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**Schneider**  
Electric

# Green Premium

Schneider Electric ecolabel that goes beyond compliance



[schneider-electric.com/green-premium](https://schneider-electric.com/green-premium)

## Executive summary

Green Premium is the Schneider Electric product ecolabel which provides transparent information on Hazardous Substances, Environmental Impact and End of Life instructions. Schneider Electric is committed to delivering 75% of product revenues with Green Premium by the end of 2017. Information is available 24/7 on [Schneider-electric.com/green-premium](https://schneider-electric.com/green-premium) or mobile app.

We enable environment-friendly growth and efficient use of resources by acting with transparency and accountability:

Our commitment influences the design of our products and solutions, our supply chain, and our relationships with partners and customers around the world.

## Introduction

## Why develop an ecolabel for Schneider Electric?

Our world is facing fast and profound changes:

- Climate change due to human activity has to be below 1.5°C in 2050;
- The world's population will continue to increase in the 30 years to come;
- Within 35 years, 70% of people will live in cities;
- Our resources are finite;
- Human health, safety and security expectations are growing;
- Biodiversity is at risk.

For decades, Schneider Electric has been committed to playing a key role in the challenges we are facing. As specialists in energy management and automation:

- We strongly believe that access to energy is a key human right;
- We are convinced that the New Technologies will help us to rethink our behaviour;
- We are committed to finding innovative solutions for a new energy paradigm: finding the right balance between carbon footprint on the planet and access to energy for all.

Schneider Electric has always been a step ahead in environmental protection and recognized for our environmental actions and the results in our products and activities.

We monitor and diligently strive to make improvements in our own manufacturing activities, energy efficiency, water consumption and transportation.

For our products, we closely monitor compliance with regulations and directives, and extend applications beyond geographical areas when appropriate.

We track research and work done in universities and by agencies on health protection in relation to chemical substances in order to anticipate and prepare substitution through innovation.

Our actions are recognized by well-known organizations such as:

Corporate Knights, Newsweek, DJSI, CDP and the Ellen McArthur foundation.



As proof of our commitment, we have decided to portray it in the products we deliver to our customers by creating a Green Premium ecolabel.

The ecolabel is a form of proactive communication to our customers of all the environmental data related to legislation and regulations.

## Issues addressed by Green Premium

### Which issues to address through our ecolabel?

According to global environmental and health challenges, we have identified three main issues in our industry which are the basis of our environmental approach:

- **Preserving finite resources** by delivering efficiency to help our customers and ourselves to achieve more with less energy and fewer resources;
- **Counteracting climate change**, striving to help keep global warming under a 1,5°C limit in line with the COP 21 agreement;
- **Minimize impact on human health** by reducing the use of hazardous substances in line with international and local regulations and, in some cases, beyond.

From these three priorities, we have extended our scope to other environmental issues in order to avoid a restrictive perception of a complex system, which could lead to inappropriate decisions resulting in the displacement of impacts. The aim for our label is to provide multi-criteria environmental information.

Our ambition is to address potential impacts through **every phase of our products' life cycles**. This means addressing product manufacturing and the related resource extraction, transportation throughout the value chain to end-users, installation in specific processes and operations, usage, and additional impacts created during product disposal, recycling, and/or degradation. The last life cycle stage is considered by the EEE industry to be an important issue to be addressed, especially with regard to both the impacts associated with hazardous substance emission and the potential for a circular economy, which would lead to resource preservation and an overall reduction of environmental impacts, including climate change.

Another organizational issue identified is **customer access to environmental information** so that buyers can have complete confidence in the specific product as well as in their ability to use the information as part of their own sustainability initiatives. This brings incremental value to companies at all stages of their supply chains. The only way businesses can comply with regulatory and consumer pressure is through comprehensive knowledge of the products and materials they use, and by making the right business decisions with that information. Access to sustainability information is critical to a company's long-term growth and product strategy.

Given these considerations, our ecolabel has been built on the following objectives:

- Ensure our partners and customers that the use of **hazardous substances** in products is being **managed with awareness**, aiming for a **reduction to a minimal level**;
- Provide detailed, transparent and reliable **data** on products' **environmental impacts** across the life cycle, with complementary criteria;
- Help users to **manage the end of life** of products by maximizing **reuse of components** and **reducing the related hazards** and **environmental impacts**.

Our ecolabel provides a pragmatic approach which covers guaranteed compliance, reliable information and advice to allow our customers to progress further with their own sustainability plans.

**Figure 1**

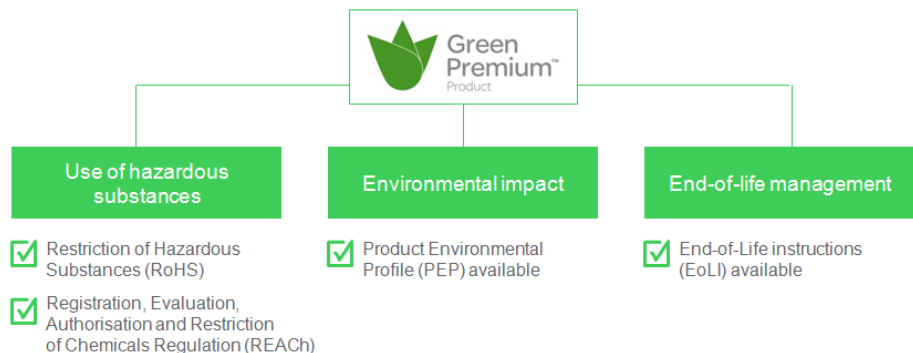
This diagram represents how Green Premium guarantees meet our overall commitments

		Our commitments		
		Preserving finite resources	Counteracting climate change	Minimise impact on human health
Green Premium guarantees	Awareness of hazardous substance use			
	Integrative environmental data			
	End-of-life management information			

## Environmental issues covered by Green Premium ecolabel

### How does the Green Premium ecolabel cover these environmental issues?

For each of the label's objectives, the most relevant and recognized guarantees have been gathered together in the Green Premium ecolabel. They constitute the 4 criteria to be met for the Green Premium label:



### Awareness of hazardous substances use

This claim is supported by:

- Limitation in product composition of the six hazardous substances: lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls (PBB), and polybrominated diphenyl ether (PBDE) flame retardants, targeted by Article 4 of the European Directive for Restriction of Hazardous Substances (RoHS);
- Declaration of Substances of Very High Concern (SVHC) contained in the product, as defined by the European Regulation for Registration, Evaluation, Authorization and Restriction of Chemicals (REACH).

For both of these requirements, we go beyond the regulatory framework by extending implementation to a much wider range of products, including many other markets where this is not compulsory.

### **More information about the European Directive for Restriction of Hazardous Substances (RoHS)**

Since 2006, Article 4 of the RoHS Directive 2011/65/EU has called for the elimination of six substances in certain electrical and electronic equipment (primarily household and IT/technology equipment) marketed to consumers. Compliance with this Directive is especially important for breakers, circuits, and other wiring devices found in homes and offices.

### **More information about the declaration of Substances of Very High Concern (SVHC) content, as defined by REACH**

SVHCs are chemical substances (or part of a group of chemical substances) specifically identified under the European Union's REACH regulation.

A substance may be considered as an SVHC if it meets one or more of the following criteria: carcinogenic, mutagenic, toxic for reproduction, persistent, bio-accumulative, and toxic, or if there is scientific evidence of probable serious effects to human health or the environment, which give rise to an equivalent level of concern.

REACH regulation stipulates that for products in which one or more SVHCs are present and represent more than 0.1 per cent of the object's mass, this information must be conveyed to the buyers.

### **Why these requirements for Green Premium?**

Within the regulatory framework, we want to make this information easily available. Green Premium is also a way to promote this practice. For our customers outside Europe, it is a guarantee that they can target European markets, where REACH and RoHS compliance is critically important when sourcing components for products and machines. Companies must be fully aware of what they are purchasing, as this has a major impact on the way we design our products.

## **Integrative Environmental Data provided**

This claim is supported by the availability of a Product Environmental Profile (PEP). The PEP document provides environmental impact estimations over all phases of the product life cycle. It addresses the main environmental issues identified, i.e. climate change and resource depletion, by providing indicators of Global Warming potential, energy depletion and raw material depletion.

However it goes further and also provides information on a wide range of environmental indicators, such as air acidification and toxicity, ozone depletion potential, photochemical ozone creation potential, hazardous waste production, water depletion, water eutrophication and water toxicity. This allows for holistic consideration of environmental stakes.

Recent evolution of the PEP format means an even wider list of environmental indicators that may now be included in the document. As additional information, the PEP provides constituent materials, or the raw materials that make up the product, as well as product recyclability rate.

### **Why this requirement for Green Premium?**

PEPs are the most complete and recognized documents on multi-criteria environmental impacts over the product life cycle for electric and electronic equipment. They are compliant with the ISO 14025 (Environmental Type III declaration) and with the PEP Ecopassport Program, specially designed for electric, electronic and heating & cooling products. PEPs are not compulsory. Providing a PEP is a voluntary way to make environmental information available throughout the supply chain.

**Product Environmental Profile provides environmental impacts assessment over the entire product life cycle**

## Providing End of Life Management information

Via Green Premium, we provide product End of Life Instructions (EoLI) in accordance with IEC 62635 guidance. This document contains recycling rate, constituent material, basic information to ensure appropriate end of life treatment of the components and materials in the product, and all operational hazards so as to avoid any risks for operators.

The instructions enable responsible disposal of our products and maximize the **reuse of components** for other purposes (recycling) in a step towards a more circular economy. They also help our customers to reduce environmental hazards and improve their operational efficiency.

### Why this requirement for Green Premium?

Even if the information is not always required by legislation, our products are rooted in the WEEE.

The information delivered to our customers is a useful complement to help them with sorting and disposal in each region of the world and it promotes the application of the WEEE. It also provides waste treatment plant operators with all the information needed to separate the flows for a better circular economy.

## Management of Green Premium ecolabel

### Three types within ISO 14020 series of standards

**Type I:** involves environmental labeling focused on principles and procedures, and is based on significant life cycle characteristics.

**Type II:** the most commonly used industrial and private sector rating; incorporates manufacturers' self-declared environmental claims about products.

**Type III:** involves labeling based on product life cycle assessment, typically at the national or regional level.

## How is the Green Premium ecolabel managed?

### Standards

The International Organization for Standardization (ISO), a global standard-setting organization composed of representatives from various national standards organizations, has developed the ISO 14020 series of standards.

The ISO 14020 series addresses three types of approaches to environmental labels and declarations, including Type I eco-labels (ISO 14024), Type II self-declared environmental claims (ISO 14021), and Type III quantified environmental information about products and services (ISO 14025).

At Schneider Electric, the Green Premium ecolabel has been developed according to ISO 14021 as a Type II self-declared claim. Green Premium deliverables provide transparent, audited and accurate information, available online 24/7.

Declarations for RoHS and REACH are traceable and integrated in the company quality system. Product Environmental Profiles (including End-of-Life instructions) are developed according to ISO 14025 in the framework of the environmental program operator PEP ecopassport.

### Green-Premium is embedded in the Company Program

For each three-year Company Program, an internal Green Premium Program sets the yearly targets, taking into account new companies to be potentially acquired by Schneider Electric.

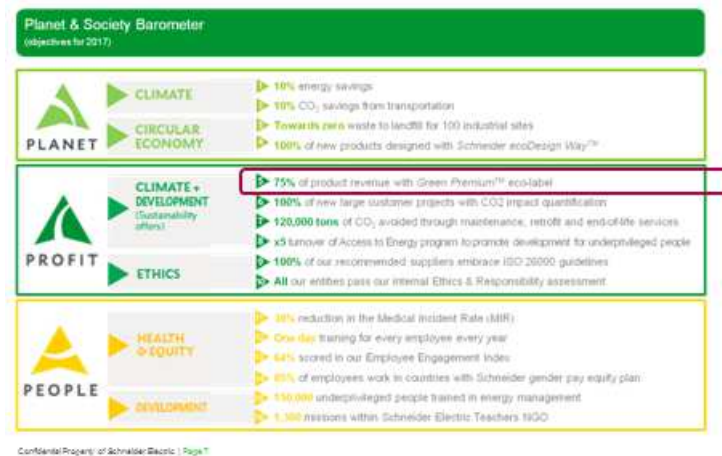
Since 2008, the share of Green Premium revenue from tangible products sold to our customers has risen to 75%. Recent results for the year 2015 show continued improvement in revenue coverage.

All new products are now designed to be Green Premium when they are first marketed.

## Barometer Planet and Society

The Green Premium indicator is part of the Schneider Electric sustainability index: “Planet and Society Barometer”.

Annual results are audited every year by Ernst and Young.



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## A Network of more than 150 experts sustains the Green Premium ecolabel

The operational network represents more than 150 people including 50 full-time eco-referents located in R&D centers. A large panel of training modules and competency development paths has been defined and deployed to support them. Internal and external programs have been identified to raise recognition of their competencies (Edison Expert, PEP ecopassport accredited verifier). They are critical in the product development process in order to anticipate, identify and define substitution plans.

Steering Committee meetings are held on a regular basis to manage the Program.

## A set of methods and tools facilitates the deployment and information to our customers through official documents

Each range of products is reviewed through the Bill of Materials using common company tools to assess RoHS and REACH compliance. The information is checked with a database containing supplier information collected and updated every 6 months.

Tests are conducted to confirm the declarations.

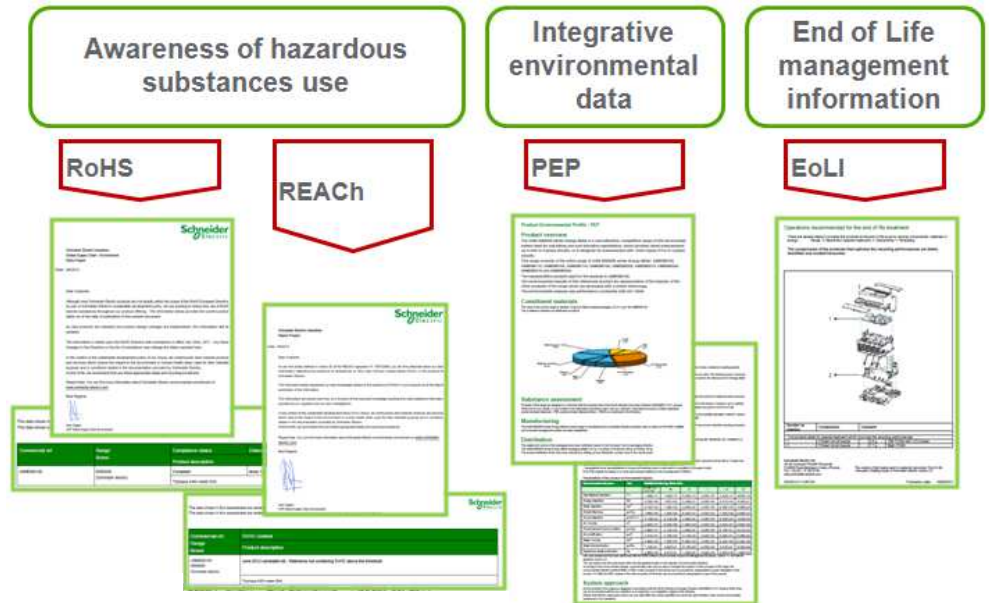
For the Product Environmental Profile, each range of products is examined according to the Product Common Rule and Product Specific Rules provided by PEP ecopassport operators and cross-checked by an independent verifier. In the same process, we build the end of life instructions.

When all the necessary information has been gathered and checked, external documents are produced and made available on

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

Figure 2

Green Premium documents



## How to access the information?

The strength of our Green Premium ecolabel, as we have seen, is based on the transparency, availability and quality of the information.

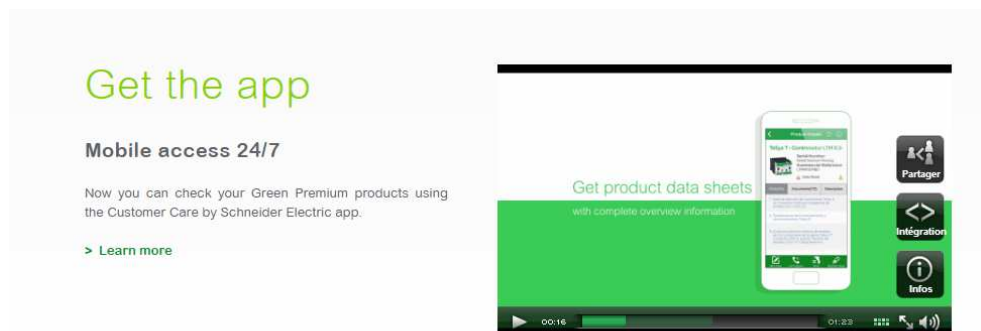
All the necessary environmental documents covering about 400,000 commercial references of Schneider-Electric products are freely accessible 24/7 through all connected platforms.

Ecolabel on packaging giving access to the portal:

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



Access with the applications on smartphones





## Conclusion

Good intentions and government regulations alone cannot help companies to meet their sustainability goals. What is needed is Information, Transparency and Knowledge. At the end of the day, trusted knowledge is true power.

Schneider Electric Green Premium ecolabel provides customers with the knowledge they need to make the right decisions about their own sustainability and environmental impact programs.

Green Premium, through its systematic, comprehensive approach, provides the market with an unequalled tool that allows our customers to advance their involvement in the turnaround required for a more circular economy.

Green Premium aims to evolve in a permanent way in order to comply with the strategic intents of Schneider-Electric:

- **Preserving finite resources**
- **Counteracting climate change**
- **Minimize impact on human health**

### About the authors

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