electric, our continuity plan kicks in to provide a quick response and recovery.

To withstand and thrive during challenging times, we developed holistic business continuity plans that can keep our business up and running, protect data, safeguard the brand, retain customers – and ultimately help reduce total operating costs over the long term. Having a business continuity plan in place can minimize downtime and achieve sustainable improvements in business continuity, IT disaster recovery, corporate crisis management capabilities and regulatory compliance.



Plan administration

Plan activation & escalation triggers

Key products & services to prioritize

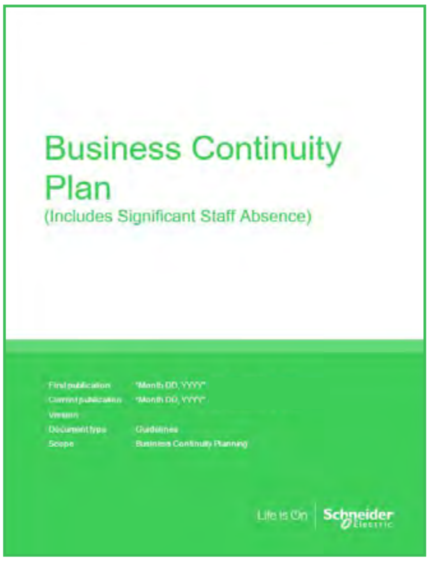
Key competencies & skills to maintain

Recovery strategies

Communication plan

Minimum recovery configurations

Schneider Electric Business continuity plan components



Business Continuity Plan

(Includes Significant Staff Absence)

First publication	"Month DD, YYYY"
Current publication	"Month DD, YYYY"
Version	
Document type	Guidelines
Scope	Business Continuity Planning

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IT Disaster Recovery Plan

IT Resilience requires proper planning to be ready in the face of disaster.

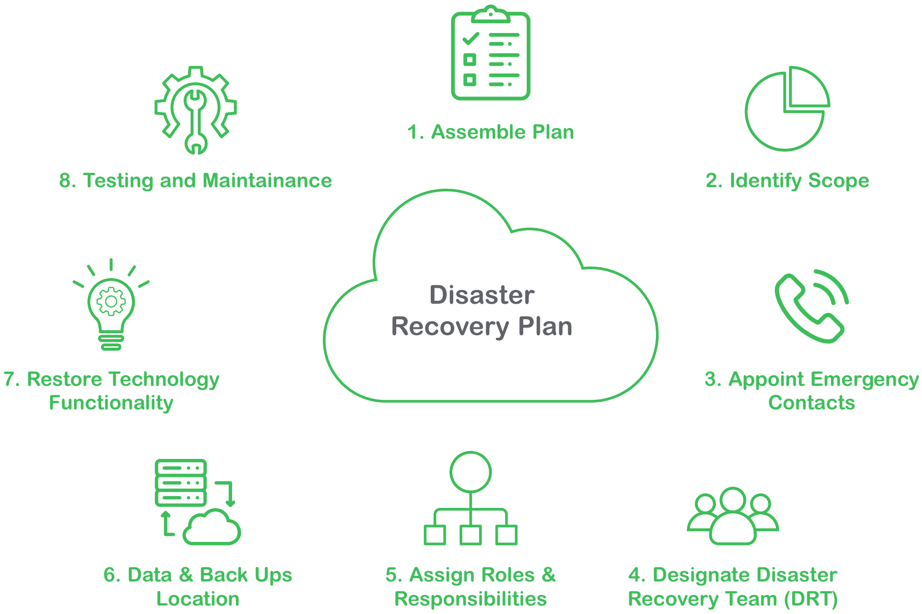
Schneider Electric policies require Disaster Recovery planning for key assets, routine maintenance of plans, and regular testing frequency to ensure readiness.

Plans are standardized and centrally available, globally.

Team and leadership involvement is critical, roles and responsibilities are identified.

Infrastructure and application configurations are documented and standards in place.

Our digital suppliers are monitored for DR Readiness.



Disaster Recovery Plan

1. Assemble Plan

2. Identify Scope

3. Appoint Emergency Contacts

4. Designate Disaster Recovery Team (DRT)

5. Assign Roles & Responsibilities

6. Data & Back Ups Location

7. Restore Technology Functionality

8. Testing and Maintainance

Disaster Recovery Plan Testing Policy

Backup & Recovery Policy

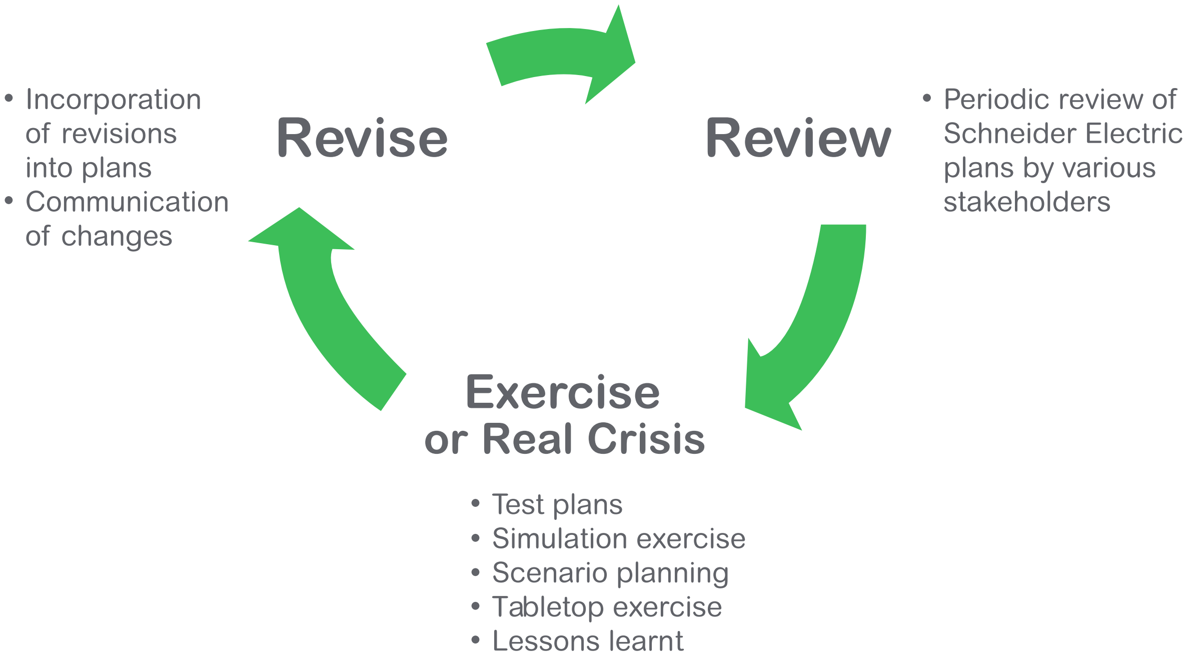
Supplier Performance Monitoring for Disaster Recovery

Enterprise IT Equipment Room Design and Operations Policy

IT Disaster Recovery Plan for Business Continuity Policy

Continuous improvement: Testing and validation

Continuous improvement is at the core of our business resiliency framework. We test our plans and draw conclusions from simulations and the real crises.



Revise

- Incorporation of revisions into plans
- Communication of changes

Review

- Periodic review of Schneider Electric plans by various stakeholders

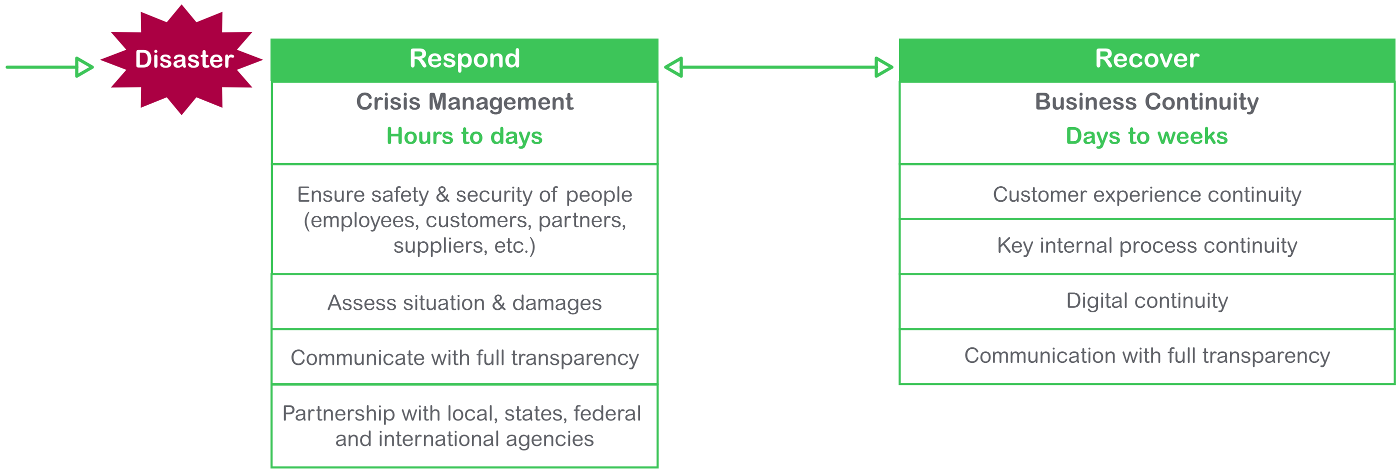
Exercise or Real Crisis

- Test plans
- Simulation exercise
- Scenario planning
- Tabletop exercise
- Lessons learnt

Respond & recover

Our framework is designed for flexibility so we can answer to a crisis of any type, scope, or complexity.
Our local leaders are empowered to handle any type of hazard for rapid and effective response.

- **When experiencing a crisis**, there are 3 key steps to take quickly:
  - Ensure safety and security of people
  - Assess situation and damages
  - Communicate
- We **refer to** the crisis preparedness plan known by the leadership team and readily accessible.
- Once the above is taken care of, we enter a business continuity phase. There are 2 key aspects:
  - Customer experience continuity: Customer interaction lifecycle (e.g. selecting offers, get quotations, get delivered, get technical support)
  - Key internal processes continuity: Managing payroll and cash, paying suppliers, invoicing customers
- To allow our employees to perform, we must ensure the digital continuity of our business. It includes our communication infrastructure; Schneider Electric IT team has policies and disaster recovery plans in place.
- Even in a crisis, our values guide us:
  - People culture and values: **we do the right thing**
  - Compliance with our policies: **we always abide by local rules and regulations**



Respond
Crisis Management
Hours to days

Ensure safety & security of people (employees, customers, partners, suppliers, etc.)

Assess situation & damages

Communicate with full transparency

Partnership with local, states, federal and international agencies

Recover
Business Continuity
Days to weeks

Customer experience continuity

Key internal process continuity

Digital continuity

Communication with full transparency

We have a specific approach for Cyber Defense

How do we identify, detect and respond to and recover from a Cyber incident?

Our process and procedures support the **prompt and consistent management of security incidents** to minimize any harm to Schneider Electric's customer and their operations, employees, partners, physical and digital assets and to reduce the risk of future breaches of security.

Our **Cyber Incident Response process** follows 5 stages summarized below:

Identify

We identify Cyber risks, vulnerabilities and threats throughout the company, by robust **risk assessment, threat intelligence, detection & hunting** capabilities and focusing on high value (crown-jewel) assets. Also, we protect the company through initiatives implementing cyber capabilities and **digital locks**.

Detect

Our extended ecosystem is connected to efficiently **detect anomalies** and **prevent cyber events,** via people and technology sensors. Lawful and proportionate measures complemented with a **modern technology stack** is in place to protect the information in **monitored networks and systems**.

Analyze

We are leveraging our **correlation technology & tools** and **Security Operations Center** to assess and triage incident types, define severity and assign adequate escalation paths.

Respond

With a **risk-based approach** we define **clear incident ownership** enforced by our internal policies and procedures, among which is a strong Incident Response Plan and Privacy Breach Response Procedure. We respond to incidents through an organization of **Security Officers** across regions.

Recover

As a learning organization, we systematically conduct **root cause analysis** and **mitigation actions** are implemented. Business continuity plans are developed, as well as IT Disaster Recovery Plans, with regular testing and exercises.

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For more information visit

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