

Decarbonizing the economy

December 2022

Authors: Stuart Wilson, Louisa Barker, Vladimir Kroa

Decarbonizing the economy opens up new revenue opportunities for Schneider Electric partners



across multiple sectors and applies to companies of all sizes not just large enterprises. European organizations that incorporate sustainability KPIs into RFPs

of organizations in Europe already integrate sustainability **KPIs** into their **partner selection process**. This trend is seen

Company size Sector

1,000+ employees 500-999 employees **53**% 250-499 employees 44%









Available through the **NextGenEU** Recovery Available under the **US Infrastructure**

Investment in sustainable initiatives is increasing as the public sector pumps funds into the economy.

and Resilience Facility. 37% must be spent on green initiatives and 20% on digital initiatives.

€723.8 billion

Source: IDC Europe Sustainability and Technology Survey, 2022 (n = 704)



efficient buildings and infrastructure.

Act including financing for energy-

1.2 trillion



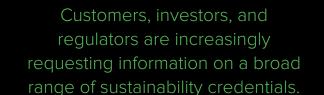
Four out of five partners have focused on

developing more sustainable business practices in line with customer demand More than of partners have invested

What are customers asking their partners and providers to provide information on? Managing/recycling/reusing waste **40**% Material proof on their sustainability goals 33% Sustainability-related certifications and/or process standardizations (e.g., ISO, EcoVadis) Proof on setting science-based ESG targets **29**% **Upstream carbon emissions**

to strengthen their sustainability credentials.

Refurbish/reuse/recycle/mitigate usage or substitute the critical raw materials and "conflict minerals" across their supply chain 26% Source: IDC European Partner Survey, 2020 (n = 150); IDC Europe Sustainability and Technology Survey, 2022 (n = 704) Partners can increase their opportunity by joining Schneider Electric on its journey to net-zero, delivering efficiency and sustainability to customers. Schneider Electric is committed to the following milestones to meet its net-zero commitment by 2050:



ŤŤŤŤŤŤŤ



End-to-end carbon Carbon neutrality in "Net-zero ready" in Net-zero CO₂ emissions Schneider Electric's Schneider Electric's neutral value chain (with CO₂ offsets) operations operations

> (90% reduction target and CO, offsets for residual emissions)

2030

Scopes matter to your business: what you do directly impacts your ability — and that of your

behaviors

2025

(with CO₂ offsets)

customers — to meet scope targets

Scope emissions help you break down your emission sources and

on all Schneider

Electric's value chain

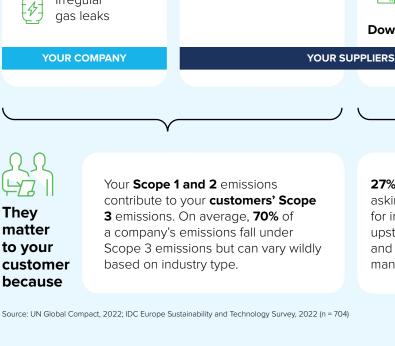
(aligned with SBTi Corporate

Net-Zero Standard)

SCOPE 2 SCOPE 4 SCOPE 1 SCOPE 3 INDIRECT SAVED AND DIRECT INDIRECT **AVOIDED** Upstream ----**Facilities**



Processes



Purchased electricity,

steam, heating, and

cooling for your

company's use



Transport, distribution, and waste

Leased assets

Goods and

services

Downstream -

Scope 4 emissions are not currently included in disclosure standards but they help customers choose products and services and reduce their Scope 1 emissions.

Emissions avoided

resulting from the use

of your products and

services, e.g., from a

BMS or from smart

electrical panels

YOUR COMPANY

Focus on core levers to decarbonize your own business and your customers' business Impact your operations: reduce Make an impact for your customers:

Reduce energy

use and improve

efficiency through

digitalization to create

smart operations.

© IDC 2022 | IDC #EUR149711922

your own direct and indirect

emissions (Scopes 1-3)

Electrify

operations

by replacing fossil-fuel-

using technologies

with those that use

electricity as a source

of energy.



help them reduce their direct and

indirect emissions (Scopes 1-4)



Replace resources **Engage your** with sustainable **value chain** to options that optimize advance supplier and space and material vendor decarbonizausage and minimize tion and encourage waste and harm to the circular business practices.

Discover sustainability initiatives, including carbon reduction programs, energy efficiency, renewable energy, and waste reduction initiatives.

Partnering for sustainability is key to overcoming our climate-related challenges. Visit our website to learn how you can partner effectively with Schneider Electric



planet.