

Human Rights Group Policy

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Life Is On

Schneider
Electric

Policy name

Human Rights Group Policy

Purpose

To provide the company's position on respecting Human Rights along its value chain and guidance on how to apply it in its daily operations.

Objectives

This policy's objective is to define Schneider Electric's position on Human Rights along its value chain. It also serves as a set of rules applicable to its daily operations for Schneider Electric and its employees. This policy meets the minimum international standards required, completed by local higher legal standards to which Schneider Electric entities must comply. As mentioned in Schneider Electric's [Trust Charter](#), the Group complies with local laws in every country where it operates.

Beyond the law, this policy is mainly guided by international Human Rights principles encompassed in the [Universal Declaration of Human Rights](#), the International Labor Organization's (ILO) [Declaration on Fundamental Principles and Rights at Work](#) including its conventions, the Organization for Economic Co-operation and Development's (OECD) [Guidelines for Multinational Enterprises](#), the United Nations Global Compact and its [17 Sustainable Development Goals \(SDGs\)](#), the [United Nations Guiding Principles on Business and Human Rights](#) and the [United Nations Declaration on the Rights of the Child](#). The list of Human Rights presented in this policy is not exhaustive. A Human Right should be defined as a right that aims to protect human dignity and that must be guaranteed for all.

Audience

The Human Rights Group Policy applies to Schneider Electric and its affiliates. In this document, "Schneider Electric", "the Group" or "the Company" will be used to represent this entire scope.

The Company is committed to working with and encouraging its stakeholders to uphold the principles in this policy and to adopt similar policies within their operations. The Company is committed to include this policy as a guide in the selection of its main business partners.

The Company is engaged to refrain from working with business partners refusing to upgrade their standards with regards to all Human Rights.

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Confidentiality Status

Public

Local adaptation authorization

Language only

Compliance

Schneider complies with all applicable laws of the countries where it operates.

- In case local law contradicts the above Global Labor Standards by being less protective of Human Rights, these standards must be considered as a minimum that Schneider Electric commits to apply.
- In case the application of Schneider Electric Global Labor Standards would breach the applicable law in a given country, Schneider Electric will search alternatives to act according to its Human Rights values as defined in this policy while not breaching the applicable law.

If an employee of Schneider Electric believes that there is a conflict between this policy and the local law, he or she may escalate the case to the relevant Regional Compliance Officer to assess the potential conflict and provide support to local management to find alternative solutions.

Document Owner

- Gilles Vermot Desroches - Senior Vice President Corporate Citizenship & Institutional Affairs

Document Reviewers

- Gwenaëlle Avice-Huet – Executive Vice President (EVP) Sustainability & Strategy
- Hervé Coureil – EVP Chief Governance Officer & Secretary General
- Charise Le – EVP Human Resources
- Mourad Tamoud – EVP Supply Chain

Document Approver

- Jean-Pascal Tricoire, Chairman & Chief Executive Officer

Our CEO Edito

“Schneider Electric, has the responsibility to fight for the respect of Human Rights, to strive towards equity, dignity, decent work, health and safety within our entire ecosystem”

Jean-Pascal Tricoire
Chairman & CEO

“We are striving for human rights and against climate change, two of the biggest challenges of the 21st century. These two challenges are also interconnected: we cannot save the planet without progressing all of society.

At Schneider Electric, in line with our Trust Charter, we believe we have the responsibility to ensure Human Rights to our entire ecosystem through the provision of equity, dignity, decent work, health and safety.

As a company with operations in over 100 countries and a value chain made up of tens of thousands of suppliers and customers, we know we can have a broad impact. We also know we lead by example and leverage this sphere of influence to drive respect for human rights everywhere.

In 2021, we committed to become the principal sponsor of the United Nations Global Compact Decent Work program. These global coalitions gather pioneering organizations together to implement living wage standards within their workforce and their entire ecosystem.

Today’s world is ever-evolving. New challenges are emerging daily that affect how we live, work and interact. These ever-changing aspects, such as of technology and geopolitics, force us to react and adapt to the new challenges and take position, together with our stakeholders.

Our Human Rights policy reflects our commitment. This policy is not an end in itself. It will act as our compass, guiding us to take concrete actions and ensuring our commitments are respected at the global, local and operational level.

We are a responsible corporate citizen. This, however, is an ambition that cannot be achieved alone. Only through working together, in partnership with all our stakeholders, will we be able to achieve a net positive impact on our planet and our society.”

Our vision

Schneider's purpose is to empower all to make the most of our energy and resources, bridging progress and sustainability for all. The Group believes access to energy and digital is a basic human right.

Schneider Electric is aware of the influence it has on its ecosystem, which includes civil society, employees, customers, and suppliers, and understands that its impact on Human Rights must be considered throughout its value chain.

As a global company operating in over 100 countries, Schneider Electric's ambition on Human Rights goes beyond compliance with existing regulations. Its ambition is to ensure that Human Rights are not infringed upon and to play an influential role with external stakeholders by promoting health and safety, diversity, inclusion, equity, and decent work for all.

Schneider Electric intends to follow and promote the principles as laid out by the following key publications and agendas set out by the United Nations:

- The **Guiding Principles on Business and Human Rights**, a publication that defined the roles and responsibilities of states and businesses on the issues of Human Rights.
- **The 17 Sustainable Development Goals (SDGs)** designed for the world to achieve a better and more sustainable future for all.

With this second version of Schneider Electric's Human Rights Global Policy, the Company intends to increase its commitments by positioning itself on new challenges such as migrant workers and artificial intelligence. It confirms the Group's engagement to strive for the respect of all internationally recognized Human Rights.

The Executive Vice President of Strategy and Sustainability is responsible for operationalizing and deploying this policy throughout Schneider Electric with the active support of the Corporate Citizenship and Sustainability Departments, the Human Resources, the Global Supply Chain, the territories, and the compliance functions.

1. Global labor standards

1.1 Legal employment

1.1.1. Child labor

Schneider Electric is committed to respecting the [United Nations Convention on the Rights of the Child](#), including the right to free education, and contributing to the eliminate the use of child labor. In practice, Schneider Electric is not engaged in or does not support the employment of children under the age of 18. Some exceptions are accepted for children between the age of 15 and 18 when professional experience is part of their education path (e.g. trainees, apprentices). Under no circumstances does the Company support workers under the age of 18 for hazardous work that impacts their health and safety, including night shifts and overtime.

Schneider Electric, to the best of its knowledge, refrains from working with business partners that are using child labor in their operations.

Schneider Electric is engaged to be proactive in eliminating child labor through local initiatives promoting education.

1.1.2. Forced labor

The term 'forced labor' or 'involuntary labor', according to the [International Labor Organization](#) refers to all work or services for which a person has not offered themselves voluntarily or willingly. Examples are (but are not limited to), human trafficking, slavery, debt bondage, and identification retaining.

Schneider Electric neither uses nor supports the use of forced or involuntary labor of any kind, directly or indirectly. Schneider Electric, to the best of its knowledge, refrains from working with business partners that are using forced or compulsory labor in their operations.

1.2 Freedom of association and collective bargaining

Schneider Electric considers freedom of association as the basis of a regular dialog between a company and its employees.

To that purpose, Schneider Electric respects the individual right of its employees to freely join, participate in or quit labor organizations to assert and defend their interests. Subsequently, Schneider Electric guarantees that any employee wishing to do so shall be protected against any internal measure limiting his or her freedom of association such as discrimination of any kind, pay loss or dismissal.

Schneider Electric also recognizes the importance of dialog with freely appointed employee representatives, employee representative bodies (such as Works Councils or employee forums) or organizations (like trade unions) and supports collective bargaining.

1.3 Work conditions

1.3.1 Respect and dignity

Schneider Electric is committed to developing a culture in which all individuals are treated with respect and dignity. In addition to being a fundamental right for employees and external stakeholders, a positive culture that fosters respect and dignity is essential to promote mental and physical health, engagement and sustainable results.

At Schneider Electric, all employees are entitled to respectful treatment and to work, free from bullying, harassment, or mistreatment of any kind. The Company ensures a culture of respect and inclusion by training its employees on their role and responsibilities and encouraging them to speak up and take action when required. Schneider Electric is engaged in building a culture where its employees feel valued and safe to contribute their best, and the company expects its suppliers, subsidiaries, and customers to act similarly.

1.3.2. Health and safety

As set out in its [Global Health and Safety Policy](#), Schneider Electric ensures high standards of health and safety for all its employees in the Company's daily activities. This includes providing personal protective equipment (PPE) and implementing health and safety management systems to sustain continuous improvement. The Company also integrates safety across processes, continuous education and promotes a strong safety culture.

Schneider Electric ensures that it provides its employees with access to, at least, a minimum medical coverage.

The Company also commits to provide financial security to employees' dependents in the event of an employee death in the form of a minimum standard of life assurance coverage.

1.3.3. Working time and leave

Schneider Electric embraces agile, flexible and smart ways of working for its employees to support higher performance, greater inclusion, well-being (physical, mental, emotional, social), and stronger resiliency. This is backed by the Company's [Global Flexibility at Work](#) and [Global Family Leave](#)¹ policies.

Schneider Electric adheres to local legislation and states that a work week should not be more than 60 hours, including overtime, except in emergency or unusual situations. Workers shall be allowed at least one day off per seven-day week.

1.3.4. Wages and benefits

Schneider Electric believes earning a decent wage is a basic human right. It is committed to paying employees in the lower salary ranges at or above the living wage to meet their families' basic needs. By basic needs, the Group considers food, housing, sanitation, education, healthcare, plus discretionary income for a given local standard of living.

Schneider Electric regularly reviews compliance with its global benefit policies and principles to ensure that its inclusive global benefit standards are delivered for everyone, everywhere. These standards cover healthcare, family leave, and life cover and are audited in [the Schneider Sustainability Impact for 2021-2025](#), a set of sustainability targets built on six long-term commitments, which are set to deliver on each of the [United Nations' Sustainable Development Goals](#) (Schneider Electric's Sustainability global barometer for 2021-2025).

¹ Internal documents, not available publicly

1.3.5. Anti-Harassment

All Schneider Electric employees are entitled to respectful treatment at the workplace and to be free from the demoralizing effects of harassment or unwelcome, offensive, or improper conduct.

In order to protect employees from all types of harassment and ensure the personal dignity and moral integrity of each of its employees, Schneider Electric's [Global Anti-Harassment Policy](#) has a zero-tolerance policy on harassment.

1.3.6. Security

Schneider Electric is engaged to providing a secure work environment (i.e. company offices and off-site events), free from threats, violence, intimidation, harassment, or other disruptive behavior. Schneider Electric maintains a zero-tolerance policy toward anyone who engages in any violent acts toward another employee, client, customer, or visitor. All threats or actual violence, both direct and indirect, should be reported immediately to an employee's supervisor, a member of management, human resources representative, or site security personnel. All reports are taken seriously and addressed promptly and appropriately.

Schneider Electric considers all internal and external security environment risks and is engaged in taking precautions to reduce the security of risk for its employees. In promoting a safe and secure work environment, all personal firearms, weapons, and other dangerous or hazardous devices or substances are prohibited on the Company premises or within its property (e.g. company-provided vehicle) unless expressly authorized by applicable federal, provincial, territory, state, or local laws. Employees are strictly prohibited from bringing weapons of any kind into a Schneider Electric owned or leased facility.

1.3.7. Data privacy

As set out in its [Global Data Privacy Policy](#), Schneider Electric supports the fundamental rights to protect an individual's data privacy for its employees and third parties (suppliers, customers, business agents etc.).

The Company is committed to protect any individual's personal information. To this aim, an effective data protection governance framework has been put in place to ensure the protection of personal information and mitigate the risk of data exposure. It includes teams, processes, tools, and controls addressing data protection obligations.

The Group is committed to take into consideration data privacy in the design of its products and solutions with the objective of protecting the data that can be generated by our offer.

1.3.8. Human Rights in cyberspace – artificial intelligence and data science

Schneider Electric believes digital resources must be used for the good of humanity and that artificial intelligence (AI) and data science can generally benefit its customers and employees and lead to a sustainable future, based on human-centered design, with a 'do no harm' mantra.

Schneider Electric is committed to promote the use of AI and technology, while ensuring transparency, fairness and accountability in the use of digital

resources. The Company is engaged in implementing privacy and security safeguards, appropriate governance when leveraging AI and other digitally innovative systems, to raise awareness on the impacts of using AI and ensure sustainable use of digital resources.

1.3.9. Conflict minerals

Conflict minerals refer to raw materials or minerals that come from a particular part of the world where conflict is occurring and affects the mining and trading of those materials. These conflict minerals are linked to many Human Rights abuses such as poor health and safety conditions and/or child labor. Conflict minerals also provide a major source of funding for warlords fueling violence.

Schneider Electric commits to performing due diligence so it does not use any products or raw materials which are directly or indirectly financing armed groups involved in the mining and trading of 'conflict materials' and associated with Human Rights abuse. The company commits its suppliers to respect all national legislation and regulations, and more generally, the laws and regulations related to the prohibition or restriction of use of certain products or substances.

To ensure Schneider Electric meets its commitment, the Group implements a Conflict Minerals Compliance program by maintaining a "conflict-free" objective and ensuring regular follow-ups.

1.4 Equal opportunities

1.4.1. Non-discrimination

Schneider Electric is committed to help prevent discrimination in employment, recruitment, advertisements for employment, compensation, termination, upgrading, promotions, and other conditions of employment against any employee or job applicant on the basis of, including (but not limited to): race, color, ethnicity or national origin, indigenous origins, gender, gender identity and expression, sexual orientation (LGBTQ+), age, religion, creed, health condition, disability, pregnancy, marital status, union membership, political affiliation, and covered veteran status.

Schneider Electric is also engaged to ensure non-discrimination based on the same criteria for its relationships with other stakeholders.

1.4.2. Diversity, equity & inclusion

As set out in its [Diversity & Inclusion Policy](#), diversity and inclusion are a strategic asset for the Company and are based on respect and dignity.

Diversity, equity and inclusion are the foundations for fairness and equality and their principles apply across the entire company and cover all facets of diversity. Specific programs have been implemented within the company to promote diversity, equity and inclusion in terms of gender, gender identity and expression (LGBTQ+), disability, ethnicity, national or indigenous origin, and seniority.

Schneider Electric mirrors the diversity of the communities in which it operates, encouraging collaboration among colleagues, as it believes differences make them grow as a company and as individuals.

1.4.3. Development of competencies and employability

Schneider Electric is committed to its employees to ensure development of competencies and employability.

Schneider Electric provides regular development to its employees (education, experience, exposure) on topics that it finds relevant to the business and to the function of the employee and his/her/their expected behavior as a professional. Schneider Electric promotes at least one day of learning for every employee each year to keep their skills current in the market.

1.4.4 Intergenerational solidarity

Schneider Electric is committed to the development and inclusion of the Company's multi-generational talent pool. The Company seeks to create an open and supportive workplace where all employees are talent and empowered to grow toward their full potential.

Ultimately, the Company strives to inspire and attract the next generation of talent and empower more experienced talent to lead, coach and share knowledge. By harnessing the power of all generations, Schneider Electric empowers all to thrive with unrivaled skills and experience.

1.5 Human Rights activities within our value chain

Schneider Electric is committed to ensuring that Human Rights are respected not only in its own operations but throughout its value chain. The Group considers that a company should seek to provide decent work not only to its own employees but the same should be extended to its value chain.

Schneider Electric is engaged to put in place due diligence actions to integrate respect for Human Rights throughout its value chain. The Company has put in place a code of conduct for all of its suppliers that includes applicable Human Rights standards: health and safety, forced labor, child labor, wages, working hours, etc.

Schneider Electric believes that in order to have a significant impact, it is necessary to identify the vulnerable hot spots / high risks in the value chain. The company has deployed a variety of measures to assess its suppliers (including on-site audits) and to rectify any potential violation that may exist. In case Human Rights violations are identified, the Group is engaged to support its business partners along its value chain to remediate the situation. However, it reserves the right to terminate the relationship with the business partners depending on the severity and resolution of the malpractice.

2. Global non-labor standards

2.1 Local communities and Indigenous people

When operating locally, on our permanent sites or during the implementation of projects along our value chain, Schneider Electric wants to ensure that the impact on communities is well-understood and brings a net-positive contribution.

Schneider Electric seeks to build an understanding by establishing a regular dialog with local stakeholders, communities, and their representatives during the entire cycle of projects along its value chain. This dialog takes into consideration the expectations and needs of local communities in the decision-making process.

Such decisions may include actions related to employment, education, training, entrepreneurship, women empowerment, infrastructure improvement, access to green energy, non-discrimination (based on ethnicity, gender, religion, etc.).

Depending on situations, Schneider Electric may implement specific programs and initiatives related to our global programs: [Access To Energy Program](#), [Schneider Electric Foundation](#).

Schneider is committed to considering and avoiding any potential displacement of local populations in the development of its projects.

When a project includes the displacement or relocation of local or indigenous communities, Schneider Electric wishes to contribute to the elaboration of resettlement plan in order to minimize the social or economic impact on the populations affected.

2.2 Migrant workers

Schneider Electric is engaged in employing fair employment practices of migrant workers by guaranteeing the same standards as its own employees and requires its business partners to do the same.

Schneider Electric has established a responsible and transparent recruitment process for migrant workers by mandating its partners who subcontract third-party workers to adhere to the Group Human Rights Policy in order to ensure that migrant workers do not pay any recruitment fees.

2.3 Civic space and Human Rights defenders

Schneider Electric is committed to promoting and not compromising civil freedoms. The Group understands that civic space has a social and economic role and is key for the respect of Human Rights in society as it allows companies to access information and engage in dialog with different stakeholders.

Schneider Electric seeks to exchange and discuss with the various Human Rights defenders who enable the expression of civic space. The dialog with Human Rights institutions (NGOs, associations, individuals) must be constructive and transparent and should enable the company to measure its Human Rights practices to make any improvements.

Schneider Electric does not tolerate any type of pressure or infringement against Human Rights defenders (e.g. violence, threats, discrimination).

2.4 Access to a healthy environment

Schneider Electric is committed to take robust actions -- in terms of the environment -- to fight climate change and environmental degradation as these are connected with the Human Rights crises. Indeed, the impacts of climate change on populations is numerous: diseases, famines, migration, etc. Also, access to a healthy environment has been recognized as a Human Right by the United Nations Human Rights Council.

Schneider Electric considers environment and Human Rights as a whole, not as separate elements. Schneider Electric is engaged to integrate environmental actions across business models, governance, risk management, actions, and incentives both at Group-level and to its ecosystem of suppliers and customers.

Schneider Electric has made the following commitments to reach carbon neutrality in its ecosystem and fight against climate change: reach carbon neutrality in its operations by 2025, provide an end-to-end carbon-neutral value chain by 2040, and a net-zero CO₂ supply chain by 2050.

The Group is engaged to act locally to preserve and restore biodiversity by working with other stakeholders through coalitions and partnerships. Schneider Electric also considers access to water as a human right. The Group has a minimal impact on water quality, but Schneider Electric is nevertheless engaged to identify and monitor potential impact on water access for communities.

3. Group Human Rights policy governance

3.1 Governance

The strategic part of this policy as well as the measurement and its full deployment is led by the Corporate Citizenship Department, composed of Human Rights experts supported by Human Resources, Global Supply Chain Departments as well as the countries, the internal audit team and the compliance functions.

3.2 Implementation

Beyond the formulation of this policy, Schneider Electric is committed to provide its employees with regular communication, training and support to promote this policy, including a program of internal capacity building. Schneider Electric is also committed to promote and advocate this policy's standards to external stakeholders and business partners through international organizations and intercompany initiatives.

Schneider Electric is engaged to enlarge these commitments to its suppliers by implementing specific due diligence actions. These actions include (but are not limited to) risk analysis and due diligence actions from audits to remediation actions and capacity building. As Schneider Electric is working with a pool of 50,000+ suppliers, the Group adjusts its actions depending on strategic or risk level.

Moreover, Schneider Electric is engaged to conduct due diligence for functions, locations or projects that have been identified as high-risk and to incorporate this policy through the annual key internal control campaign led by the internal audit team.

3.3 Reporting of non-compliance and remediation

Schneider Electric considers that this policy's implementation and adherence must be supported by whistleblowing and remediation mechanisms.

To that purpose, as stated in the Group Whistleblowing Policy:

- The system is available to any employee or external stakeholder ⁽²⁾, including local communities, who have identified or been made aware of a potential violation.
Schneider Electric's internal and external whistleblowing system is available through our dedicated [Trust Line](#)⁽³⁾⁽⁴⁾, and through a trusted manager, Human Resources Business Partner, Legal Counsel, or Regional Compliance Officer.
The Company has also appointed Ethics Delegates as a further point of contact to help with any questions about reporting concerns. They are there to discuss concerns in confidence and advise on any next steps.
- Each concern reported is analyzed by the Group Operational Compliance Committee and relevant Regional Compliance Officer, and where considered necessary, investigated. Based on the findings of the investigation, the relevant manager or the Group Disciplinary

⁽²⁾ By external stakeholder, we mean contract workers, suppliers' workers, customers' workers, local communities, end-users of our products & services

⁽³⁾ Specific link for Schneider Electric employees: <https://secure.ethicspoint.eu/domain/media/en/gui/100211/index.html>

⁽⁴⁾ Specific link for external stakeholders: <https://secure.ethicspoint.eu/domain/media/en/gui/104677/index.html>

Committee (for the most sensitive alerts), will take appropriate measures to sanction the party or parties involved and to remediate consequences of the misconduct.

- In situations where Schneider Electric has caused or contributed to a negative impact, the Group commits to provide or help provide remedy to those harmed.

Schneider Electric commits to protect the identity of any whistleblower using the whistleblowing system in good faith and to maintain a strong policy against any form of retaliation or unfair treatment.

No employee, whatever his/her/their position, has the authority to order, request or even influence another employee or stakeholder to violate this policy.

Moreover, each employee is invited to promote and enhance this policy to other employees and stakeholders.

Appendix

Related documents

This Human Rights Global Policy is supported by a set of policies and guidelines⁵ related to the topics addressed in this document:

- [Trust Charter](#): through the Group's Code of Conduct, Schneider Electric is taking a strong position on what values it stands for with a focus on several Human Rights topics.
- [Schneider Sustainability Impact](#): sustainability barometer with concrete targets for sustainable impact in support of the Sustainable Development Goals. This barometer gathers several KPIs on Human Rights.
- [Vigilance plan](#): describes the group's actions taken to comply with the French law on duty of vigilance and how the group ensures that environment, ethics, safety offer and Human Rights are respected throughout its value chain.
- [Health and Safety Policy](#): states the rules and guidelines applicable to all Schneider Electric employees, and to specific populations performing specialized tasks.
- [Flexibility at Work Policy*](#): defines global flexibility at work pathways, mandatory and recommended, to ensure consistency and equitable treatment in the application of flexible work arrangements across business units and countries.
- [Employee Benefits Policy*](#): defines the global principles, standards and governance for the provision of employee benefits at Schneider Electric.
- [Global Family Leave Policy*](#): provides a framework so that every employee, whatever the country of employment, can take some specific leave to enjoy some of life's special moments with their families.
- [Anti-Harassment Policy](#): states Schneider Electric's commitments to have zero-tolerance for any kind of harassment or offensive behavior.
- [Global Security Policy*](#): defines the global scope of security applicable to all entities, locations and activities.
- [Data Privacy Policy](#): binds all of Schneider Electric, its subsidiaries, employees and contractors processing personal information on behalf of Schneider Electric.
- [Diversity & Inclusion Policy](#): aims to show how Schneider Electric wants to mirror the communities in which the Group operates and commits on these topics of Diversity and Inclusion.
- [Supplier Guidebook](#): provides Schneider Electric's expectations for suppliers on topics such as Human Rights.
- [Supplier Code of Conduct](#): states the rules applicable to the entire Schneider Electric supplier pool.
- [Group Whistleblowing Policy*](#): Explain how employees, interns and contractors, and external stakeholders of Schneider Electric can report concerns about suspected misconduct in confidence and without fear of retaliation. Describe what employees, interns and contractors, and external stakeholders of Schneider Electric can expect if they report such a concern.

⁽⁵⁾ Documents with a * are internal documents, not available publicly