Vigilance Plan 2025

8th Edition | June 2026

Schneider Electric

Vigilance Plan – 2025

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1 Introduction

1.1 Schneider Electric's mission and impact ambition

Planet. People. Business. All matter. All thrive on Energy.
Energy powers our lives. Energy is essential to progress. Energy Technology advances industry, drives innovation, and connects communities.
We are your Energy Technology Partner.

We electrify, automate and digitalize every industry, business and home, driving efficiency and sustainability for all.

Across our global organization and extensive market coverage, we operate as One Schneider, delivering integrated solutions from our comprehensive portfolio and a strong digital customer experience, supported by a strong foundation based on people and sustainability.

Portfolio and Innovation: Complete offer portfolio across the lifecycle, combining complementary technologies of Energy Management and Industrial Automation. Across Products, Systems, Software and Services, we are Advancing Energy Tech to the next level of intelligence.

Market coverage: Extensive geographical coverage through a comprehensive partner network and addressing our end-users installed base. We have built a unique global ecosystem by connecting panel builders, integrators, distributors and partners who are assembling and distributing all our technologies.

One Schneider: Creating more value for all stakeholders: customers, employees, shareholders. To enhance the customer experience through local proximity, we have unified our sales force, created a unique digital experience alongside human interaction, established a global services organization, and built an integrated global supply chain.

People and sustainability: Committed to People and Sustainability, driving stronger engagement and impact. What sets Schneider Electric apart is our deep focus on developing people and building diverse teams worldwide, fostering innovation and strength. We believe responsibility and sustainability go hand in hand, creating long-term value for both society and investors.

Advancing Energy Technology: The global shift toward electrification, automation and digitalization is reshaping every segment in which we operate. By advancing Energy Tech to the next level of Intelligence, we drive innovation that enables smarter, more efficient, and more resilient systems. Focused on technology leadership, customer differentiation and operational excellence, we are positioned to deliver sustainable growth and long-term value.

Powered by two foundations: People-Centric by design: The Group's performance relies on the strength of its diverse and highly engaged teams. Supported by the One Schneider model, employees benefit from global mobility, shared processes and an integrated culture that fosters commitment across all regions. To support the next strategic cycle, the Group is evolving its ways of working toward more mission-based and performance driven management, enabling faster execution and greater organizational agility.

Sustainability in action: Sustainability has been embedded in the Group's strategy for more than two decades, consistently combining financial performance with positive environmental and social impact within a robust governance framework. The Group continues to integrate responsibility across all dimensions of its operations, working to reduce emissions across its ecosystem while supporting the global transition toward more electrified, efficient and digitalized energy systems.

1.2 2025 Sustainability commitments

With less than 5 years left to reach the 17 United Nations Sustainable Development Goals (SDGs), Schneider Electric has accelerated this journey and is making new commitments to drive meaningful impact within the framework of its business activity. The six long term commitments that SE has made include:

Act for a climate-positive world

by continuously investing in and developing innovative solutions that deliver immediate and lasting decarbonization in line with our carbon pledge.

Be efficient with resources

by behaving responsibly and making the most of digital technology to preserve our planet.

Live up to our principles of trust

by upholding ourselves and all around us to high social, governance, and ethical standards.

Create equal opportunities

by ensuring all employees are uniquely valued in an inclusive environment to develop and contribute their best.

Harness the power of all generations

by fostering learning, upskilling, and development for each generation, paving the way for the next.

Empower local communities

by promoting local initiatives and enabling individuals and partners to make sustainability a reality for all.

Our unique transformation tool

The execution of the Group's 2021–2025 sustainability strategy is tracked through quantitative key performance indicators (KPIs): the Schneider Sustainability Impact (SSI) and the Schneider Sustainability Essentials (SSE). The 11 SSI programs and the 25 SSE programs constitute the Group's short-term sustainability roadmap and its contribution to the 17 UN SDGs. They are complemented by local sustainability impact programs, delivered by the Group's local teams.

The SSI is the translation of the Group's six long-term commitments into a selection of 11 highly transformative and innovative programs, which are published quarterly.

The SSE reflects continuous improvement actions taken by the Group, complementing the innovative transformations of the SSI and the need to keep making progress with other long-lasting programs. A notable signature to the 2021–2025 program is the local aspect, aiming to deploy local actions in the 100+ markets where the Group operates in order to better empower all leaders and collaborators to unlock meaningful local impacts.

1.3 Schneider Sustainability Impact 2021–2025

The Schneider Sustainability Impact (SSI) is a scorecard demonstrating that rapid and disruptive changes for a more sustainable world are possible across diverse, complex topics. The Group has exceeded several of its 2025 ambitions, both those aimed at supporting the decarbonization of its customers and suppliers, and those related to the development of people and access to energy around the world.

Schneider Sustainability Impact

6 Long-term commitments aligned to UN SCGs	11+1 targets for 2021-2025	Baseline(1)		2024 Progress(2)	2025 Ambition
Climate	1. Grow Schneider Impact revenues(3)	2019: 70%	0%	75%	80%
	2. Help our customers save and avoid millions of tonnes of CO_2 emissions	2020: 263M	0	862M	800M
	3. Reduce CO_2 emissions from top 1,000 suppliers' operations	2020: 0%	0%	56%	50%
Resources	4. Increase green material content in our products	2020: 7%	0%	48%	50%
	5. Primary and secondary packaging free from single-use plastic, using recycled cardboard	2020: 13%	0%	85%	100%
Trust	6. Strategic suppliers who provide decent work to their employees	2022: 1%	0%	98%	100%
	7. Level of confidence of our employees to report unethical conduct	2021: 81%	0%	85%	91%
Equal	8. Increase gender diversity in: hiring (50%) front-line management (40%) and leadership teams (30%)	 2020: 41% 2020: 23% 2020: 24%	 0% 0% 0%	 37% 32% 32%	 50% 40% 30%
	9. Provide access to green electricity to 50M people	2020: 30M	0	61.7M	50M
Generations	10. Double hiring opportunities for interns, apprentices and fresh graduates	2019: 4,939	x1	x1.75	x2
	11. Train people in energy management	2020: 281,737	0	1,090,569	1M
Local	+1. Country and Zone Presidents with local commitments that impact their communities	2020: 0%	0%	100%	100%

(1) The baseline year is indicated in front of each SSI baseline performance.
(2) Each year, Schneider Electric obtains a "limited" level of assurance on methodology and progress from an independent third party verifier for all the SSI and SSE indicators (except SSI #+1 and SSE #12 in 2023), in accordance with ISAE 3000 assurance standard (see Independent verifier's report on page 302). In addition, SSI #8, SSE #3, SSE #5 and SSE #14 received a "reasonable" assurance level in 2023. Please refer to page 266 for the methodological presentation of each indicator. The 2023 performance is also discussed in more details in each section of this report.
(3) Per Schneider Electric definition and methodology. For the reporting requirements under the European Taxonomy Regulation, please refer to pages 277 to 293.

8.86/10

(vs. an annual target(1) of 8.88/10, and a 7.55/10 score in 2024)

This dashboard includes climate and social performance indicators, relevant to both internal or external stakeholders. Most of the indicators contribute to the group's vigilance, particularly SSIs #2, #3, #4, #5 and #6.

To complement the Schneider Sustainability Impact, a sub-dashboard called Schneider Sustainability Essentials (SSE) has been created by the group, bringing together other programs contributing to the group's vigilance, such as the Supplier Vigilance Plan (SSE#17) or the Social Excellence program (SSE#12).

The SSE reflects continuous improvement actions taken by the group. This tool brings balance between the innovative transformation plans of the SSI and the need to keep making progress with other long-lasting programs. All SSE KPIs are externally assured each year, except for SSE #12 which is still under development.

Universal Registration Document reference for more details: "2.1.1.2.3 Schneider Sustainability Impact: a unique transformation tool", p. 82

1.4 Introducing Schneider Electric’s 2030 sustainability ambition

A new sustainability chapter

As the 2021-2025 sustainability chapter has come to an end, the Group is setting out to announce the new set of 2030 sustainability targets.

This evolution builds on the same disciplined approach as previous cycles: focusing on measurable impact, prioritizing the areas where the Group can make the greatest difference, and accelerating where it matters most.

Several dimensions of the new ambition further raise the level of ambition compared with the previous cycle, reflecting the scale and urgency of today’s challenges;

- By leveraging its expertise in electrification, automation, and digitalization, and through solutions deployed at scale and locally anchored in many communities, Schneider Electric aims to ensure that technology and innovation power progress for all, supporting economic development while addressing climate, resource, and social challenges.
- As pressure on energy systems, natural resources, and critical materials is expected to intensify, the Group’s ambition emphasizes innovation and collaboration. The objective is to strengthen Schneider Electric’s business model and ecosystem, enabling them to better absorb shocks and navigate an increasingly complex and less predictable environment, while differentiating with valuable sustainable outcomes for customers.
- Schneider Electric designs its sustainability approach as a collective one, bringing employees, customers, partners, suppliers, and the broader ecosystem along. This approach promotes shared responsibility, learning, and the ability to develop, share, and replicate solutions across regions and value chains. Finally, this ambition is guided by a clear ethical compass, with “doing the right thing” embedded in business decisions and in the way they are implemented locally. Schneider Electric integrates environmental, social, and human considerations into its choices and trade-offs, taking into account local contexts and the impacts on the communities where the Group operates, while maintaining a long-term perspective grounded in planetary boundaries and responsible value creation.

2030 Sustainability Impact pillars

The new set of SSI metrics will be organized around four pillars, in response to this context:

1. We electrify the world: The Group acts towards decarbonization and efficiency by continuously investing in breakthrough solutions. Schneider Electric leads the energy tech transition through electrification and digitalization, starting with the Group and scaling for all.
2. We reinvent our industry: The Group acts towards circularity and innovation by rethinking how it designs, sources and promotes. Schneider Electric engages and elevates its entire value chain – reshaping its ecosystem and setting new standards in its industry.
3. We unlock human potential: Schneider Electric acts towards equal opportunities by securing energy access for all and investing in people opportunities, opening the way to progress and shared prosperity.
4. We empower local communities: Schneider Electric acts towards action and care by investing in local ecosystems and amplifying grassroots voices. Schneider turns every site - from offices to factories - into a community anchor and an agent of change.

Performance management principles for 2030

The new set of KPIs will be managed according to the same principles as previous cycles, including quarterly performance publication, linked to short-term incentive plan compensation, and external audit assurance.

1.4 Introducing Schneider Electric's 2030 sustainability ambition

We electrify the world towards decarbonization

By continuously investing in breakthrough solutions, we lead the energy tech transition through electrification and digitalization. Starting with ourselves, scaling for all.

Efficiency forward

80% Schneider Impact Revenues

1.5bn MWh energy saved or electrified with our solutions, 2026-2030

100% of applicable SE software deliver advanced energy and carbon insights for customers

Towards net-zero

-90% reduction of Scopes 1&2 CO_2 emissions, absolute vs. 2017

-25% reduction of Scope 3 CO. emissions, absolute vs. 2021

1.5Gt CO_2 saved and avoided by customers with SE solutions, 2018-2030

School of Energy Tech

Electrical experts trained to bridge the energy tech skill gap (in progress)

We reinvent our industry towards innovation

By rethinking how we design, source and promote, we engage and elevate our entire value chain - reshaping our ecosystem and setting new standards in our industry.

Future-designed

100% of major offers in design demonstrate circular and environmental excellence

Industry catalyzer

1,500 suppliers on a Zero Carbon Pathway to decarbonize the supply chain

50% of materials selected to provide superior environmental and social value

100% of strategic suppliers are engaged to implement advanced Decent Work practices

Longer. Better

x2 growth of circular services for longer and better usage

We unlock human potential towards equal opportunities

By securing energy access for all and investing in people opportunities, we open the way to progress and shared prosperity.

Inclusion for all

100% of senior talents engaged in their own development or the development of others

40% of women in leadership*

Power progress

100M people with access to sustainable electricity to power progress

3M people upskilled through educational programs, including those from vulnerable communities

*The gender balance metric is a global strategic ambition. It does not apply to territories that prohibit such ambition. The Schneider Electric policy is to always select the best candidate for any position based on skills, experience and potential (irrespective of their gender, age, origin, disability, appearance, etc.).

We empower local communities towards action and care

By investing in local ecosystems and amplifying grassroots voices, we turn every site from offices to factories -into a community anchor and an agent of change.

Impact starts with us

>30% of employees volunteering to be change agents, in their communities and homes

100 sites designed to care for people, nature and communities

1.5 Fundamental codes of conduct

Schneider Electric's Vigilance plan is built on foundational documents, that shape ethics and behaviors.

Our commitment to global standards

Schneider Electric endorses the following principles and guidelines:

- The international Human Rights principles encompassed in the Universal Declaration of Human Rights (as part of the International Bill of Human Rights), which sets out a common standard for all types of organization.
- The Organization for Economic Co-operation and Development (OECD), Guidelines for Multinational Enterprises which formulate recommendations for companies, including for the respect of human rights.
- The International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.
- The United Nations Guiding Principles on business and human rights which specify the roles and responsibilities of States and businesses on these matters.
- The United Nations Convention on the Rights of the Child.
- The Institute for Human Rights and Business (IHRB) Dhaka Principles for migration with dignity.

Trust Charter: Our code of conduct

The Trust Charter sections outline clear Do's and Don'ts for every aspect of our business and underpin our willingness to behave and respond respectfully and in good faith to all our stakeholders. It applies to everyone working at Schneider Electric or any of our subsidiaries. It is available publicly on our website in more than 30 languages.

The Trust Charter is publicly available on www.se.com.

Global Human Rights Policy

This policy's objective is to define our position on Human Rights along the value chain. It also serves as a set of rules applicable to its daily operations for Schneider Electric and its employees. 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.

The Human Rights Policy is publicly available on www.se.com.

Supplier Code of Conduct

The Supplier Code of Conduct covers full range of expectations towards suppliers from human rights, ethical conduct, environmental management, occupational health and safety, material and resource use, engagement with sub-suppliers, and access to remedy.

The Supplier Code of Conduct is available publicly on www.se.com.

1.6 Key public and internal policies

Key policies of Schneider Electric

Policies			
Risk categories	*Sub-risk categories (if any)*	**Public**	**Internal**
Human Rights	Decent work	• Anti-Harassment & Anti-Discimination • Human rights • Diversity and inclusion	• Flexibility at work • Global benefits • Family leave • Migrant workers guidelines
	Health & safety	• Health & safety • Human rights	
Environment	Pollution and specific substances Waste and circularity Energy, CO_2 and GHG	• Environmental Sustainability Policy	
Business Ethics	Ethical business conduct	• Anti-corruption policy • Competition Law Policy	• Conflict of interest • Export control • Philanthropy Policy • Business agent
	Alert system, protection and non-retaliation	• Whistleblowing Policy	• Case management and investigation
Offer Safety		• Quality	
Data Privacy & Cybersecurity		• Data Privacy	• Data Charter • Cybersecurity for products and system • ~30 other specific policies
Suppliers		• Supplier Guidebook • Supplier Code of Conduct	

1.7 Schneider Electric’s Vigilance Plan

Our vigilance process

In 2017, Schneider Electric started the implementation of a vigilance plan covering its business activities as well as those of its suppliers and subcontractors. This was done to prevent negative impacts on people or the planet within its value chain. Since then, this vigilance plan has been continuously reinforced, aiming to push further toward an end-to-end, risk-based mitigation plan

Schneider Electric aims to be an ethical company.

Our values shape the way we do business with our many customers, partners, suppliers, and communities around the world. They inform the way we protect and foster human rights and guide our desire to make a positive impact on the planet and the environment. The Group’s vigilance plan reflects this ambition. It also complies with the 2017 French law on Corporate Duty of Vigilance and has been adapted to also comply with requirements from other regulations (Norwegian and German Duty of Vigilance Laws). Based on information available to this date, Schneider Electric’s current Vigilance Plan would also be aligned with the requirements of the EU Corporate Sustainability Due Diligence Directive (CS3D).

The aim of the vigilance plan you are currently reading is to explain the business context of Schneider Electric, describe the governance system that is supporting the Duty of Vigilance, and review the main salient risks and actions to help mitigate or prevent these risks. This document’s aim is to remain compact and synthetic, therefore does not include fully detailed reviews of the subjects mentioned. Readers who may want additional specific information may refer to our 2025 Universal Registration Document (Available on our website: https://www.se.com/ww/en/about-us/investor-relations/regulatory-information/annual-reports.jsp) or contact us directly.

Risk analysis

Specific to risks that Schneider Electric poses or may pose in its ecosystem, to people or environment.

Alert system

Named "Trust Line"

Actions & processes

implemented

Governance

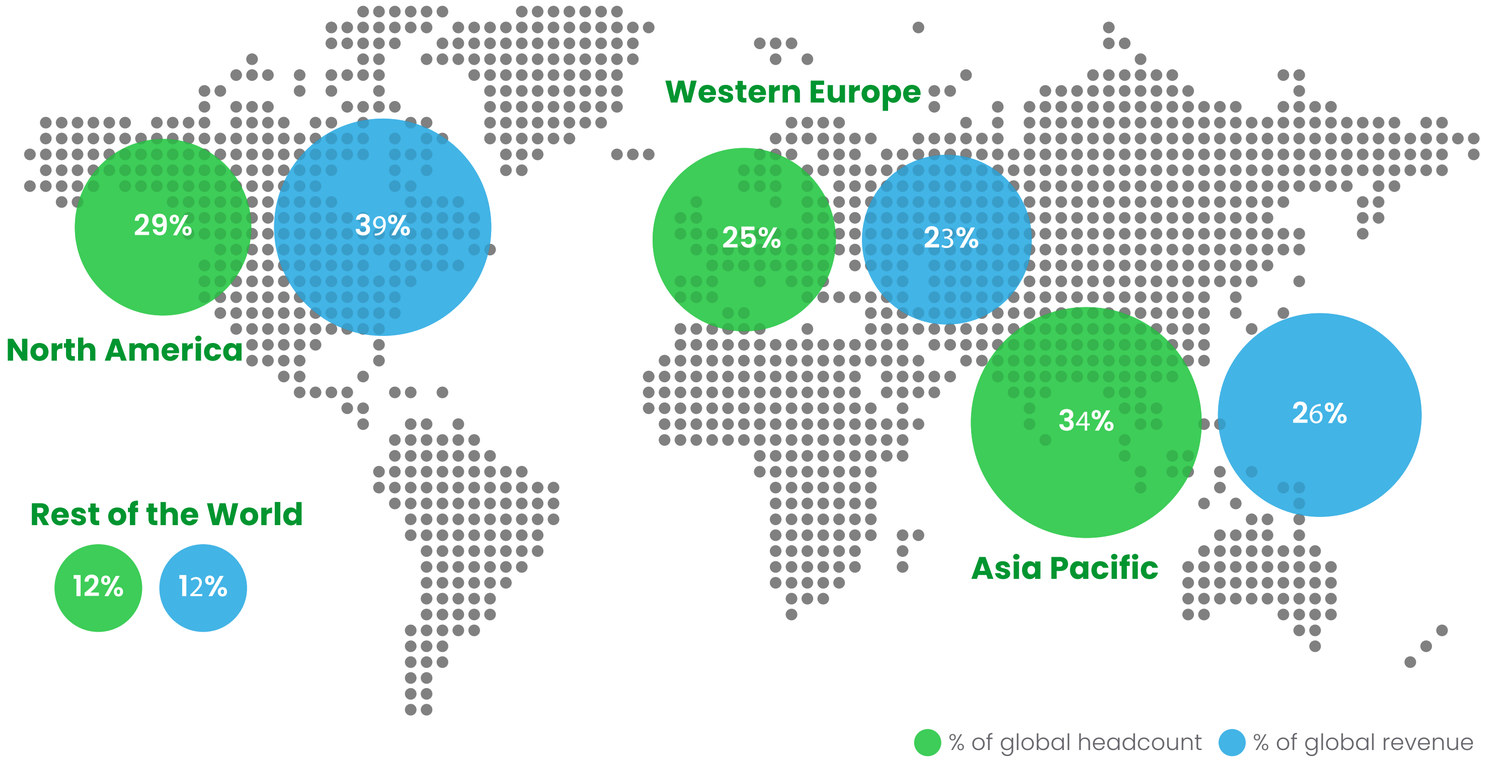
Specific to Vigilance

2 Scope and business models

2.1 Global footprint

Worldwide presence in major markets

Schneider Electric is present in more than a hundred countries globally and serves customers in four End Markets: Buildings including Homes & Residential, Industries, Data Centers, Infrastructures. We deliver our range of products, solutions, and software to customers either directly, or via intermediaries (our channel partners). Our manufacturing and supply chain setup relies on a large base of suppliers located across the world.



163,000+

Employees[1] worldwide

40.2 bn€

Revenue in 2025

5.9%

cost ratio on Group revenues 2025

(1) The average headcount has been restated to exclude non-employee interim workers, who were previously included in the Group's total headcount, and to include certain missing headcount figures resulting from a scope adjustment. Based on this methodology, 2024 would have been 159k employees.

2.2 Go-to-market

Access to final customer leverages several access channels

Suppliers:

Our suppliers can be providers of raw materials to be transformed in its factories, or providers of components and sub-assemblies that are put together in Schneider Electric factories.

Schneider Electric:

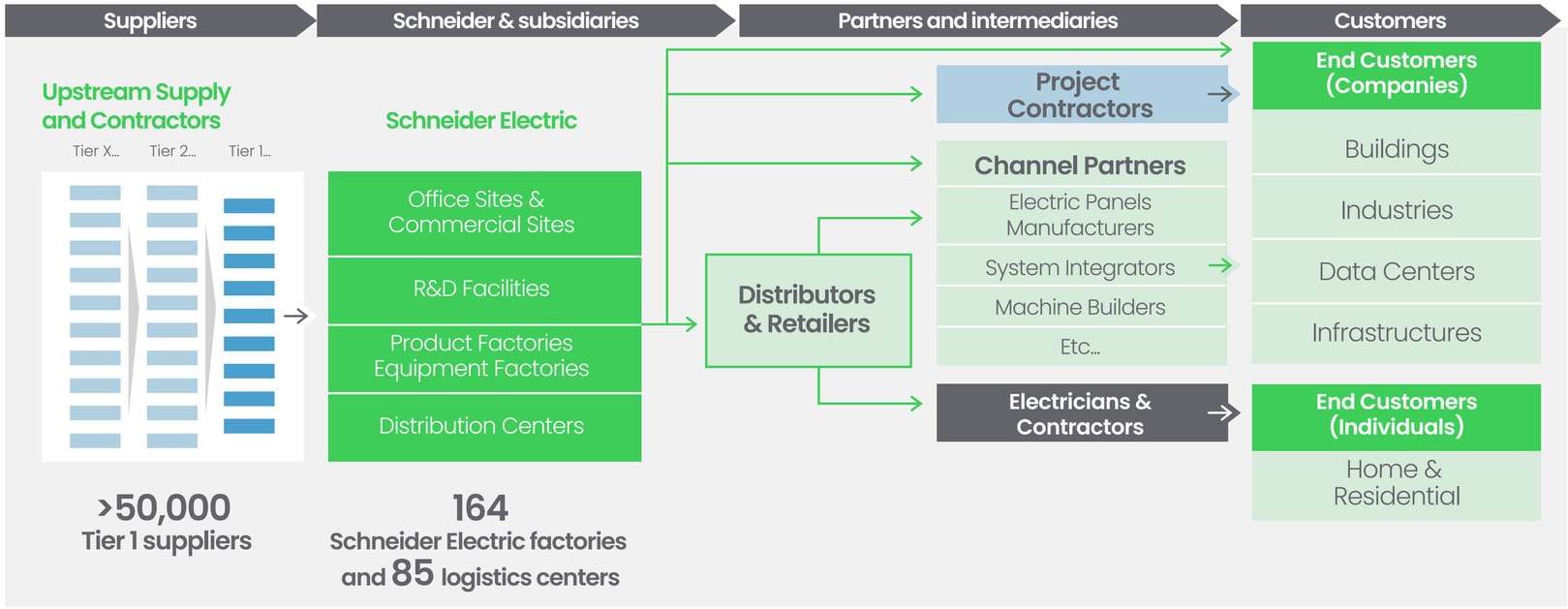
- Office and commercial sites: Host our administrative and commercial functions.
- R&D facilities: Host products development teams that receive a specific level of security as they are often the place for electricity-related experimenting activities.
- Manufacturing: Our facilities are mostly one of the following:
  - Product factories: Specialized by offer types, focused on product ranges.
  - Equipment factories: Assemble systems designed to the specifications of our customers' needs.
  - Distribution centers: Concentrate flows from product factories, and dispatch to local Schneider Electric delivery centers, or to customers.

Partners and intermediaries:

Schneider Electric relies on several sales delivery models to get our solutions to our customers. These models can be grouped into two main types:

- The transactional model delivers standard products or simple systems. Here, the delivery path usually goes through channel partners, who add their specific value (technical expertise, logistics, or support) before the product reaches a final customer.
- The project model delivers a complete solution to the final customer. This model may involve specific subcontractors, who handle a part of the project, and post-delivery services and maintenance.

From raw materials to end customers: Schneiders' value chain



2.3 Scope of Vigilance

A global approach to vigilance across our business ecosystem

Being vigilant where it matters

As per the requirements of Vigilance laws, Schneider Electric is deploying the process of vigilance in its own operations and its fully owned subsidiaries. For joint ventures and acquisitions, vigilance is also deployed, with a progressive approach based on the maturity and readiness of the entity.

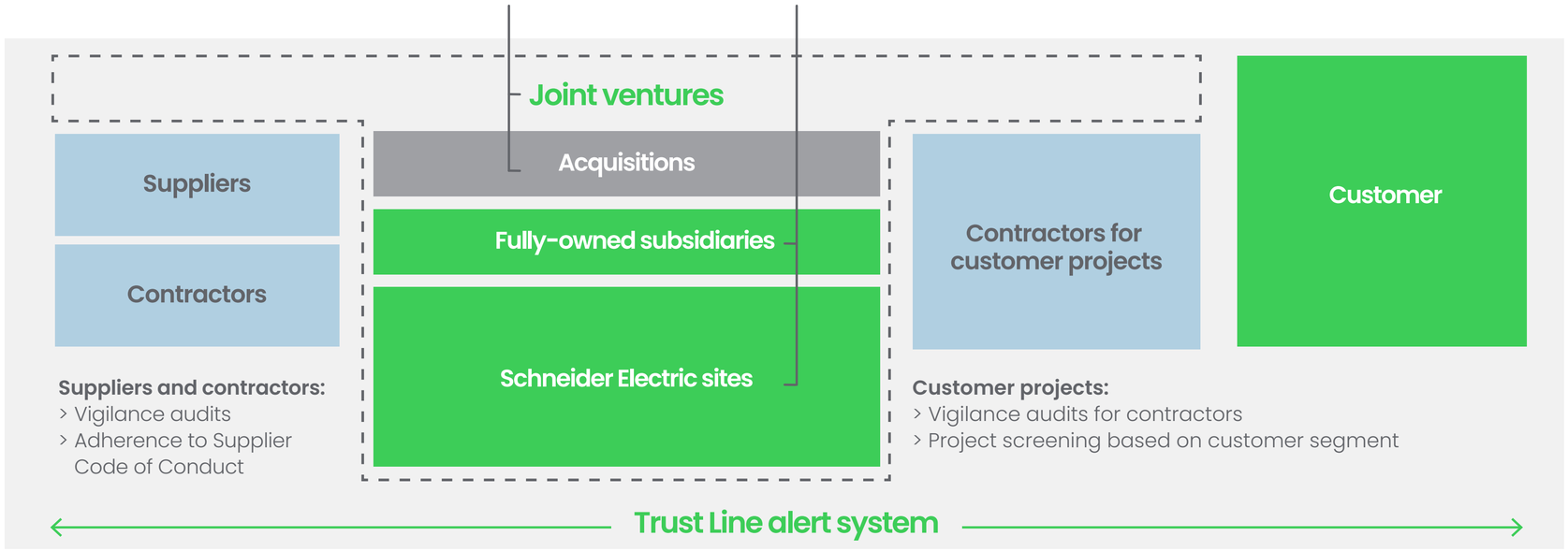
Tier 1 suppliers and contractors are integrated in a global, consolidated data-base enabling all tier 1 suppliers to be integrated in the same supplier vigilance process.

New acquisitions and Joint Ventures:

Progressive deployment of Duty of Vigilance and implementation of Schneider policies based on maturity and starting point of entity.

Schneider Electric and fully owned subsidiaries:

Full deployment of Duty Vigilance and adherence to Schneider Electric policies.



3 Governance and Stakeholders

3.1 Global Governance

Governance principles
Schneider Electric has set up a dedicated governance to supervise the Vigilance plan, with robust instances involving every level of the company, from the Board of Directors to Executive and Experts Committees.

- **Duty of Vigilance Steering Committee:** This Committee is responsible for overseeing the implementation of the Vigilance plan. It is chaired by one Executive Vice President, member of the Executive Committee (see next page).
- **Board of Directors:** The Board, composed of 15 directors, defines the functions, missions, and resources of five study committees. Several topics addressed in the vigilance plan are included in the work of the following instances: Digital Committee (cybersecurity), Audit & Risks Committee (Ethics & Compliance program and cybersecurity), Human Capital & Remunerations committee and Governance, Nominations & Sustainability Committee (HR topics and our sustainability approach).
- **Executive Committee:** The executive committee is composed of 15 members involved in definition and deployment of sustainability operational plans, monitors the performance of sustainability programs.
- **Network & Experts Committees:** Schneider has established several committees, bringing together experts and members of the Executive Committee. These committees define the strategy and implementation plans in their respective field of expertise.

[1] List is non-exhaustive

3.2 Duty of Vigilance Steering Committee

Governance principles

The Steering Committee was created in 2017 and since has been meeting twice per year.

The role of the Committee is to:

- Review of the risk matrix once per year and define key priorities
- Allocate resources according to priorities and oversee the implementation of actions
- Assess results from key mitigation and prevention actions

Committee structure

The Vigilance plan is coordinated by one dedicated resource, in charge of involving the different teams and experts and executing actions prioritized in the workplan.

The Steering Committee meets twice a year under normal circumstances. Overall, since its inception, 19 committee meetings have been held (five in 2017, and two each year from 2018 to 2025 included). The Committee's objective is to provide a discussion on strategic orientations and prioritize initiatives and the resources allocated to their implementation. This Committee also reviews actions in progress and defines decisions related to the next steps.

21
Committees held since 2017

2
Executive Committee members participate in the committee, one of whom chairs the Duty of Vigilance Committee.

6
Senior Vice-Presidents representing the main functions

3.3 Relationship with stakeholders and results

European Work Council

In 2022, Schneider Electric started to expand the involvement of stakeholders in the vigilance process. For that purpose, Schneider Electric has conducted four workshops with the European Work Council (EWC) to present its vigilance plan. As a result of these sessions, we received feedback from the EWC and considered their recommendations to improve the plan. A list of six actions has been identified, which have been presented to the Steering Committee in 2023 and integrated into the Duty of Vigilance work plan. These actions are related to the following domains: 1. Communication 2. Governance 3. Suppliers' vigilance 4. Risk mapping by country 5. Alert system 6. Specific subjects. New round of workshop have been initiated in 2025. New recommendations will be defined in 2026.

Schneider Electric also works with different external, local and international organizations and associations (300+ worldwide) on economic, social, and environmental issues to foster sustainability. The table below outlines the main channels of engagements with stakeholders (the table is not exhaustive).

Organization	Description	Key actions with Schneider
Human Rights		
WageIndicator Foundation	WageIndicator has grown to be a worldwide organization that collects, analyses and shares information on living wage.	In 2025, Schneider Electric advanced its living wage approach by entering a three-year partnership with the WageIndicator Foundation.
Ressources Humaines Sans Frontières (RHSF)	RHSF is an NGO working on preventing the risks of child labor, forced labor, and indecent labor in supply chains.	Schneider Electric takes part in the action-research project "Lab 8.7" that gathers pioneer companies to implement concrete tools to identify forced labour and child labour situations.
Environment		
SBTi	Schneider Electric is a signatory of the Business Ambition for 1.5°C Initiative (1.5°C Science Based Target initiative)	The group's 2030 targets (Net-zero CO_2 emissions on scope 1 and 2, and -35% on scope 3) have been validated with the 1.5°C scenario (Science Based Target initiative)
Energy Transition Commission	The ETC is a global coalition of leaders from across the energy landscape committed to a Net-zero world by 2050 and focused solutions to fight climate change.	Schneider Electric mostly contributed to activities such as reports' creation, social media amplification, shaping the agenda through its participation in the organization's various bodies on electrification, energy productivity and resilient supply chains topics.
Business ethics		
Transparency International	Transparency International is a global organization fighting corruption, promoting transparency and accountability.	Schneider Electric is a member of Transparency International France, to help stop corruption and promote transparency, responsibility, and integrity across all sectors.
Cybersecurity		
Cybersecurity Coalition	The Cybersecurity Coalition is the only trade association that focuses on global cybersecurity policy issues. Through its members' inputs, the coalition provides feedback on a variety of cybersecurity policy matters.	Schneider Electric collaborates through the Center for Cybersecurity Policy and Law, encompassing the Cybersecurity Coalition and the DigiAmericas Alliance, to engage on cybersecurity and digital policy.

3.4 Alert system

Speak Up
Whistleblowers who want to report potential violations of laws and regulations, and/or of the group's Trust Charter and group policies, can use all reporting channels available including our Trust Line, regardless whether they are employees, contractors, or external stakeholders (suppliers, subcontractors, customers, business agents, etc.)

In compliance with local legislation, this system is provided by an external, impartial third-party company and proposes alert categories, a questionnaire, and an information exchange protocol between the person issuing the alert and the person responsible for the case management. All alerts received are treated by a structured process led by Group Compliance.

The processes of investigation is composed of the following steps: Report, assess, investigate, remediate and follow-up

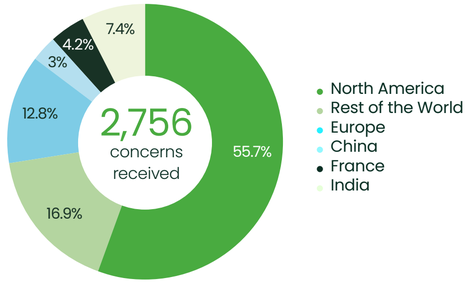
The Trust Line is available online globally at the following link, 24/7, in 27 languages, and protects the anonymity of the whistleblower (unless forbidden by local laws).

https://www.se.com/ww/en/about-us/sustainability/responsibility-ethics/trustline/

In 2025, 2,756 alerts were received through our internal reporting mechanisms. Amongst these 2,756 alerts received, 20% were confirmed after investigation. The majority of confirmed alerts were concerning the topics of discrimination, harassment or sexual harassment (58%).

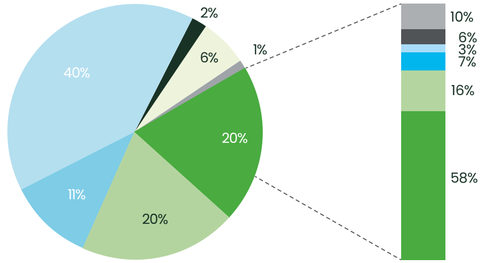
To measure the effectiveness of the Trust Line, Schneider Electric included a KPI in its Schneider Sustainability Impact (SSI #7) and added a question to its annual employee engagement survey, OneVoice: "I can report an instance of unethical conduct without fear". In 2025, 85% of employees surveyed answered "yes" which constitutes an improvement of +4 points over a four-year period.

Number of concerns received through Schneider Electric's whistleblowing system per region



Status of concerns received* through Schneider Electric's whistleblowing system

Distribution of confirmed alerts by type of issue



- Valid alerts confirmed after investigation
- Valid alerts not confirmed after investigation
- Valid alerts under investigation
- Not valid alert and duplicates
- Ongoing assessment
- Inconclusive and insufficient information
- No confirmed outcome yet

- Discrimination, Harassment, Sexual harassment
- Fraud
- Conflict of interest
- Bribery and corruption
- Health and safety
- Other

*as of January 1st, 2026

2,756

Concerns received through the Trust Line

20%

Of alerts were confirmed after investigation

85%

Of employees declare they can report an instance of unethical conduct without fear

Annual Report reference for more details: Section "Whistleblowing Policy and grievance mechanisms", p.110

4 Risk Mapping

4.1 Risk Mapping Methodology

Global methodology

The risk mapping methodology is consistent with other risk evaluations maintained at the Group level and focuses specifically on the risks posed by Schneider Electric on its environment and ecosystem. It is based on:

- Interviews with internal experts (16 interviews done in 2025);
- Reports from International organizations or NGOs such as the Intergovernmental Panel on Climate Change (IPCC), the International Energy Agency (IEA), the United Nations (UN), the Business and Human Rights Resource Centre (BHRRC), etc.;
- Data and reports from various Group programs, such as: carbon and biodiversity footprints, internal audits, suppliers' vigilance audits, internal grievance mechanisms, "Workers Voice" surveys, One Voice employee engagement survey, etc.; and
- The Responsible Business Alliance (RBA) database that provides the Group with country granularity coming from several indices (by the UNICEF, the World Bank, the Walk Free Foundation, etc.)

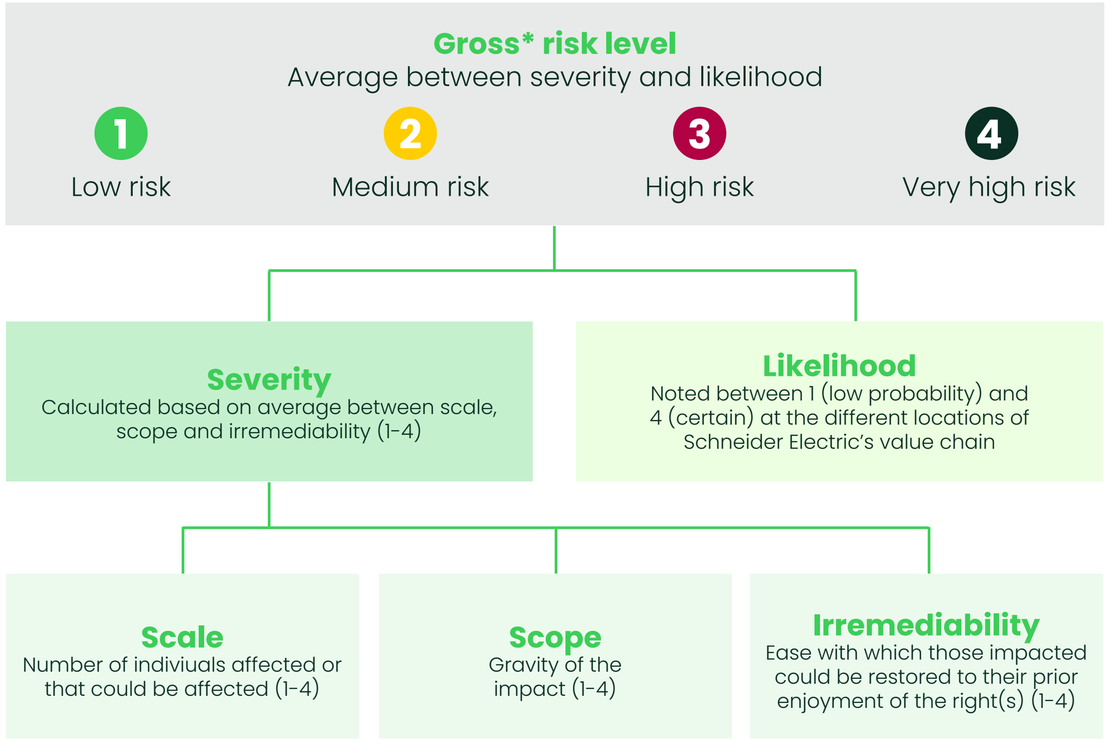
The risk matrix is reviewed every year. Its scope covers Schneider Electric and its subsidiaries, joint ventures, suppliers, and subcontractors.

In 2021, Schneider Electric expanded the scope of risk mapping to local communities living close to its locations and customer project sites. A review of the downstream supply chain is also carried out for a sample of large customer projects.

In 2024, to converge towards the requirements of the European Union Corporate Sustainability Reporting Directive (CSRD), the risk analysis performed has further detailed two dimensions: severity and likelihood. Calculation of the matrix has therefore been finetuned, leading to slight technical modifications in the 2024 and 2025 ratings of certain scores, although these risks have not fundamentally changed compared to previous years.

Risk evaluation and scale

Risks displayed in the matrix are evaluated using the below scoring methodology



*before effect of mitigation measures

4.2 Schneider Electric 2025 vigilance risk matrix

In this 2025 risk assessment, no 'very high-risk' levels were identified.

Risk categories

For better clarity, this matrix presents a simplified version of the internal matrix, which covers 67 risk types, grouped into the 4 risk categories depicted here: Human Rights, Environment, Business Ethics, Offer Safety and Cybersecurity

- Very high risk
- High risk
- Medium risk
- Low risk

		Schneider Electric sites						Suppliers							Contractors		Communities	
		Offices	Travelers, sales forces	Factories: low voltage and electronics	Factories: medium voltage	Project centers	Field services	Travels and hospitality	Transportation and shipping	Raw materials	Metal transformation and treatment	Plastics	Batteries	Other components	On Schneider Electric sites	Off site and projects execution	Around Schneider Electric sites	Around customer project sites
Human rights	**Decent workplace**	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Health and safety	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		
Environment	**Pollution and specific substances management**	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Waste, water, and circularity	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		
	Energy CO_2 and GHG	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		
Business ethics	**Ethical business conduct**	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Alert system, protection, and non-retaliation	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		
Offer safety and cybersecurity	**Offer safety**			●	●	●	●		●		●	●	●	●		●		
	Cybersecurity and data privacy	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		

Locations where risks occur

- Schneider Electric sites: By type of sites or functions
- Suppliers: By purchase category
- Contractors: Based on the place where contractor operates (on Schneider Electric site or on customers' projects)
- Local communities: Communities located around Schneider Electric sites or communities located around customer project sites

This matrix presents a simplified version of the internal matrix, which covers 27 risk locations

4.3 Overview of main risks and their evolution

Category	Risk	Location	Evolution	Comments
Human rights	Forced Labor, Migrant Workers	Schneider Electric		According to the 2021 Global Estimates of Modern Slavery, approximately 28 million people are estimated to be in forced labor, a number alarmingly increasing since 2016. 63% of all forced labor (17 million people) is estimated to be imposed by private actors. The report estimates that services (excluding domestic work), and manufacturing are the sectors most exposed, accounting for respectively 32% and 19% of total forced labor. It also identifies that for manufacturing, most forced labor cases occur in production in the upstream tiers of domestic or global supply chains (above tier 1). This analysis shows that there could be risks of forced labor in the upstream tiers of Schneider Electric's supply chain (above tier 1), especially for migrant workers. In the meantime, climate change, conflicts or economic hardship are pushing more and more people to leave their home country, increasing the number of vulnerable people who could find themselves in situations of forced labor. Schneider Electric is therefore particularly vigilant to the issues of migrant workers. In 2025, throughout on-site audits performed with risky suppliers, 3 cases of ethical breach regarding migrant workers protection were identified, of which one also included elements of forced labor (passport retention). Schneider's actions when this happens are to work with suppliers to mitigate such situations and implement preventive actions that will prevent them from happening again. As a last resort, when cooperation is not possible, business relation may be terminated. Although marginal, such cases reinforce our determination to pursue actively the research of such potential situations and their mitigation.
		Suppliers		
		Contractors		
	Working Hours	Schneider Electric		This risk is rather well captured, both internally and at our suppliers and contractor's place of operations. Following COVID year, risk has been increasing in a rather regular way. However, the set of actions deployed to reduce its negative impacts has also been enlarged, especially within Schneider Electric's own operations. It includes in 2025 the publication of internal guidelines on working hours, and a specific focus on production sites. Working hours was part of a dedicated awareness module as part of Schneider Electric's compulsory "Essentials learnings".
		Suppliers		
		Contractors		
	Mental Health, Psycho-social Risk	Schneider Electric		As a result of a complex business environment and the pressure it entails, psycho-social risks remain high. This is having consequences on employee well-being and mental health, and Schneider Electric has deepened its actions to prevent such risks. Specific training for managers has been deployed in several European countries where legislation is pushing for action. Beyond law requirements, the Group has also implemented such trainings targeting in priority specific teams (large international projects etc.). A specific category of risk is subject to scrutiny: harassment has been the object of specific programs for several years, including awareness actions, a Speak Up program, and a reinforcement of our alert system Trust Line. Over the last two years, the analysis of data from the alert system and other alternative tools such as Workers Voice have allowed a much better qualification of the risk level, mainly on sexual harassment and work harassment. The granularity of our findings lead us in 2025 to perform two specific assessments within the vigilance risk analysis, one for sexual harassment and the other for worker harassment, as likelihood and severity differ significantly between the two. Schneider Electric's efforts and commitments on these topics will remain unchanged.
		Suppliers		
		Contractors		

4.3 Overview of main risks and their evolution

Category	Risk	Location	Evolution	Comments
Environment	Carbon emissions and climate	Schneider Electric Suppliers Contractors		Among the different items in this section, CO_2 emissions and their consequence on climate change are the highest risk. For several years now, Schneider Electric has been measuring its carbon footprint in Scopes 1, 2, and 3. Schneider Electric's total carbon emissions (56 million tons in 2024) are mostly originating from Scope 3, with 86% coming from downstream usage (emissions at customer's operations) and 14% coming from upstream suppliers (raw materials and suppliers' operations), while the Company's own operational emissions are very low in carbon emissions (<1%). As described later in this document, the challenge of GHG emissions and climate change remains significant and the pace of actions needs to be sustained to converge towards the group's target to reach Net-zero emissions by 2050.
	Pollution and water use from raw materials extraction or transformation	Suppliers		Pollution and water-related risks are difficult to evaluate precisely in our supply chain, as they are most likely to occur at sites far upstream, during raw material extraction and transformation. Obtaining precise information for suppliers operating far upstream is challenging and will take time. However, pollution and water usage from industries involved in materials extraction or transformation could have significant impact on water, biodiversity or local communities. A specific study of a list of raw materials, such as copper, has started to better understand the impact of these industries, so that their risks can be further apprehended in our risk mapping exercise. As a precautionary approach, Schneider Electric is accelerating its policy of reusing, recycling, and expanding product life span to limit the consumption of raw materials, and thereby potential associated risks. The Company is also progressing well on its Schneider Sustainability Impact (SSI) #4 objective to use 50% green materials in its products by 2025, which focuses on steel, aluminum and plastics.
	Substances	Schneider Electric Suppliers	Evaluation in progress	Schneider Electric remains vigilant regarding the presence of substances of concern in its products and supply chain. Although regulatory requirements continue to tighten, the main challenge lies in obtaining full visibility on the composition of components, particularly beyond tier 1 suppliers where such information is often incomplete or unavailable. This limits the ability to establish a comprehensive mapping of restricted substances across all product tiers. At the same time, the increasing use of recycled raw materials in Schneider Electric's production mix is structurally reducing the reliance on substances of concern traditionally present in virgin materials. In 2025, Schneider Electric reinforced its vigilance through enhanced supplier engagement on chemical transparency and strengthened screening of recycled materials. The Group will continue improving data quality and traceability across its value chain.
Human Rights, Environment	Population Displacements, Pollutions	Communities		Although Schneider Electric is not often operating in an environment where its presence is having a significant impact on communities (both through its direct operations or that of its suppliers), it may happen that customer projects may be located in sensitive environments. Therefore, Schneider has started a review of its main projects to better identify the type of risk that may arise, and the possible mitigations. As mentioned in the "pollution from raw materials" section, the extraction and processing phases of the metals used by Schneider Electric may have negative impacts on local communities

4.3 Overview of main risks and their evolution

Category	Risk	Location	Evolution	Comments
Ethical Business Conduct	Corruption, Export Control, Fair Competition	Schneider Electric Suppliers Contractors		Risks linked to Ethical Business Conduct continue to receive particular attention from Schneider Electric. The Group remains exposed to corruption risks due to its geographical presence in countries with elevated risk level. Specific caution and stringent rules are applied, notably when interacting with public authorities or agents. Overall commercial pressure has slightly decreased compared to the post COVID period, which contributed to temporarily elevated exposure. However, in parallel, the rapidly evolving export control environment – driven by heightened geopolitical tensions – has significantly increased operational complexity for commercial teams. The proliferation of sanctions, country-specific restrictions and new compliance rules requires additional vigilance, training, and control mechanisms, both internally and with external partners. Schneider Electric is also aware that tensions around the sourcing of certain raw materials can create risks of unethical business conduct within the procurement chain. These risks are more difficult to anticipate, particularly when such materials are procured by upstream suppliers rather than directly by Schneider Electric. The Group continues to strengthen its monitoring and engagement to improve visibility and control across its supply chain.
Offer safety and Cyber-security	Data Privacy, Cybersecurity	Schneider Electric Suppliers Contractors		Schneider Electric's highly digital products, solutions, and software are embedded in core customer operations, meaning that any quality or cybersecurity breach could have significant operational or safety impacts. Offer safety and cybersecurity therefore remain top priorities for the Group. Readers are invited to consult the dedicated URD sections and specialized cybersecurity reports for technical details. In 2025, most changes observed in the vigilance risk matrix for safety stem from technical adjustments to scoring following the integration of CSRD requirements, rather than from changes in the underlying external risk landscape. One topic has been specifically re-evaluated: cybersecurity risks linked to on-site contractors. Increased reliance on external contractors during production peaks often requires deeper access to Schneider Digital systems, creating additional exposure to cybersecurity breaches. This emerging risk is being actively monitored and mitigated by Schneider's security teams.

5 Actions & Impacts: Zoom on specific programs

5.1 Suppliers Vigilance Program

Upstream supply chain

Why it matters

The Company has deployed a supplier engagement framework to evaluate, analyze, remediate and prevent potential risks identified upstream. The level of risk in the supply chain may vary depending on environmental, social, and ethical contexts of countries in which suppliers are located. These country-related risks are one of the important factors in customizing risk profile of suppliers.

Tracking and mitigating risk

Schneider Electric conducts a risk evaluation of its entire supply base on an annual basis. This evaluation covers sustainability specific parameters such as type of industrial process and technology used by suppliers and their geographic location. This allows to factor in risks that may arise from a country's specific situation (social, political, etc.). Such parameters are compiled in an independent third-party database (RBA – Responsible Business Alliance, ex-EICC, of which Schneider Electric has been a member since January 2018).

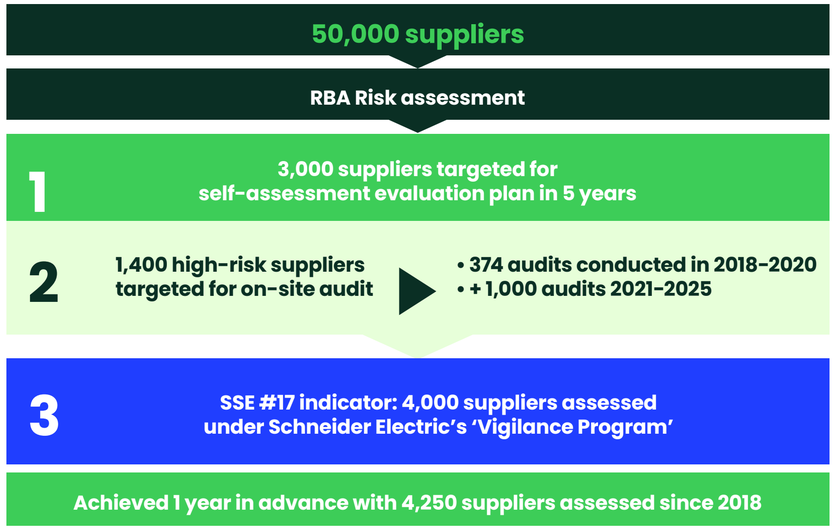
Schneider Electric's entire core network of about 50,000+ tier 1 suppliers is processed every year through this methodology. As a result of this process, a list of high-risk suppliers is identified and will serve as a base to build the annual on-site audit program.

Non-high-risk suppliers will not be subject to on-site audits but will fill a remote/self-assessment ESG questionnaire, and the answers will be evaluated by a team of specialists. Based on this analysis, the team may engage with some suppliers for clarifications and, if needed, may decide to perform on-site audits.

Suppliers Vigilance program has a multi-year objective

Our target is to audit 1,000 high risk suppliers on-site between 2021 and 2025, and to perform remote self-assessments for 3,000 medium-risk suppliers. This objective translates into an annual target of 200 on-site audits and 600 remote evaluations.

At the end of 2025, the target has been achieved with total 4,348 suppliers assessed,. In 2025 alone, 222 on-site audits were performed, and 74 suppliers answered to the self-assessment questionnaire. 26 batteries suppliers have been audited since 2018, including 12 in 2025 as a special focus. The Group continues to engage with them, including in relation to the EU battery regulation.



50,000+

Tier 1 suppliers in Schneider's supply chain

1,500

on-site audits of risky suppliers done since 2018

2,800+

Remote self-assessment of suppliers done since 2021

400,000

Workers positively impacted by the Supplier Vigilance Program since 2018 (internal estimate)

Annual Report reference for more details: Section "2.2.3.2.5 Vigilance plan for suppliers and contractors" p. 227

5.1 Suppliers Vigilance Program

Upstream supply chain

Methodology:

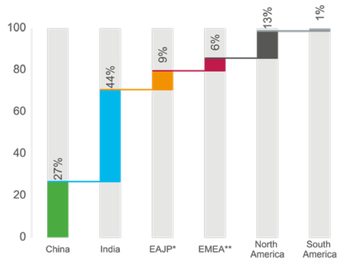
Schneider Electric follows the Responsible Business Alliance (RBA) audit methodology, which includes a review of worker rights, environment management, occupational health and safety, and company governance.

The high-risk suppliers of Schneider Electric are subjected to on-site audit, conducted by Schneider Electric's specialized auditors and, in certain cases, performed by external third-party agencies. Indeed, in some countries, the Group has developed partnerships with third-party auditors to support and execute part of the plan. Globally, approximately one fourth of audits are performed by these independent auditors. The rationale for developing the internal capacity for auditing is that it allows us to build experience internally, raise teams' awareness, and facilitate the transmission of this experience to onboarding employees or team members via training.

The audits span over 2-3 days and include facility walkthrough, review of management policies, worker interviews and examination of operational records to validate the conformances. At the end of the audit, an audit report is generated and shared with the supplier. In case of any non-conformance identified, the supplier needs to implement the corrective actions.

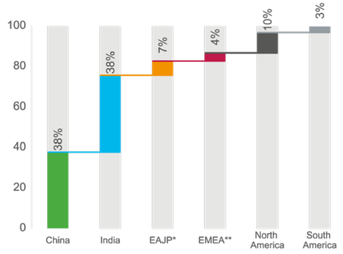
Schneider Electric adopts an active approach helping suppliers resolve any issue by sharing good practices and providing them with guidance and training. When corrective actions are implemented, our auditors will confirm the effectiveness of the actions either remotely or by on-site check. To ensure continuous monitoring and continuity of the controls, when the most serious non-conformances happened during first audit, the supplier is revisited for a check of the implementation 3 years after.

% Risky suppliers identified in 2025 by geography

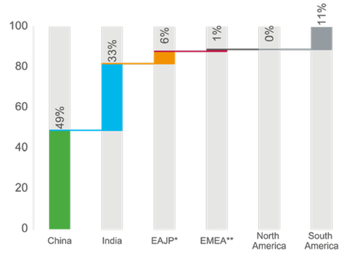


% Non-conformances in 2025 by topic

% Audits carried out in 2025 by geography



% Non-conformances in 2025 by geography



* EAJP: East Asia Japan Pacific
** EMEA: Europe Middle East Africa

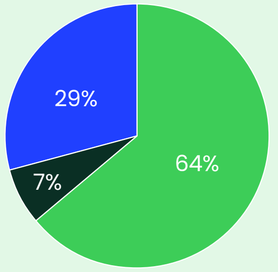
Extract: from supplier field audit reports:

"During plant visit, it was observed that appropriate personal protective equipments (PPE), necessary due to chemical usage, are not used. Some operators found wearing slippers on shop floors"

"Contract workers are not provided with paid leaves and maternity leave as per requirement."

"No smoke detection and alarm system available for entire production area."

192 top priority non-conformances in 2025



64%: Labor Standards

- Lack of respect of working time
- Lack of respect of resting days
- Lack of formalization of working contracts

29%: Health and Safety

- Weak emergency procedures
- Insufficient emergency trainings
- Insufficient fire alarm and protection systems

7%: Environment

- Insufficient waste management system
- Insufficient pollution prevention systems

This pattern in 2025 is similar to the one of previous years

Annual Report reference for more details: Section "2.2.3.2.5 Vigilance plan for suppliers and contractors" p. 227

5.1 Suppliers Vigilance Program

Upstream supply chain

In 2025, amongst the 222 audits performed, 203 revealed non-conformances, including 84 with “top-priority” non-conformances. For the most serious non-conformances (“top priority”), each case is escalated to the Chief Procurement Officer for business decision. These escalations to the Chief Procurement Officer may lead to the end of the business relationship. In 2025, amongst the 222 audits, all suppliers with actual or potentially negative impacts had taken agreed corrective action or improvement plans apart from 4 suppliers, with whom decision was taken to stop the business relationship due to non-conformance to the Vigilance plan. As of end of 2025, Schneider Electric has closed 95% of all types of non-conformances from 2024 and 58% of all types of non-conformances from 2025, and corrective actions are ongoing.

Self-assessments

In 2021, a specific self-assessment questionnaire was developed, building on the experience of on-site audits performed during previous years. Core questions aim at checking whether suppliers are compliant on mandatory subjects of labor, human rights, environment, and health and safety. The two main goals of this assessment are to 1) help the supplier to reflect on its compliance to vigilance standards, and 2) for Schneider Electric to identify whether on-site audits may be.

Impact

From the beginning of the program in 2017 to the end of 2025, about 1,500 suppliers had been audited on-site, and 16 500+ non-conformances were raised, and subsequently remediated.

The 222 on-site audits performed in 2025 have allowed Schneider Electric to raise 1,700+ non-conformances ; we can observe this year a decrease of the overall ratio of non-conformances per supplier compared to previous years. Out of these non-conformances, 192 are assessed as “top priority” and are given very specific attention during the re-audits of the suppliers. Schneider Electric’s objective is to close 100% of all types of non-conformances identified, whatever their priority level.

Overall, the resolution of non-conformances identified since the program’s inception in 2017 has supported the improvement of the working conditions for an estimation of 400,000 employees. As example, correct minimum wages, safe working conditions, maximum working hours, overtime paid in line with the law.

In 2025...

222

on-site supplier audits were performed

1,700+

non-conformances were identified

192

were « top priority » non-conformances

Annual Report reference for more details: Section “2.2.3.2.5 Vigilance plan for suppliers and contractors” p. 227

5.2 Decent Work program for strategic suppliers

Upstream supply chain - strategic suppliers

Building on Vigilance

The Decent Work program encourages suppliers to go beyond regulatory compliance and normative business practices. The program is dedicated to human rights, takes inspiration from the work of the ILO and includes key tenets into its content.

The program also combines key requirements and focal areas of several other international frameworks and bodies such as United Nations Global Compact, European Commission, United Nations Sustainable Development Goals and even aligning with requirements of SA8000 management standard.

The scope of the program includes strategic suppliers across direct (production) and indirect (non-production) procurement, i.e. 800+ suppliers. The initiative adopts the approach of a development program, acknowledging that its criteria may be new for many suppliers who will need support with capacity building, and constant engagement throughout implementation.

The evaluation of supplier performance is carried out through an online questionnaire rolled out via SSP-SRM – Schneider Electric's supplier relationship portal. Suppliers respond to questions and upload evidence to support their responses. Responses are then evaluated by reviewers who come from within Schneider Electric as well as third-party agencies specialized in business and human rights. When responses do not meet the minimum requirements, feedback is given, and corrective actions need to be implemented by the suppliers in a timely manner.

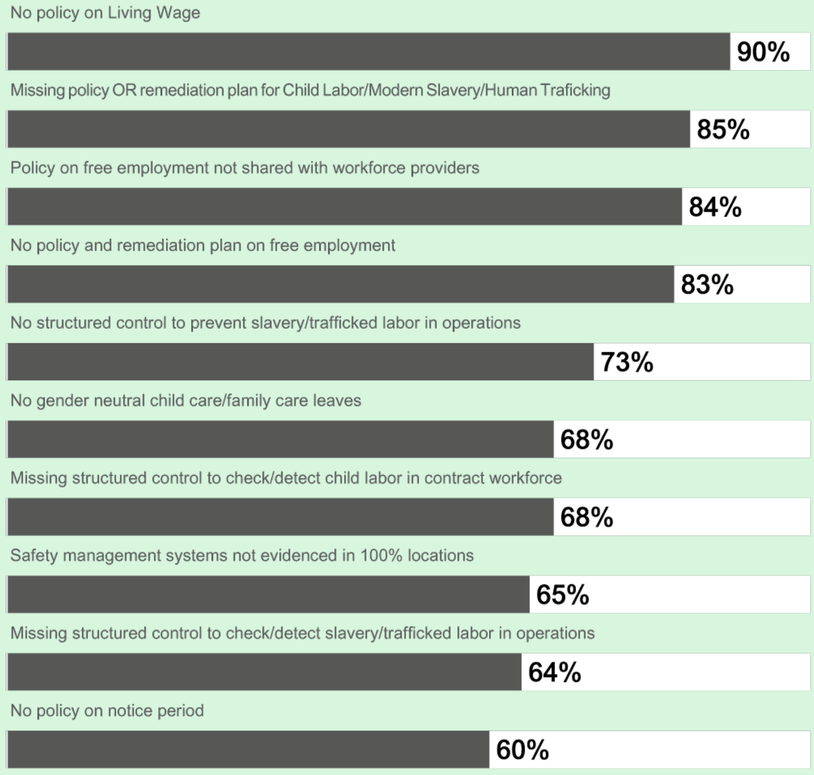
After implementation, suppliers will re-submit the information along with the evidence for the reevaluation. Most frequent gaps identified during the year are listed in the following graph.

Level of engagement with suppliers is high, and includes training, capacity building, and communication to ensure they understand the actions required and implement them. On average for every supplier 4-6 rounds of capacity building, clarifications and coaching sessions are conducted.

Schneider Electric has taken an overall ambition to ensure 100% of its strategic suppliers achieve conformance in the program by end of 2025 (SSI #6). This ambition is split into annual targets. In 2022 1% of the strategic suppliers, in 2023 21%, in 2024 63% and by the end of 2025, 98% of strategic suppliers achieved conformance.

Top 10 most frequent elements of improvement for strategic suppliers

Most frequent non-conformances



Annual Report reference for more details: Section "2.2.3.2.7 Other action plan on sustainable programs – Decent Work Program" p. 230

5.2 Decent Work program for strategic suppliers

The 10 pillars of « Decent Work » program

1. Employment opportunities	Employment opportunities should be available to all eligible, in a transparent, well-informed manner, and without any charges, as a right. In case of any expense incurred by the worker towards obtaining employment, the same should be reimbursed by the employer. The work should respect and uphold the dignity of employees and proactively create an environment to address and resolve modern slavery, forced labor, and bonded labor. There should be a process to ensure no child is employed.
2. Adequate earnings and productive work	Employment should be a source of economic independence and dignified living. The gradual decline of industrial wages and the COVID-19 crisis have severely impacted the economic outlook of the workforce, globally. Companies should review wage policies to ensure the affordability of a dignified living by the workers. Additionally, employment should equip the workforce to improve current skill sets and knowledge for future employability.
3. Decent working hours	Excessive working hours is a legal violation, often accepted as “necessary”. It is generally connected with low industrial wages and used as an excuse to not provide appropriate wages. Companies should review and remediate excessive hours and should align with the legal and/or international requirements.
4. Stability and security of work	Employment should be a source of economic stability and peace of mind. Uncertainty of job security increases stress and makes the workforce vulnerable to abuse and hazardous working conditions. The problem has been exacerbated due to COVID-19-related job losses.
5. Social dialogue and workplace relations	Employees should have the right to engage with management and collectively put across their concerns and demands. Collective bargaining encourages workers to raise concerns in a timely manner, acts as a barometer and early warning system to assess worker satisfaction and reduces worker vulnerability.
6. Fair treatment in employment	Employment should be based on merit and the ability to do the job, and fair treatment should be extended to all employees. Differences in lifestyle, choices, etc., often become a source of discrimination, victimization, and harassment. This curbs freedom of expression, hiding preferences, and creates mental health challenges. Companies should ensure a workplace that accepts diversity and provides an inclusive work environment.
7. Safe work	Employment should result in economic independence and augment the ability to exercise a healthy and prosperous life. It should not result in ill-health, risk to well-being, or be a source of injury/misery.
8. Social protection	Industrial wages are often not sufficient to provide adequate living standards. The problem is exacerbated in cases of health emergencies. Social protection, provided by employers/governments, provide a much-needed safety net from economic shock, descent into poverty, and vulnerability. Companies should ensure that all employees have access to the social security safety net.
9. Purchasing practices	Purchasing practices and requirements significantly impact working conditions. They influence the working culture of the supplier organization to meet customer requirements. The power of procurement can be a strong driver for positive change to include decent work conditions as a pre-requisite among the supply chain partners, when balanced with other commercial criteria.
10. Balancing work and family life	Family responsibilities disproportionately impact genders and result in unequal participation in economic activities. Workplaces should strive to create a level playing field and provide all possible opportunities to employees to participate in economic activities without compromising the family responsibilities, which may require periods away from work (e.g., maternity, family care, flexible hours, and adequate childcare). Work environment should act as a leveler/equalizer and not augment the disparity.

5.3 « Towards Zero Carbon » Project

Upstream supply chain - top 1,000 suppliers

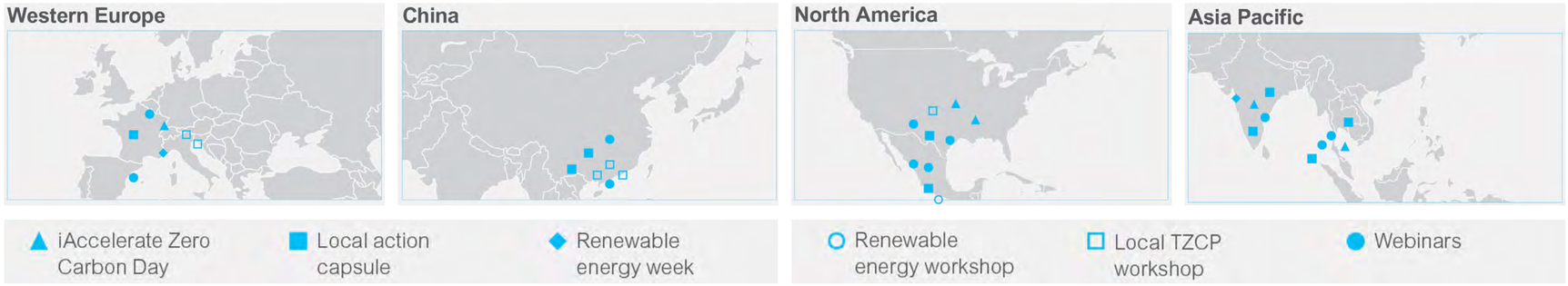
Schneider Electric's Zero Carbon Project (TZCP) is a supplier engagement program to collaborate with the top 1,000 suppliers and reduce their Scopes 1 and 2 GHG emissions intensity by 50% by 2025 - this target was achieved and exceeded. Participating suppliers quantify their operational footprint (Scopes 1 and 2; Scope 3 optional), make public reduction commitments, implement actions, and report progress to Schneider Electric.

Spanning 50+ countries and 65+ procurement categories with varied maturity and size, the program allows suppliers to tailor their plans (base year, baseline, targets, and timelines).

In 2025, prior initiatives matured and continued to deliver reductions, while tailored support was deployed across regions, including:

- Local action capsule: on-site support from sustainable procurement experts across China, India, East Asia, Europe, Mexico, and the US to identify bottlenecks and provide remediation; complemented by horizon scanning and market analysis to connect suppliers with specialized implementation partners.
- Renewable Energy Week: digital consultations with experts on renewable adoption.
- Renewable Energy workshops: customized deep-dives with experts.
- Local TZCP workshops: country/province sessions to address local implementation challenges.
- Thematic webinars: expert sessions on key decarbonization levers reaching broad supplier audiences.
- Sustainable Supply Chain Finance (pilot): early payment for suppliers meeting performance thresholds to improve capital access.
- Supply Chain Renewable Initiative: raising awareness of renewable instruments and potentially forming supplier cohorts to access them.

TZCP Supplier Support Framework



100%

Top 1,000 suppliers joined the TZCP

56%

CO_2 emissions reduction for top 1,000 suppliers operations achieved since 2021 (Scope 1 & 2)

250+

Supplier visits

3,000+

people trained

Annual Report reference for more details: Section "2.2.2.1.4 Actions related to climate change adaptation, mitigation, and energy – Supplier engagement for value chain decarbonization" p. 139

5.4 Social Excellence Program

Upstream supply chain

Schneider has initiated development of a Social Excellence program, which aims to go beyond tier 1 suppliers and onboard them on the human rights journey.

Since 2023, the Group has been implementing a pilot program to assess how such a program, focused on upstream, can be developed and deployed. While the program is still in exploratory stage, it has provided invaluable insights that will help in conceptualizing a full-fledged program.

Towards this, the Group has identified a particular product and created 3 work streams to evaluate the risk. These include:

- **Traceability workstream:** Suppliers of the pilot product have been identified and contacted through a third-party digital platform to assess their Human Rights performance and collect information on their sub-suppliers, to improve transparency and accountability throughout the supply chain. On a scope of more than 100 suppliers contacted and after 6 months, only 30% of suppliers answered correctly to Human Rights and sub-tier information requirements. This pilot thus reveals that mapping suppliers beyond tier 1 is still a challenge today as it takes time, it is resource-intensive, and data received varies in quality, especially as you move deeper into the supply chain.
- **Geographies workstream:** Using the RBA risk evaluation tool, high-risk countries are identified, and suppliers located in those countries are engaged via the Workers Voice tool to identify key impacting areas. The Workers Voice initiative proved to be a powerful and rapid tool for identifying risks directly from workers. It involves rolling out a Human Rights anonymous survey to the employees of selected suppliers. The pilot in Vietnam in 2024 showed that this type of mobile-based questionnaires can uncover issues not visible through the traditional tools of the Group, such as sexual harassment or stress. As a follow-up activity of the survey, results were shared with suppliers and action plans were implemented in the factories to ensure the root causes were addressed. This tool thus reveals very complementary to on-site vigilance audits. Collaborative approach with suppliers and direct engagement with rights holders fosters mutual improvement. The use of this tool will be expanded in coming years.
- **Raw materials workstream:** Focuses on the critical minerals as identified by the International Energy Agency (IEA) and aims to gain understanding on these raw materials supply chains structure and the risks associated. Each raw material presents unique human rights risks and requires a tailored approach. There is no one-size-fits-all solution, long-term engagement and sector collaboration are essential. Early efforts to map risks and define mitigation plans are underway, but progress depends on industry willingness and regulatory alignment. Towards this, Schneider Electric aligned with the Responsible Mineral Initiative and engaged strategic suppliers of Cobalt, Nickel, Lithium, Natural Graphite, Copper, Mica via the Extended Mineral Reporting Template (voluntary requirement) to report and disclose the information about the upstream smelters and their validation under Responsible Mineral Assurance Process (RMAP). This outreach was launched in July 2025, covering 244 suppliers and as of December 2025, six months into the initiative, 50% of the spend was identified as coming from smelters conforming to RMAP requirements. This process will continue in 2026 to engage more suppliers and the conclusion of the 1st year initiative will be reported along with the conflict minerals reporting.

Geography workstream: 1st Workers Voice pilot

Objective:

- Identify countries displaying high level of Human Rights risk
- Identify Schneider suppliers in the country and reach their employees through a "Workers' Voice" to detect issues

Goal?

- Consistently **raise the commitment of Schneider and its suppliers to Human Rights**, through workers consultation
- **Leverage new tools to understand working conditions** on our suppliers' sites
- **Implement remediation actions** in coordination with suppliers

How?

- **Anonymous mobile-based surveys** sent to our suppliers' employees, alive 3 weeks
- No answer identified at company
- **22 questions** on working conditions
- **Partnering with Ulula**, expert of digital stakeholder engagement

Vietnam

16

Participating suppliers

1,330

Respondent employees

Annual Report reference for more details: Section “2.2.3.2.7 Other action plan on sustainable programs – Social Excellence Program” p. 232

5.5 Customer Projects

Upstream and downstream supply chain

Duty of Vigilance with project contractors

Products and solutions by Schneider Electric are usually combined into larger systems such as electricity distribution and energy management in a building, or production process automation in a factory. The building of such systems can be complex and typically involves several different parties before they are commissioned by end-customers. For Schneider Electric, there are two options: to sell components through channel partners who take the responsibility to build and deliver the system; or to build and deliver the system directly for the end-customer, as a project. This second option requires coordinating several project contractors (panel manufacturers, system integrators, building contractors, etc.), usually on the premises of the end-customer. These projects are primarily off-site (mostly on customer premises, existing or future), and involve several different parties, global or local. Therefore, relationships with contractors are specific to a contract, and not necessarily recurrent. In 2025, Schneider Electric worked with approximately 9,000 solution suppliers (with a total spend of approximately EUR 1.9 billion).

Human Rights risks: As project sites are in countries where Schneider Electric may not be present, and involve independent subcontractors, there is a risk that policies recommended by Schneider Electric on Health and Safety, as well as decent workplace, may not be properly implemented. The main risks are physical accidents and injuries, or the unfair treatment of employees (wages and salaries, resting time), especially temporary and/or foreign employees.

Business Ethics risks: Projects conducted in countries where business ethics standards are insufficient may be subject to ethical risks such as corruption, bribery, or pressures of a similar nature.

Cybersecurity risks: Some subcontractors may have digital interactions with the end-customer and Schneider Electric at the same time. Therefore, their level of cybersecurity and data protection may create some risks for the project and the final customer.

A rigorous management of subcontractors supports a reduction in risks of incidents or accidents on site, and therefore protects workers, communities living around the project site, and the final customer's employees and assets.

Out of the 9,000 solutions suppliers, Schneider Electric has identified about 230 solution suppliers categorized as "high risk", using the same methodology as for suppliers. Since 2018, around 125 of those suppliers have been audited, with 15 audits performed in 2025 leading to Schneider Electric raising 105 non-conformances. Out of these non-conformances, 11 were assessed as "top priority" for 5 suppliers.

The most recurring non-conformances with high-risk solution contractors are related to management systems, in terms of establishing adequate management reviews and defining responsibilities for implementation of management systems. In addition to these non-conformances, specific risks related to local contract negotiation and relations with local authorities may occur.

Actions following non-conformances are the same as with other suppliers (re-audits, trainings, workshops). Specific measures are implemented for this project environment: Schneider Electric implements regular reviews of safety incidents on customers' sites, involving the Global Safety team and the Project Management leadership. The group has also reinforced training on Anti-Corruption and Business Agent policies for its employees involved in commercial negotiations. The project follow-up with contractors and the selection processes for contractors have been adapted to ensure vigilance topics are considered early in the project stage.

230

Solution suppliers
rated « high risk »

125

On-site audits
On solution suppliers since 2018

15

On-site audits
In 2025, raising 11 « top priority » non-conformances

Annual Report reference for more details: Section "2.2.3.2.5 Vigilance plan for suppliers and contractors" p. 229

5.5 Customer Projects

Upstream and downstream supply chain

Customer projects process ESG assessment

To reinforce the integration of ESG parameters at an early stage of the project selection, the group introduced evolutions in its project decision-making process. From the moment a business opportunity is identified to the moment it becomes an official offer from Schneider Electric to the customer, a project goes through several selection milestones that ensure its technical, operational, legal, and financial feasibility. Crucial milestones have been added over the last years to reinforce compliance to the highest ethical, environmental, and
human rights standards, following the 8 International Financial Corporation Standards (IFC).

These milestones include an early analysis to identify environmental and human rights risks that the project may create for the ecosystems and communities. This risk assessment can be reinforced by an expert third-party report whenever needed. Risks are prioritized and escalated throughout the selection process to ensure that any decision is consistent with ethical and human rights standards, and that any project execution plans for the adequate prevention and mitigation actions to be implemented.

Update on EACOP project

EACOP (East Africa Crude Oil Pipeline), along with the Tilenga project, is operated by a joint venture between two states (Uganda and Tanzania), and two private companies (CNOOC and TotalEnergies). It consists of several extraction sites, and a pipeline to connect these sites to a port on the Indian Ocean coast. The group provides equipment for the supervision and safety of the infrastructure and contributes to the integration of renewable energy sources to reduce the CO_2 emissions. Schneider Electric has commissioned an independent third-party expert, to conduct a risk assessment based on the International Finance Corporation performance standards on Environmental and Social Sustainability. The assessment has been updated with the status of discussions with the EACOP joint venture, local stakeholders (Individuals or NGOs) and Total Energies. In addition, Schneider Electric organized two field visits on the project site (in Uganda and Tanzania), led by its Chief Compliance Officer.

Based on these assessments and observations, Schneider Electric estimates that EACOP joint venture, local authorities, and local stakeholders are addressing the environmental and human rights concerns raised by certain local stakeholders and media outlets. As the project continues, Schneider Electric will continue to engage with stakeholders and to monitor relevant remediation actions. Overall, Schneider Electric is confident that the work with EACOP is consistent with its ethical and sustainability standards.

Annual Report reference for more details: Section “2.2.3.3 Ethical relations with affected communities / ESRS S3” p. 234

5.6 Conflict Minerals

Upstream supply chain

Schneider Electric is committed to responsible sourcing. The group's Conflict Minerals Compliance program is developed based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (CAHRA) and other international standards. Schneider Electric has also publicly released a statement on sourcing minerals from conflict-affected and high-risk areas, emphasizing responsible metal sourcing as part of its procurement practices. This statement is available publicly on www.se.com.

Mid-2020, Schneider Electric added cobalt to its scope, besides the 3TGs (Tin, Tantalum, Tungsten, Gold). Mica was added in 2021. Therefore, the conflict Minerals Compliance Program was complemented with the Extended Minerals Program. Indeed, Cobalt and Mica sales have been identified as potentially funding or supporting inhumane treatment, including human trafficking, slavery, forced labor, child labor, torture, and war crimes in known CAHRA.

To ensure supply chain integrity, the group has established processes to track minerals and assess associated risks. These efforts are supported by collaborations with expert third parties, such as the Responsible Minerals Initiative (RMI) and the London Bullion Market Association (LBMA).

Being a member of the RMI allows the group to obtain real-time data on identified raw materials smelters or refiners, including company names and general contact information. The RMI also shares information on smelters or refiners that successfully went through the Responsible Minerals Assurance Process and obtained a certification, meaning that they meet stringent due diligence, transparency and ethical standards in line with industries guidelines. This data is then analyzed by an external third-party partner, to determine how many identified smelters or refiners within the group's supply chain are considered medium or high risk.

The Conflict Minerals campaigning period starts in June and ends with issuing our Final Conflict Minerals Reporting Template (CMRT) in next March. By the end of 2025, the Group achieved significant progress, with 89% of identified smelters and refiners in its supply chain being designated as compliant with recognized third-party validation schemes.

In 2025, using the same process the Group start identifying smelters or refiners in its upstream supply chain for four new minerals: copper, natural graphite, lithium and nickel, leveraging the new "Extended Minerals Reporting Template" (EMRT) created by the RMI. For more details, please see section "5.4 Social Excellence Program" of this report.

89%

Identified smelters and refiners certified for 3TGs (vs. 87% in 2020)

50%

Identified smelters and refiners certified for of Cobalt, Nickel, Lithium, Natural Graphite, Copper, Mica (After 6 months – 1st time this campaign is launched)

Annual Report reference for more details: Section "2.2.3.2.7 Other action plan on sustainable programs – Conflict Minerals Program" p. 233

5.7 Continuous improvement based on ISO 26000

Upstream supply chain

The key focus of Schneider Electric is to ensure that suppliers treat sustainability as a journey and continue to improve their sustainability performance via organizational maturity on an ongoing basis. This is achieved by mandating strategic suppliers to adhere to ISO 26000 guidelines and sharing performance results and Key Performance Indicator (KPI) as part of journey to achieve higher performance threshold.

ISO 26000 is a voluntary guidance for companies and provides a framework for organizations to operate in a socially responsible manner, considering the interests of various stakeholders, including employees, customers, suppliers, communities, and the environment. As it is not a management standard, Schneider Electric has partnered with a third-party service provider, EcoVadis, to provide evaluation of the performance of the suppliers and assigning a score.

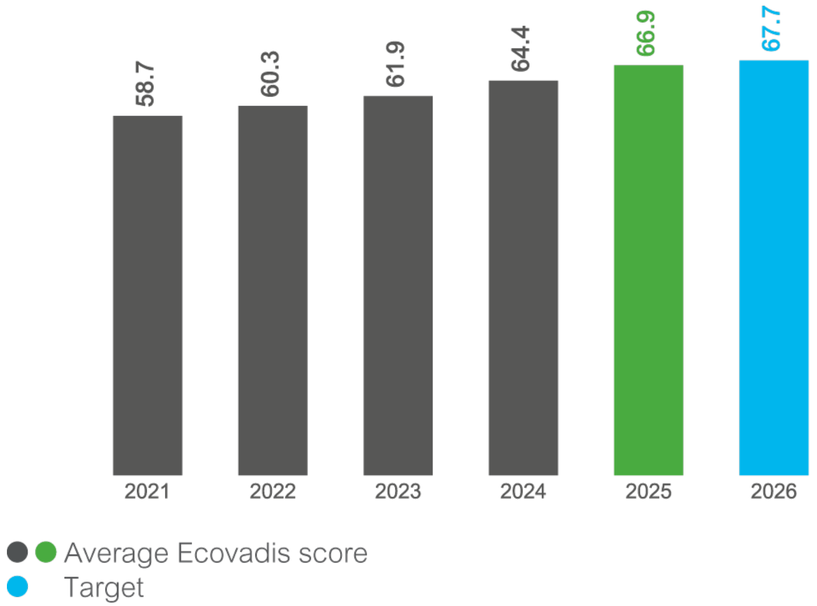
A score is assigned based on answers on four pillars: (1) Labor and human rights, (2) Environment, (3) Ethics, and (4) Sustainable procurement. Based on the results, suppliers must develop and deploy a corrective action plan and retake the evaluation.

All strategic suppliers of Schneider Electric are mandated to participate in the ISO 26000 program. The suppliers are assessed for conformance. If the score goes below 50 points, it results in revocation of the strategic status, impacting their business growth.

To drive evolution of the suppliers towards higher maturity and degree of performance, Schneider Electric has adopted a global target to have the global average score of 65 points for all strategic suppliers by end of 2025. This target is split into annual targets.

Consistent with a continuous improvement effort, targeted suppliers have achieved a +1.6 points increase both in 2022 and 2023, and +2.5 points increase both in 2024 and 2025, ending the program with 66.9 points as result.

ISO 26000 program progress



66.9 points

Average ISO 26000 score from strategic suppliers (vs. 57.4 points in 2020)

Annual Report reference for more details: Section “2.2.3.2.6 Continuous improvement based on the ISO 26000 standard” p. 229

5.8 Strenghtening our risk analysis through country-level vigilance

Upstream supply chain **Schneider premises** **Downstream**

As part of its Vigilance Plan, Schneider Electric continuously strengthens its program to prevent and mitigate serious impacts on human rights, health and safety, and the environment, including throughout the value chain.

The Group's global risk assessment is key to identifying overall trends and low signals. However, global analysis alone may not fully reflect how risks arise locally. Risk levels can vary widely between and within countries due to socio-economic conditions, sector exposure, labor practices, migration and recruitment patterns, regulatory enforcement, and access to remedy mechanisms. Thus, Schneider Electric consolidated in 2025 a country-level methodology as part of its Vigilance Program, enabling more precise identification of potential vulnerabilities, clearer distinction between structural and emerging risks, and better adaptation of prevention and remediation measures to local realities. This granular view also supports stronger prioritization, closer engagement with local stakeholders, and more effective follow-up.

Schneider Electric's Country Vigilance Analysis is built on four complementary pillars, combining top-down and bottom-up insights:

1. Tools and reports review (top-down): analysis of internal sources (due diligence results, grievance alerts, surveys, audits) and external reports from international organizations and NGOs.
2. Expert interviews (top-down): discussions with relevant internal and, where appropriate, external experts to deepen local understanding and test key assumptions.
3. Supplier vigilance audits (bottom-up): supplier assessments conducted by Schneider Electric auditors to evaluate ESG risks, verify compliance, and support corrective action plans.
4. Respect and Well-Being survey (bottom-up): anonymous surveys of own employees and suppliers' workers to detect weak signals, assess how policies work in practice, and strengthen a culture of respect.

Ongoing pilot in Türkiye:

Türkiye served as a first pilot country to test and refine this methodology, including the practical articulation between evidence, stakeholder insight, and operational decision-making. This approach is still being developed and will be strengthened over time as it expands to other geographies, with continuous improvement focused on data quality, relevance of insights, and robustness of action tracking.

Why Türkiye:

Türkiye was selected as a Vigilance pilot country due to Schneider Electric's significant industrial footprint (two plants, one distribution center making it a regional Middle East hub) combined with its high-risk context, as reflected in international indices (e.g. ITUC Global Rights Index).

Methodology:

- Internal tools and external reports review
- 22 internal experts interviewed
- 4 on-site « high-risk »[1] suppliers audits
- Upcoming « Respect and Well-Being survey » (Workers Voice) with suppliers' and Schneider's employees

The Country Vigilance pilot in Türkiye is ongoing. The findings will inform the definition and prioritization of preventive actions in coordination with local teams.

[1]Based on the « high-risk » supplier identification methodology defined in the section « 5.1 Suppliers Vigilance Program »

6 Actions & Impacts: Human Rights

Zoom on Human Rights impacts

Reminder from section 4.3: Main impacts:

Forced labor, migrant workers

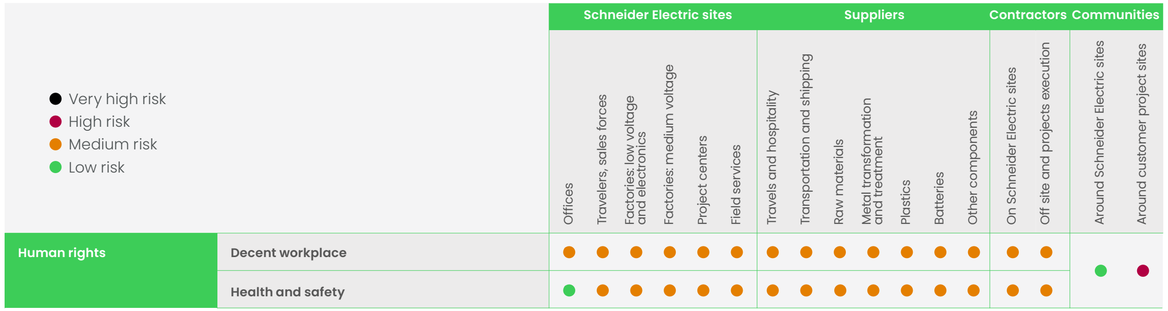
According to the 2021 Global Estimates of Modern Slavery, approximately 28 million people are estimated to be in forced labor, a number alarmingly increasing since 2016. 63% of all forced labor (17 million people) is estimated to be imposed by private actors. The report estimates that services (excluding domestic work), and manufacturing are the sectors most exposed, accounting for respectively 32% and 19% of total forced labor. It also identifies that for manufacturing, most forced labor cases occur in production in the upstream tiers of domestic or global supply chains (above tier 1).

This analysis shows that there could be risks of forced labor in the upstream tiers of Schneider Electric's supply chain (above tier 1), especially for migrant workers. In the meantime, climate change, conflicts or economic hardship are pushing more and more people to leave their home country, increasing the number of vulnerable people who could find themselves in situations of forced labor. Schneider Electric is therefore particularly vigilant to the issues of migrant workers.

In 2025, throughout on-site audits performed with risky suppliers, 3 cases of ethical breach regarding migrant workers protection were identified, of which one also included elements of forced labor (passport retention). Schneider's actions when this happens are to work with suppliers to mitigate such situations and implement preventive actions that will prevent them from happening again. As a last resort, when cooperation is not possible, business relation may be terminated. Although marginal, such cases reinforce our determination to pursue actively the research of such potential situations and their mitigation.

Working hours

This risk is rather well captured, both internally and at our suppliers and contractor's place of operations. Following COVID year, risk has been increasing in a rather regular way although we now consider it stable (but not reduced). However, the set of actions deployed to reduce its negative impacts has also been enlarged. It includes in 2025 the publication of internal guidelines on working hours, and a specific focus on production sites. Working hours was part of a dedicated awareness module as part of Schneider Electric's compulsory "Essentials learnings".



Mental health, Psycho-social risks

As a result of a complex business environment and the pressure it entails, psycho-social risks remain high. This is having consequences on employee well-being and mental health, and Schneider Electric has deepened its actions to prevent such risks. Specific training for managers has been deployed in several European countries where legislation is pushing for action. Beyond law requirements, the Group has also implemented such trainings targeting in priority specific teams (large international projects etc.).

A specific category of risk is subject to scrutiny: harassment has been the object of specific programs for several years, including awareness actions, a Speak Up program, and a reinforcement of our alert system Trust Line. Over the last two years, the analysis of data from the alert system and other alternative tools such as Workers Voice have allowed a much better qualification of the risk level, mainly on sexual harassment and work harassment. The granularity of our findings lead us in 2025 to perform two specific assessments within the vigilance risk analysis, one for sexual harassment and the other for worker harassment, as likelihood and severity differ significantly between the two. Schneider Electric's efforts and commitments on these topics will remain unchanged.

6.1 Health & Safety at work

Relevant documents: Health & safety policy, Human Rights policy, supplier code of conduct

Upstream supply chain

Health & Safety with suppliers

Health and Safety (H&S) is a major topic verified during supplier vigilance audits. Based on the Responsible Business Alliance (RBA) audit framework, Schneider auditors perform a review of H&S procedures, then check their full implementation on site. Overall, H&S non-conformances represent 35% of all issues reported. Most prevalent breaches are fire-prevention measures, followed by poor protection of workers exposed to dangerous machines. Remediation includes the request to supplier to immediately comply with local laws and regulations at minimum. To further protect workers, Schneider also provides advice and trainings on how to enhance H&S procedures.

These non-conformances are considered closed when the supplier has provided evidence of successful implementation, if necessary, through a re-audit.

Health & Safety with project contractors

When Schneider Electric operates on the site of a customer to build equipment, subcontractors are hired for specific tasks such as civil-work, components installation and cabling. These tasks frequently involve manual work, heavy loads carrying, and working with electrical devices. When in charge of the site, Schneider Electric applies to all workers (including temporary one) the highest safety standards. This starts with information on safety procedures, trainings on how to behave to prevent accidents. These sessions are conducted by Schneider experts. Then during the execution of the project, on-site audits will be performed at regular intervals to ensure compliance, until the project is commissioned and delivered to the final customer.

Extract from supplier on-site audit reports:

"No smoke detection and alarm system available for entire production area." Subsequent to the audit, the supplier implemented a smoke & alarm system.

Schneider premises

Fundamentals of the Health and Safety action plan are based on H&S Policy which implements the safety strategy "S.A.F.E. First":

- "S.A.F.E. First" has been developed as a personal reminder to pause and reflect on safety before beginning any task. (Self-check, Activity check, Facility check, Environment check).
- This "S.A.F.E" strategy has been deployed to all employees.
- Top hazards are regularly reviewed to prevent serious accidents.
- Five guiding principles, set the expected Health and Safety behaviors.
- Four strategic priorities have been identified as strong levers to deliver the Schneider Electric Policy.

To ensure successful implementation of the Health and Safety strategy, Annual Environmental Health and Safety Assessments are performed in industrial and customer-facing sites worldwide.

All Schneider Electric sites prepare a Health and Safety legal register, audit themselves against the required regulations and implement actions to close the gaps. The full process is audited every three years as part of the ISO 45001 which is implemented on all industrial sites and is externally audited by an accredited body.

In 2025, a safety climate survey which is internationally known as NOSACQ50 has been deployed to every employee to help improving the safety culture maturity. The employee engagement in the 2025 safety survey was 54% which exceeded the 2025 ambition of 50%.

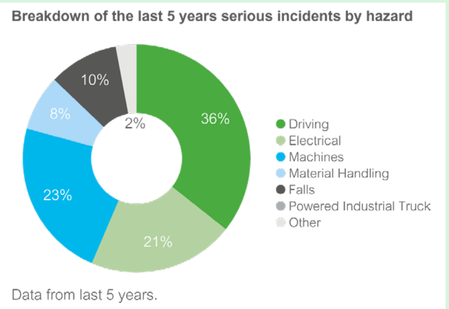
Health and Safety reports are created by the VP Global Health and Safety and presented to the executive level, during the quarterly Quality and Safety board. The report includes Health and Safety performance vs. targets and Health and Safety program deployment update.

11.14 days[1]

Lost-Time Day Rate (LTDR)
(13.74 in 2020)

165

medical incidents translating to a MIR performance of 0.46[1] (0.58 in 2020) - SSE #14



Annual Report reference for more details: Section "2.2.3.1.3 Employee health and safety" p. 201 and "2.2.3.2 Sustainable relations in the value chain | ESRS S2" p.223

(1) Per million hours worked

6.2 Living Wage

Relevant documents: Human Rights policy; Supplier Code of Conduct

Upstream supply chain

Decent Work Program

Living Wage commitment is one of the key focal areas of our Decent Work program with Schneider Electric's strategic suppliers. Adequate earnings and productive work is one of the 10 pillars of the program and includes the notion of living wage. At the end of 2025, the absence on living wage was the most frequent supplier non-conformance to the Decent Work requirements.

Advancing the Living Wage topic with our suppliers is a complex process that will take time. However, the Group is convinced of its importance. Inequality, due to the poor distribution of wealth, is indeed perceived as the most central risk of all by the World Economic Forum[1], playing a significant role in both triggering and being influenced by other risks. Low wages can, for example, push workers to accept indecent conditions or to make their children work. It is therefore essential to tackle the problem of insufficient wages. For this reason, in 2024, Schneider Electric has advanced its living wage approach by entering a three-year partnership with the WageIndicator Foundation.

The objective of this partnership is to provide insights into wage practices globally and enable Schneider Electric and its suppliers to make better decisions toward the realization of living wages.

As part of the next phase of the program, the suppliers will be trained to undertake wage gap assessment including commitment to initiate the activity.

Schneider premises

Schneider Electric conducts an annual living wage gap analysis since 2018. Starting in 2021, the Group committed to paying 100% of employees at least a living wage as part of Schneider Sustainability Essentials (SSE #20). Collaborating with Fair Wage Network since 2022 allowed to improve geographical coverage, develop a dynamic web-based living wage benchmark, and initiate an independent review and certification of the living wage gap analysis.

Schneider Electric was certified in March 2024 by the Fair Wage Network, being qualified as a "Living Wage Employer" for a second consecutive time, valid until December 31st, 2025.

In 2025, 100% of Schneider employees are paid above the living wage in their country.

	2025	2024	2023	2022	2021
Employees covered by living wage analysis	100%	100%	100%	99%	99%
Schneider Electric employee paid above living wage	100%	100%	100%	99.9%	99.9%

98%

of strategic suppliers conforming to the Decent Work Program, and starting a roadmap on Living Wage (21% in 2023 – First results) – SSI #6

100%

of Schneider employees are paid above a living wage

Annual Report reference for more details: Section "Adequate wage" p.198 and "2.2.3.2 Sustainable relations in the value chain | ESRS S2" p.223

[1]. Risk Report 2025, World Economic Forum: https://www.weforum.org/publications/ global-risks-report-2025/

6.3 Non-discrimination

Relevant documents: Human Rights policy, anti harassment and anti discrimination policy; Supplier Code of Conduct

Upstream supply chain

Supplier Diversity program

In the US, the Company implemented a Supplier Diversity program, which aims to promote the utilization of qualified and competitive diverse businesses in procurement. The program includes suppliers that are certified as one (or more) of the following: Small Business Enterprise (SBE), Veteran-Owned Enterprise (VET), Disadvantaged Business Enterprise (DBE), Minority-Owned Enterprise (MBE), Women-Owned Enterprise (WBE), Disabled-Owned Enterprise (DOBE), LGBT+ Owned Enterprise (LGBT), and Businesses located in Historically Underutilized Business Zones (HUBZone). The Company accepts all third-party certifications by organizations such as: the National Minority Suppliers Development Council (NMSDC), Women's Business Enterprise National Council (WBENC), the National Gay and Lesbian Chamber of Commerce, and Disability: IN.

Decent Work Program

Diversity, Equity and inclusion are ones of the key focal areas of our Decent Work program with Schneider Electric's strategic suppliers. Fair treatment in employment is one of the 10 key pillars of the program and include the notion of diversity, equity and inclusion. Among the suppliers most frequent gaps are the absence of a gender-neutral child-care / family care leave (68%), or missing criteria in the inclusion policy (44%).

In 2023, 21% of strategic suppliers were conforming to the Decent Work Program, it was 98% in 2025. This improvement shows better commitment of strategic suppliers on fighting against discrimination. For more information, please refer to section Decent Work.

Extract from supplier on-site audit reports:

"There is currently no policy/procedure to ban discrimination or harassment in hiring, employing, or terminating workers." Subsequent to the audit, the supplier implemented specific policy against harassment or discrimination

Schneider premises

In 2023, Schneider has deployed a new Anti-Harassment & Anti-Discrimination Policy which reinforces Schneider Electric's zero tolerance for any kind of harassment or discrimination in the workplace.

Gender diversity

The Group sets specific gender balance ambition for 2025 in the scope of the SSI: 50% women in recruitment, 40% in front line management, 30% in leadership positions. The Group sets an objective to reduce gender pay gap below 1%.

Disability

Schneider Electric is committed to promoting and including people with disabilities throughout its operations worldwide. The Group established the Global Disability Inclusion and Accessibility Office, addressing needs of people with disabilities through a strategy of Inclusion and Care by Design.

LGBT+ inclusion

Schneider Electric is committed to the United Nations Free and Equal Standards of Conduct for Business on Tackling Discrimination against LGBT+ People, standing up for equal rights and fair treatment for LGBT+ people everywhere.

Ethnicities & nationalities

Based on a global commitment made by Schneider Electric, regional specific actions are deployed for Ethnic and Nationality diversity. Ath the end of 2025, 92% of Country Presidents are either local or regional; 54% of employees are in new economies, 31% of leadership roles. 183 nationalities are represented in the Group global workforce across 102 countries.

Gender pay gap

Schneider Electric has made a commitment to Pay Equity under SSE #18 to reduce the gender pay gap for both females and males. In 2025, and for the second year in a raw, the Company has maintained its ambition to reduce the pay gap for both women and men below 1%.

37%, 32%, 32%

Percentage of women in hiring, front-line management, leadership teams

(41% / 25% / 24% in 2020) - SSI #8

Male: -0.84%
Female: 0.58%

Gender pay gap reduction

(In 2020: Male: 1.00% Female: -1.73%) - SSE #18

Annual Report reference for more details: Section "2.2.3.1.4 Equal treatment" p.206 and "2.2.3.2 Sustainable relations in the value chain | ESRS S2" p.223

6.4 Working hours

Relevant documents: Human Rights policy, Flexibility@work policy, supplier code of conduct, Working Time Tracking and reporting internal standard

Upstream supply chain

Decent Work Program

Decent working hours is one of the pillars of Decent Work program and as such, is included in the process review we have with strategic suppliers.

Supplier on-site audit program

Working hours is also a major topic verified during supplier vigilance audits under the "Labor" category. Based on the RBA audit framework, Schneider auditors perform a review of working hours procedures, then check their full implementation on site.

An analysis of the 192 "top-prioritiy" non-conformances raised in 2025 shows that the lack of respect of working time and resting days (time measurement systems are often insufficient) is regularly found. Working with these suppliers on remediation plans allows to close such non-conformances and provide workers with a safer work environment.

Extract from supplier on-site audit reports:

"Workers found to be working 22 days continuously. Process to ensure weekly rest is provided and prevent exceedance is not in place."

"Security guard working hours found to be exceeding 60 hours in a week." After the audit, the supplier amended an agreement for security agency for prohibiting of overtime.

Schneider premises

Flexibility@Work Policy

As part of this new Flexibility@Work Policy, countries can explore additional measures such as flexible working hours, flexible holidays, part-time work, and volunteering.

Mental Health

Schneider Electric implemented a mental health program which includes training, awareness and a specific campaign to prevent excessive working hours.

Working time standard

In 2024, Schneider Electric has published and deployed a Working time tracking and reporting process group standard defining a mandatory set of minimum standards for tracking and reporting working time. This group standard is applicable to all countries all business activities, all legal entities within the financial consolidation scope.

Trust Essential training

Working hours was part of a dedicated awareness module as part of Schneider Electric's compulsory "Essentials learnings". 99.2% of Schneider Electric employees have done this training.

100%

Global Leave policy deployment at Schneider Electric (100% in 2020)

99%

Flexibility@Work policy deployment at Schneider Electric (99% in 2021)

99.2%

Schneider Electric employees have completed Trust Essential that includes a dedicated chapter on working hours

Annual Report reference for more details: Section "2.2.3.1.4 Equal treatment" p.206 and "2.2.3.2 Sustainable relations in the value chain | ESRS S2" p.223

6.5 Forced labor and child labor

Relevant documents: Human Rights policy, Migrant Workers Guidelines; Supplier Code of Conduct

Upstream supply chain

Decent Work Program

Prevention of forced labor and child labor are ones of the key focal areas of our Decent Work program with Schneider Electric's strategic suppliers. Employment opportunities is one of the 10 pillars of the program and includes the notions of forced and child labor.

Among the most frequent non-conformances, Schneider Electric found: Missing policy or remediation plan for Child Labor/Modern Slavery/Human Trafficking (85%); Policy on free employment not shared with workforce providers (84%); No policy and remediation plan on free employment (83%); No structured control to prevent slavery/trafficked labor in operations (73%); Missing structured control to check/detect slavery/trafficked labor in operations (64%); Missing structured control to check/detect child labor in operations (47%).

Risk analysis for solution suppliers

To better capture risks occurring with subcontractors during customer project execution phase, Schneider Electric Human Rights team conducted in 2024 several analysis interviews that include forced labor dimension with customer project managers. Based on the results, one pilot in a specific country will be launched in 2026.

Supplier on-site audits as part of the Supplier Vigilance program

As part of our on-site tier 1 supplier audit program, forced labor and child labor are systematically checked during supplier audits. So far out of 222 audits performed in 2025 and the years before, no case of child labor were identified. A few marginal cases of undocumented workers were identified and subsequently resolved. This low occurrence leads Schneider Electric to believe that the risk is low at our tier 1 supplier level. However, Schneider will increase efforts to better evaluate potential risks above tier 1 suppliers, all along the supply chain.

Extract from supplier on-site audit reports:

In 2025, throughout on-site audits performed with risky suppliers, 3 cases of ethical breach regarding migrant workers protection were identified, of which one also included elements of forced labor (passport retention). Schneider's actions when this happens are to work with suppliers to mitigate such situations and implement preventive actions that will prevent them from happening again. As a last resort, when cooperation is not possible, business relation may be terminated. Although marginal, such cases reinforce our determination to pursue actively the research of such potential situations and their mitigation.

Schneider premises

Migrant Workers guidelines

Migrant workers are a population particularly exposed to forced labor risk. Compared to non-migrant workers, they are three times more at risk of forced labor. Therefore, in 2023, and to complement our Human Rights policy, the Group deployed the Migrant Workers Guidelines. These guidelines are guided by the "Dhaka principles for migration with dignity" and provide a frame to help Schneider Electric's operational teams, as well as partners such as recruitment agencies, ensure that any migrant worker in Schneider Electric's ecosystem is protected from any abuse or malpractices, and how to resolve and prevent such situations.

Annual Report reference for more details: Section "2.2.3.2 Sustainable relations in the value chain | ESRS S2" p.223

6.6 Social dialogue

Relevant documents: Human Rights policy, supplier code of conduct

Upstream supply chain

Decent Work Program

Social dialogue is one of the key focal areas of our Decent Work program with Schneider Electric's strategic suppliers. Social dialogue and workplace relations is one of the 10 pillars of the program.

During the review with strategic suppliers, Schneider Electric found that the absence of a specific policy on collective bargaining was often occurring (42% of non-conformances to the Decent Work program).

As more strategic suppliers embark on our Decent Work program (98% in 2025), we expect this subject to progress positively.

Schneider premises

Social dialogue at Schneider

Social dialogue at Schneider Electric is managed at country level by Human Resources leaders with the employee representative bodies and/or unions, in compliance with local legislation.

Schneider joined the Global Deal initiative in 2017, which promotes social dialogue and sound industrial relations, as effective means for achieving decent work and inclusive growth.

Since 2021, social dialogue is included into the Group's social reporting on Decent Work. Local Human Resources teams report on a yearly basis on the presence of employee representation bodies in their countries and the percentage of employees covered by collective agreements.

As Social Dialogue is a topic different from a country to another, Schneider Electric is also implementing local actions to advance on this topic.

European Work Council

The European Work Council (EWC) is the highest representation of Schneider Electric employees at European level. 36 members are part of this council (5 of them are part of SE's board of director) representing 45,000+ Schneider employees across 27 countries. The EWC council meets at least 1 time per year as a preliminary session and 4 times per year as for the EWC Core Council. The objective of this council is to proving social dialog at European level, considering the voice of Schneider Electric's employees in transnational projects, around the topics of business and organization changes, investments, environment, health and safety, work conditions etc.

90%

Of employees in European Economic Area are covered by collective bargaining agreements.

98%

Of employees in European Economic Area are represented by Employee Representatives locally.

Annual Report reference for more details:
Section "Social dialogue" p. 195

6.7 Continuous employability

Relevant documents: Human Rights policy, supplier code of conduct

Schneider premises

Upskilling @Scale

In 2025, the Company strengthened its Upskilling @Scale strategy, an enterprise-wide approach to accelerate skill development in line with business priorities and technological transformation. This shift emphasizes a skills-first, business-integrated model, embedding learning into daily work and focusing on critical capabilities for emerging roles.

Key achievements:

- Employees averaged 23[1] hours of learning, covering compliance, culture, and skill-based training aligned with individual and organizational goals.
- Expanded access and scale through Coursera, offering 10,000+ courses from 200+ institutions to all active employees. By yearend, 38% of employees had engaged with Coursera, reflecting strong adoption and interest in self-directed learning.

Complementing this broad access with Coursera, the global academies and learning teams also deployed dedicated upskilling programs for key workforce segments such as Sales, leadership and Global Supply Chain employees, as well as for critical skill areas like digital and AI. These targeted interventions, developed in partnership with business leaders were guided by a robust skill architecture and supported by data-driven insights to ensure relevance and impact.

Digital upskilling program

The "Digital Upskilling" program aims at upskilling Schneider Electric's workforce in critical digital skills for the Company's digital strategy and employees' sustainability of employment. It is supported by the: "Digital Upskilling for All Employees" enabling Digital Citizenship (SSE #22). The learning journey is structured to guide employees from awareness to mastery through a blend of internal and external resources:

- Assessment: Digital Boost, a gamified tool assessing skills across Data, AI, Cybersecurity, Digital Tools, Technologies, and Digital Mindset.
- Personalized pathways: Tailored training recommendations based on assessment results.
- Core learning: Digital Upskilling; Foundational to advanced courses (e.g. Coursera); AI Upskilling@Scale; "AI for All Essentials" plus role-based paths and hands-on experiences (Promptathons, Copilot sessions, webinars).
- Enablement: Digital Skills dashboards for employees and managers. 1,000+ AI Adoption Champions driving local activation and peer learning.

A digital ecosystem to enable development opportunities for all

Schneider Career Hub is the Group's new AI-powered platform for career development – a one-stop shop to understand, shape and grow careers at Schneider Electric. It builds on the success of the Open Talent Market (OTM), and replaces it with improved technology, more integrated and personalized experience that enables employees to grow their skills, and careers with purpose. Through Schneider Career Hub, employees can explore career paths, discover learning opportunities, and connect with internal job opportunities aligned to their skills and aspirations. This reflects

Schneider's commitment to a future where skills create opportunity, and every employee is supported in owning their growth. It is the first step in a broader transformation that places people skills, growth, and future-readiness at the center of how Schneider work and lead.

In 2025, Schneider Electric advanced its transformation into a skills-based organization by strengthening a connected learning ecosystem. At its core is My LearningLink (MLL), a global platform offering personalized digital and classroom learning, accessible on desktop and mobile. Shop floor employees benefit from Digital Learning Corners, ensuring equitable access. This learning ecosystem extends beyond employees, reaching a vast global audience of partners and customers through the mySchneider Partner Portal, where learning resources are actively utilized worldwide.

2.7x

Multiply the number of employee-driven development interactions on the Open Talent Market

(basis of 5,019 interactions, in 2020) - SSE #21

81%

Of employees received a digital upskilling program (41% in 2020) - SSE #22

23.3

Number of training hours per employee, in 2024 (24.5 in 2020)

Annual Report reference for more details: Section "2.2.3.1.5 Training and skills Development" p.215

1 calculation: Total completed training hours (2025) ÷ number of employees with >0 completed training hours ('In-Progress' hours are excluded from this calculation).

6.8 Mental health

Relevant documents: Human Rights policy, supplier code of conduct, Flexibility@Work policy, Working Time Tracking and reporting internal standard

Schneider premises

Mental health and well-being

Built on a foundation of trust and respect, Schneider Electric continuously implements and improves its policies, education, and practices to support employees and respect their unique lives and ways of working. Schneider Electric is committed to creating a workplace where mental health is openly discussed and supported without stigma. The organization actively promotes conversations about emotional and psychological well-being and encourages employees to seek help when needed. Through global awareness campaigns, leadership engagement, and sharing real employee stories, the organization normalizes discussions around mental health and demonstrates that seeking support is a sign of strength. Schneider Electric's annual employee engagement survey includes questions on well-being, psychological safety, and worklife balance. As per the survey, 76% of employees feel that the organization actively looks after the well-being of its employees (+10 points vs. baseline year 2019) and 81% of employees say that they have the flexibility to modify their work arrangements as needed. These numbers help the organization understand the impact of its policies and actions as well as help inform the future actions.

Schneider Electric's global campaigns, such as Mental Health Awareness Month, feature employee-led sessions and storytelling to foster openness and reduce stigma. Local Employee Resource Groups and well-being champions play a key role in shaping.

programs that reflect cultural and regional needs. The Group also adapts the mental health programs to local contexts. In 2025, multiple sessions were organized globally and regionally for the Mental Health Awareness Month, where over 7,000 employees participated in the campaign.

Mental health support

Mental health is a vital aspect of Schneider Electric's overall Inclusion & Care strategy. Schneider Electric integrated mental health into its global well-being's focus in 2019, and has provided all employees with a playbook, and series of trainings (available in multiple languages) on how to manage mental health challenges. In 2025, "We All have Mental Health", an e-learning module focused on what mental health means, and how to recognize the signs of mental health challenges and act, ranked among the top five most completed non-mandatory trainings by new hires. In addition, employees have access to Employee Assistance Programs in most regions. The organization complements this with digital well-being platforms, local counseling services, and global awareness campaigns to normalize conversations around mental health.

76%

Of employees feel that the organization actively looks after the well being

81%

of employees say that they have the flexibility to modify their work arrangements as needed

7,000

Employees participate to sessions related to Mental Health Awareness campaign

Annual Report reference for more details: Section "2.2.3.1 Great people make Schneider Electric a great company | ESRS S1" p. 189

6.9 Communities

Upstream supply chain

Local communities living adjacent to Schneider Electric's direct suppliers' sites

Schneider Electric's suppliers include companies in various industries and countries, which could cause pollutions to soil, air, or water, generate noise, or impact traffic around their sites, and could potentially impact local communities. Specific sustainable procurement programs are in place to prevent environmental and social risks at Schneider Electric's direct suppliers:

- Supplier qualification process including sustainability performance as key evaluation criteria.
- Adhesion to Schneider Electric's supplier Code of Conduct.
- On-site and remote supplier audits as part of the vigilance plan (SSE #17).
- ISO 26000 for strategic suppliers.

People living around mines in Schneider Electric's upstream supply chain, including indigenous people

Schneider Electric's approach is to evaluate risks related to mines and implement prevention or mitigation plans for each material, prioritizing them by procurement volume and human rights risks. The Group is engaged in various programs relating to raw materials:

- Conflict minerals program (Tin, Tungsten, Tantalum, Gold + Cobalt and Mica) (See section 5.5 Conflict Minerals)
- SSI #4 program (Aluminum, Steel, Plastics) with the ambition to increase green material content in our products to 50%.

For raw materials that are necessary for Schneider Electric's activities and are not yet covered by one of the programs mentioned before (such as copper), a specific study has been started to better understand the impact of these industries.

Schneider premises

In 2020, Schneider Electric conducted a vigilance risk assessment for Schneider Electric's 30 largest sites with a focus on impact on local communities. This analysis was made in 3 steps:

- Analysis of the potential impact that a Schneider Electric site may have on its surroundings
- Qualification of the natures of risk and their level, using public data available at the national level on topics such as ethical standards (National Corruption Index), individual development (Human Development Index)
- Combination of Schneider Electric's site impact level with the composite country risk index.

The overall result showed that the level of risk on local communities living around Schneider Electric sites was 'low' in most cases.

Downstream

People living around customer projects, in the extractive industries sector and power generation

Ongoing projects: As of end 2024, 30 customer projects have been reviewed. The analysis points to the following conclusions: A large majority of limited impact on nearby communities and a small number of project have […];
A minority of projects involve large civil works on-site, that may affect the local environment or local communities. This almost only happens when the end-customer is conducting a complex and highly specialized project (refinery, factory, extraction site, etc.). In these instances, Schneider Electric is only one of the several vendors, and does not handle relations with local population. In such cases however, Schneider Electric wishes to apply the highest level of ethical and responsible commitment in its relations with the end-customer to ensure that the project complies with high sustainable and ethical standards.

New projects: Due to the acceleration of infrastructure linked to the energy transition and the potential risks on local communities, the Group introduced evolutions in its project decision-making process (see section 5.7 Customer Projects).

Annual Report reference for more details: Section "2.2.3.1.4 Equal treatment" p.206 and "2.2.3.3 Ethical relations with affected communities | ESRS S3" p.234

7 Actions & Impacts: Environment

Zoom on environment impacts

Relevant documents: Environmental Sustainability Policy; Materials and Chemicals Directive; Global Environment and Health and Safety Directive on Hazardous Management (GEHSD001); Supplier Code of Conduct

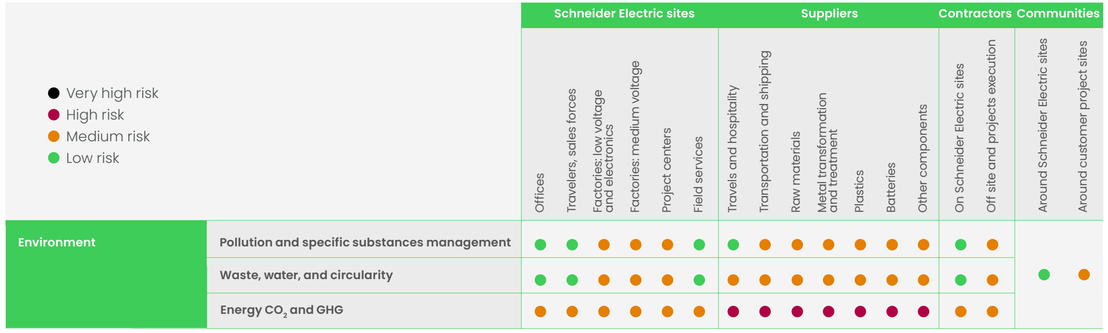
Reminder from section 4.3: Main impacts:

Carbon emissions and climate

CO_2 emissions and their consequence on climate warming are the highest risk for Schneider Electric. For several years now, Schneider Electric has been measuring its carbon footprint in Scopes 1, 2, and 3. Schneider Electric's total carbon emissions (61 million tons in 2025) are mostly originating from Scope 3, with 87% coming from downstream usage (emissions at customer's operations) and 13% coming from upstream suppliers (raw materials and suppliers' operations), while the Company's own operations are very low in carbon emissions (<1%). As described later in this document, the challenge of GHG emissions and climate change remains significant and the pace of actions needs to be sustained to converge towards the Group's target to reach Net-zero emissions by 2050.

Pollution and water use from raw materials extraction or transformation

Pollution and water-related risks are difficult to evaluate precisely in our supply chain, as they are most likely to occur at sites far upstream, during raw material extraction and transformation. Obtaining precise information for suppliers operating far upstream is challenging and will take time. In 2025, we have progressed on that path, although we do not have yet a clear and conclusive picture, and we will continue to drive our efforts in that direction. The Group is well aware that pollution and water usage from industries involved in materials extraction or transformation could have significant impact on water, biodiversity, or local communities. A specific study of a list of raw materials, such as copper, has started to better understand the impact of these industries, so that their risks can be further apprehended in our risk mapping exercise. As a precautionary approach, Schneider Electric is accelerating its policy of reusing, recycling, and expanding product life span to limit the consumption of raw materials, and thereby potential associated risks. The Company also progressed well on its Schneider Sustainability Impact (SSI) #4 objective to use 50% green materials in its products by 2025, which focuses on steel, aluminum, and plastics, reaching 48%.



Substances

Schneider Electric remains vigilant regarding the presence of substances of concern in its products and supply chain. Although regulatory requirements continue to tighten, the main challenge lies in obtaining full visibility on the composition of components, particularly beyond tier 1 suppliers where such information is often incomplete or unavailable. This limits the ability to establish a comprehensive mapping of restricted substances across all product tiers. At the same time, the increasing use of recycled raw materials in Schneider Electric's production mix is structurally reducing the reliance on substances of concern traditionally present in virgin materials. In 2025, Schneider Electric reinforced its vigilance through enhanced supplier engagement on chemical transparency and strengthened screening of recycled materials. The Group will continue improving data quality and traceability across its value chain.

7.1 Fighting Climate Change (1/5)

7.1.1 Schneider Electric's Greenhouse Gas emissions

Relevant documents: Environmental Sustainability Policy

Upstream supply chain GHG emissions: 14%

- **10.5% of the upstream emissions result from the purchase of goods and services**: These are upstream emissions (i.e., cradle-to-gate) from production of products and services that the company is purchasing in the reporting year, with the exception of freight services that are accounted in a different Scope 3 category. These emissions are coming from very diverse sources, given the wide heterogeneity of the group's procurement portfolio: raw materials, electronic and electrical products, printed circuit board assembly, fabricated components, along with purchases that are not directly related to production (e.g., services such as insurance and banking services).
- **2.5% come from the upstream transportation and distribution, the business travelling, the employee commuting etc,.**

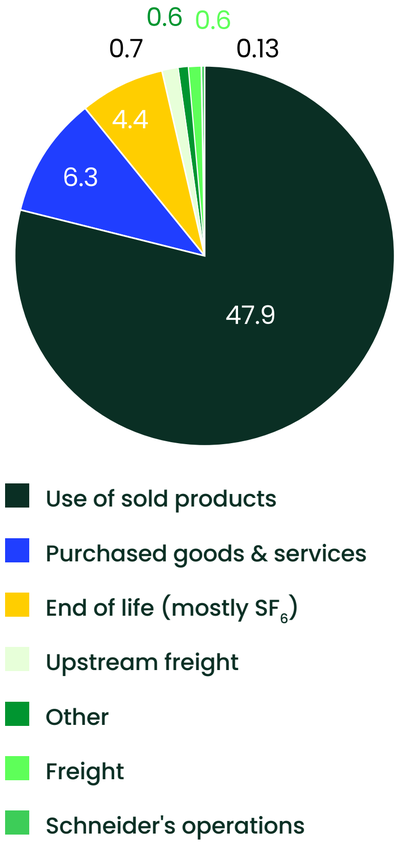
Schneider premises GHG emissions: <1%

- **Emissions from Scopes 1 & 2 are primarily from the use of electricity, gas, and fuel for the company fleet.**

Downstream GHG emissions: 85%

- **79% are due to the use phase of products**: These emissions correspond to the electricity consumption of Schneider Electric's products throughout their lifecycle, through heat dissipation (Joule Effect). This value is based on a lifecycle approach. It is not the volume of CO_2 emitted in the reporting year from the use of products sold and in use by customers. It is a forward-looking view and an estimate of emissions resulting from the use of products sold in the reporting year, during their full useful life. It is worth noting that the Group's products have long lifetime, which can be up to 30 years in calculations. The methodology is based on a lifecycle approach, leveraging the Product Environmental Profiles (PEPs) of our products.
- **7% are a result of end-of-life treatment of products, and particularly end-of life treatment of SF_6**: These emissions primarily reflect the SF_6 insulation gas used by Schneider in some medium voltage products sold in the reporting year, and that may be released at the end of products' life, a few decades after the reporting year. An assumption is made on the release in the atmosphere of SF_6 at product decommissioning, based on Schneider's research, considering that some SF_6 in equipment is being recycled, while the majority is not recycled.
- **The remaining emissions come from downstream transportation (<1%).**

Schneider Electric's Carbon Emissions ($MtCO_2$)



7.1 Fighting Climate Change (2/5)

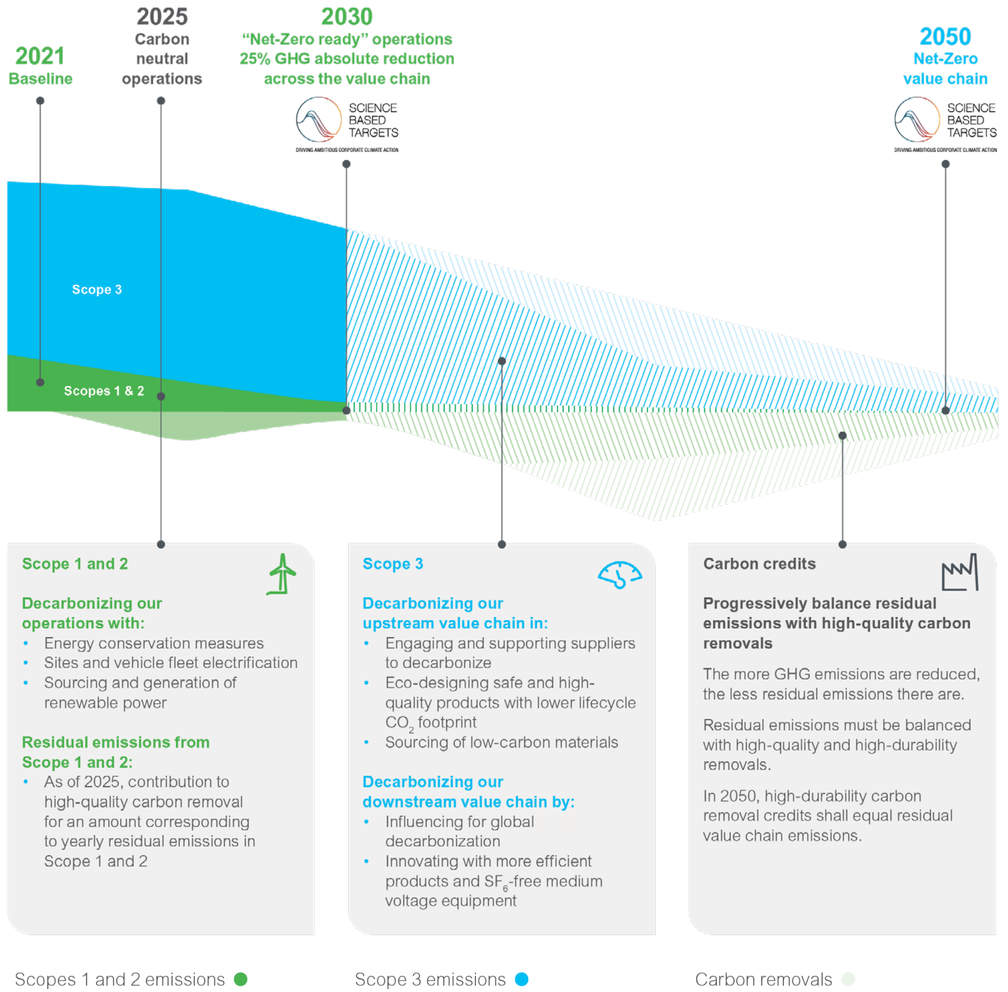
Relevant documents: Environmental Sustainability Policy

7.1.2 Schneider Electric's ambition to fight against climate change

Schneider Electric's Net-Zero commitment is defining ambitious targets to reduce the impact of the group's operations and overall value chain on climate change, and to remove residual emissions in line with science. Through these targets, Schneider Electric is aiming to reduce its climate transition risks related to regulatory, legal, and behavioral changes, and anticipate the evolving competitive landscape that can present risks for companies delaying their transition to a low-carbon economy. The greenhouse gas (GHG) reduction targets have been set in August 2022, when Schneider Electric was one of the first companies to have validation of targets by the Science-Based Target initiative (SBTi), in alignment with the "Corporate Net-Zero Standard" that the SBTi published in October 2021. The three milestones towards Schneider Electric's Net-Zero commitment are presented on a graph with the key decarbonization levers.

Group decarbonization pathway, all scopes

Unit = Million tons, CO_2	2021 (Base year*)	2023	2024	2025	Target 2030	Target 2050	Annualized % reduction rate needed to reach 2030 target
Scope 1 & 2 (Schneider's operations) emissions	0.3	0.2	0.14	0.12	0.07	0.03	8.4%
Scope 3 (upstream suppliers and downstream users) emissions	68.5	63.0	61.0	60.6	51.4	6.9	2.8%
Total carbon footprint	68.8	63.2	61.2	60.7	51.5	6.9	



* Restated per SBTi guideliens due to material methodological refinements, please refer to "Detail of restatement of 2021 base year" on page 154 of the Universal Registration Document for more details.

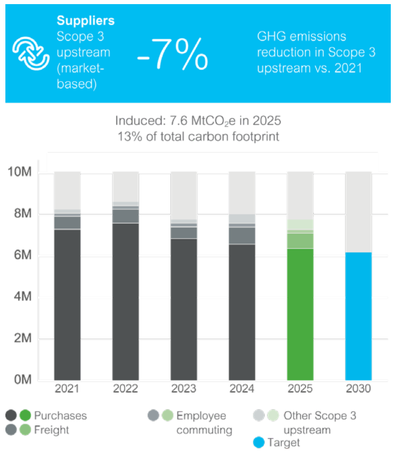
Annual Report reference for more details: Section "2.2.2.1 Leading on Decarbonization" p. 127

7.1 Fighting Climate Change (3/5)

Relevant documents: Environmental Sustainability Policy

Upstream supply chain

Decarbonizing the group's supply chain by 2050



The Zero-Carbon Project for suppliers (TZCP): Schneider Electric's Zero Carbon Project (TZCP) is a supplier engagement program that collaborates with the company's top 1,000 suppliers to reduce their Scope 1 and 2 GHG emissions intensity by 50% by 2025—a target that has already been achieved and exceeded. Participating suppliers quantify their operational footprint (Scopes 1 and 2, with Scope 3 optional), make public reduction commitments, implement decarbonization actions, and report progress to Schneider Electric. Operating across more than 50 countries and 65+ procurement categories, TZCP accommodates suppliers of different sizes and maturity levels by allowing them to tailor their plans (base year, baseline, targets, and timelines). In 2025, earlier initiatives continued to deliver reductions, while additional tailored support was deployed globally. This included on-site "local action capsules" led by sustainable procurement experts in China, India, East Asia, Europe, Mexico, and the US to identify bottlenecks and support remediation, Renewable Energy Week digital consultations, customized renewable energy workshops, local TZCP workshops addressing country-specific challenges, and thematic webinars on key decarbonization levers. Two pilots aimed to accelerate progress: Sustainable Supply Chain Finance (early payment for suppliers meeting performance thresholds) and the Supply Chain Renewable Initiative to raise awareness of renewable instruments and potentially form supplier cohorts. This TZCP program will be extended until 2030 with an expanded objective of 1,500 suppliers on a Zero Carbon Pathway to decarbonize our supply chain.

Green materials: Schneider Electric committed to increase the volume of green materials in products to 50% by 2025, for about 30% of its procurement volume, and has been tracking quarterly progress as part of the Schneider Sustainability Impact program. While this program does not focus solely on CO_2, but also mitigates other environmental impacts such as resources, biodiversity, or toxicity, it will contribute to reducing the Group's Scope 3 upstream emissions, in line with its Net-Zero commitment. To achieve this ambition, Schneider is actively participating with industry leaders in dedicated working groups to become a change agent of the low-carbon economy while enhancing the traceability of materials.

At the end of 2025, 48% of materials in scope were qualified as "Green".

CO_2 efficiency in transportation: Transport within Schneider Electric is a significant generator of CO2 due to dependence on fossil fuels. To achieve its Net-Zero target, the Group must engage with its transport providers on both efficiency opportunities as well as technical advancements in transport assets. A program has been launched covering all shipments globally with all transportation providers and modes where the freight is paid by the Group. This equates to approximately two-thirds of the total freight CO2 impact to the Group. Schneider Electric has succeeded in improving carbon efficiency in the transportation of goods by 14% compared to 2020, notably by reducing air freight and increasing the use of low- or zero-emission trucks in many regions worldwide.

100%

Top 1,000 suppliers joined TZCP

56%

CO_2 emissions reduction for top 1,000 suppliers achieved since 2021 (Scope 1 & 2)

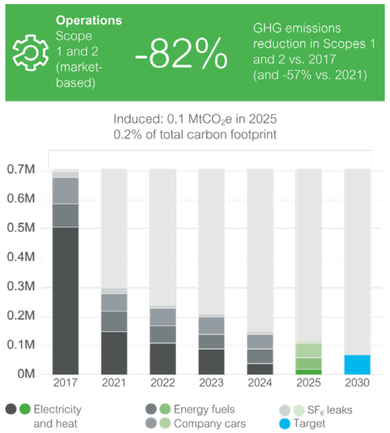
Annual Report reference for more details: Section "2.2.2.1 Leading on Decarbonization" p. 127

7.1 Fighting Climate Change (4/5)

Relevant documents: Environmental Sustainability Policy

Schneider premises

Decarbonizing the Group's operations by 2030



To deliver its "Net-Zero ready" target on the emissions from Scopes 1 and 2 by 2030, the group's approach has four pillars

- Save: foster energy conservation and avoid SF_6 leakages.
- Electrify: switch from gas or car fuel to electricity.
- Decarbonize electricity: use renewable energy, either from on-site generation, or through external procurement of renewable power.
- Balance residual emissions with high-quality and high-durability carbon removal.

The Group certifies all sites consuming over 5GWh with ISO 50001, helping to understand and reduce their energy footprint. In 2025, 125 Schneider Electric sites are ISO 50001 certified.

Global, regional, and site energy reporting is delivered with the EcoStruxure™ Resource Advisor software suite that provides a data visualization and analysis application that aggregates volumes of raw Energy data into actionable information. It provides a flexible and mobile energy solution enhanced by Schneider expert services.

EP100: Schneider Electric has been a member of Energy Productivity 100 (EP100), a Climate Group initiative, since 2017. The target is to double energy productivity by 2030 against the 2005 baseline (doubling economic output from every unit of energy consumed). In 2025, the group achieved 153% energy productivity compared to 2005.

RE100: Switch to 100% renewable electricity by 2030: Since 2017, Schneider Electric has accelerated renewable electricity sourcing and the installation of on-site solar panels, coupled with EcoStruxure™ metering and power architectures. In line with its commitment to source 100% of its electricity from renewables by 2030, the group has set an intermediary target of 90% renewable electricity by 2025. In 2025, 99% of electricity was sourced from renewables.

EV100: Shift 100% of the company fleet to electric vehicles: At the end of 2019, Schneider Electric committed to accelerate its efforts to cut CO_2 emissions from transport by switching to 100% electric cars by 2030. By 2025, Schneider Electric aims to switch one third of its corporate car fleet. At the end of 2025, 43% of the group's corporate car fleet was comprised of EVs. Additionally, several initiatives to foster alternative transportation options have been encouraged, with additional secure bike storage on sites, co-driving and shuttles connecting sites.

Zero-CO_2 sites: The ambition is to have 150 sites with zero carbon emissions by 2025. By the end of 2025, target was reached with 195 compliant sites.

Reduction of SF_6 emissions: Several actions have been implemented to reduce the leakage of SF_6 gas, a component used in medium voltage switchgears that has high dielectric characteristics and is also a significant GHG contributor. The group achieved a 0.08% leakage rate globally in 2025, exceeding the 0.11% target set for 2025.

125

ISO 50001 certified sites (vs 150 in 2020)

99%

Electricity sourced from renewables in 2024 (vs 80% in 2020) – SSE#3

195

Zero-CO_2 sites (vs 30 in 2020) – SSE#1

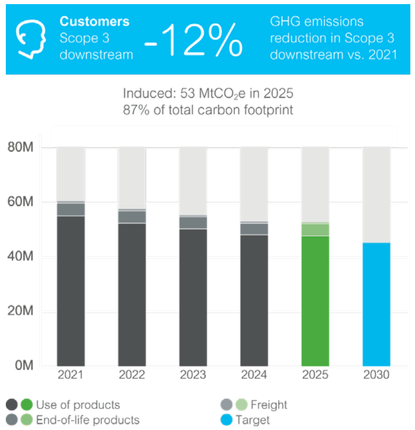
Annual Report reference for more details: Section "2.2.2.1 Leading on Decarbonization" p. 127

7.1 Fighting Climate Change (5/5)

Relevant documents: Environmental Sustainability Policy

Downstream supply chain

Decarbonizing the group's downstream emissions



Transversally to upstream and downstream Scope 3 emissions, the eco-design of products to lower their carbon and environmental footprint is one of the main decarbonization levers: on the upstream side, this means designing products with lower volumes of materials, and replacement of some materials with lower-impact materials; on the downstream side, eco-design reduces emissions during product's use phase by improving product energy efficiency

Developing SF_6-free offers and SF_6 recovery services: SF_6 gas has excellent insulating properties and has therefore been widely used by electrical equipment manufacturers for building switchgears – especially medium voltage gear – for the past 30 years. In 2021, Schneider introduced a new range of switchgears where SF_6 gas is fully replaced by vacuum technology. The deployment of this offer is in progress, and several customer sites are now equipped with such equipment. To manage end-of-life for already existing SF_6 gears, Schneider has also developed a service offer of SF_6 recovery; available to customers directly, or through our partners. It guarantees the full recovery of the SF_6 gas from the old equipment, and its neutralization. Customers who use this service receive a green certificate.

Carbon price: As part of its carbon pledge, Schneider Electric is committed to take into consideration a carbon pricing of EUR 50 – 130/Ton (depending on time horizons) to inform the group's climate strategy. In line with the vision, an internal price on carbon is already used in several cases to include the cost of CO_2 externality in decision-making and strategy.

Enabling Customers to decarbonize with EcoStruxure™

Ambition to save and avoid 800 million tons of CO_2 emissions at the customers' end by 2025 through the implementation of EcoStruxure™ architecture and systems as solutions for our customers, as well as green products.

- **Energy efficiency:** Helping companies become more efficient and reduce their CO_2 emissions, for instance with variable speed drives or energy performance contracting.
- **Renewable power generation:** Power Purchasing Agreements (PPAs) or microgrids lead to the consumption of less carbon-intensive electricity.
- **Reduced GHG leakage:** SF6-free equipment or SF6 recovery services that allow reduced emissions.
- **Materials efficiency:** Circularity business models (e.g., refurbish) or lead battery recycling drive reduced emissions for manufacturing virgin materials.

Overall, from 2018 to 2024, Schneider Electric helped customers save and avoid 862 million tons of CO_2, over the full lifecycle of products sold during this period of time (183 million tons of CO_2 avoided in 2025).

Delivering access to energy products and solutions: Today, 25% of the world's population still has no or reduced access to energy, and only 17% of the total global energy consumption was renewable in 2017. Schneider Electric has committed to provide access to green electricity to 50 million people in underserved areas by 2025, exceeding the target by ending 2025 with 61.7 million.

862

Million tons of CO_2 saved and avoided by our customers since 2018 - SSI#2

61.7

Million people with access to green electricity since 2009 - SSI#9

Annual Report reference for more details: Section "2.2.2.1 Leading on Decarbonization" p. 127

7.2 Pollution and substances

Relevant documents: Environmental Sustainability Policy; Materials and Chemicals Directive; Global Environment and Health and Safety Directive on Hazardous Management (GEHSD001); Supplier Code of Conduct

Upstream supply chain

Schneider Electric engages in a range of collaborative actions with its suppliers to substitute hazardous substances, ensure compliance with regulations and exceed industry standards:

- **The group's Supplier Code of Conduct sets clear to comply with all applicable laws and regulations**, including REACH and RoHS. Suppliers are also expected to adopt best practices for substance management, prioritize the use of green materials, and minimize environmental impact throughout their operations. Suppliers with strong environmental performance are prioritized in sourcing decisions.
- **Schneider Electric's Vigilance Plan for suppliers involves audits of suppliers** to identify potential gaps and suggest areas for improvement. These audits assess supplier compliance with environmental and social standards, including the management of hazardous substances.
- **Schneider Electric implemented a compliance tool which allows to assess product regulatory compliance based on supplier data** in order to identify substitution actions managed at business unit level.
- **Schneider Electric actively participates in industry working groups and initiatives to address challenges related to substance management.** Schneider Electric is an active member of the REACH consortium working on the substitution of substances of very high concern, which is led by CETIM (French Technical Center for Mechanical Industry). These actions cover the Group's operations, suppliers, and subcontractors on a worldwide basis, aiming to prevent negative impacts on people and the planet within the value chain regardless of the geographical location.

Schneider premises

Schneider Electric has a Global EHS Hazardous Substances Management Directive (GEHSD 001) to provide global oversight for requirements related to hazardous substance management. This directive outlines best practices for managing hazardous substances, including establishing an approved chemical list, conducting chemical risk analyses, and implementing trainingprograms on chemical safety and spill response. It also provides guidance on proper chemical storage, transfer, and disposal procedures to minimize environmental risks.The Group requires all facilities using, handling, transporting, or disposing of chemicals to have a system for reporting and managing environmental incidents. All significant environmental issues must be reported to the regional environment leader within 48 hours through using the reporting process defined by the region. Regional SERE (Safety, Environment, and Real Estate) teams are responsible for defining a process for reporting environmental events for their region, leveraging on the Company-wide reporting tool to declare, escalate and keep track of environment, health, and safety observations and incidents. Depending on the severity of the incident, the Global Environment team is also notified to ensure appropriate actions are taken.

All Schneider Electric sites with more than 50 employees (for manufacturing) and more than 500 employees (for offices) are certified under ISO 14001. This certification supports continuous improvement in tracking and addressing non-conformities related to environmental management.

Downstream

Schneider Electric integrates regulatory compliance with operational excellence to manage product end-of-life and maximize Resource efficiency.

Extended Producer Responsibility (EPR) & Product Stewardship: In compliance with frameworks like the EU WEEE and Battery Directives, Schneider Electric takes responsibility for the sound disposal of its products. This involves structured product assessments and providing detailed end-of-life instructions (circularity profiles) for applicable equipment. To facilitate proper disposal, the Group collaborates with collective schemes and has deployed take-back partnerships at the country level, such as Weecycling (France) and Circolektra (Netherlands).

88%

Schneider Electric's sites certified ISO 14001,monitoring discharges or pollutant emissions (NOx, Sox etc.) (262 sites vs 232 in 2020)

6.2

VOC*/Sales kg/m€
(vs 17.5 in 2020)

*Volatile Organic Compound emissions

Annual Report reference for more details: Section "2.2.2.2 Pollution mitigation", p. 156 and "2.3.1.2.9 Pollution mitigation" p. 284

7.3 Circularity

Relevant documents: Environmental Sustainability Policy

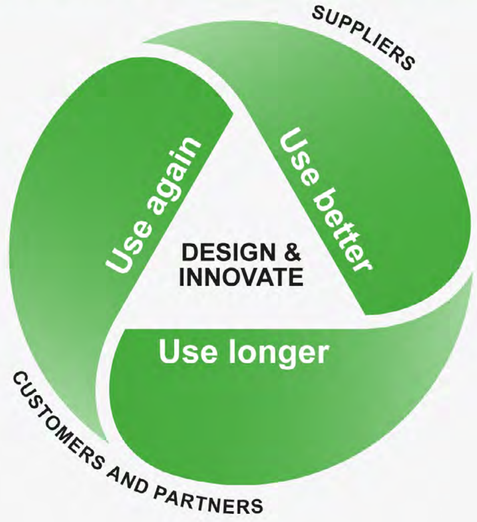
Upstream supply chain

Green Materials initiative: Schneider Electric has increased the green material content in its products to 48% by the end of the fourth quarter of 2025, up from 38% in 2024 and 29% in 2023. The ambition is to reach 50% by 2025 (SSI #4). This program covers a third of procurement's volume, including thermoplastics, steel, and aluminum.

Downstream

Circular economy efforts: Schneider Electric has avoided the consumption of 428,450 metric tonnes of primary resources through its take-back and end-of-use programs since 2017, wich targeted 420,000 metric tons by 2025 (SSE #10).

Foundation of circularity at Schneider Electric



Vision: decouple business growth from resource extraction while meeting Gourp's Net-Zero target and contributing towards a nature-positive world.

Mission: adopt end-to-end circularity by:

1. changing Group's offer creation, product design and manufacturing to make the most of resources and eliminate the use of virgin, non-renewable, materials;
2. extending the useful life of products, parts and materials;
3. keeping products, parts and materials in circulation at their highest functional value as long as possible.

Schneider premises

EcoDesign: In 2015, to respond to customers' growing demand for products with a lower environmental footprint, and to embed circular principles in its products and offers, Schneider Electric adopted EcoDesign Way™, a process to understand and manage the environmental impact throughout the lifecycle of products, and to coordinate efforts across the value chain. Schneider Electric has been able to build internal capabilities in EcoDesign through a tailor-made training pathway. In 2025 more than 12,000 engineers have been trained to the EcoDesign principles allowing to implement innovations which deliver measurable environmental savings compared to previous models.

Sustainable packaging: The company has made significant progress in its Sustainable Packaging program, with 85% of primary and secondary packaging now free from single-use plastics and using recycled cardboard, up from 45% in 2022 (SSI #5). The goal was to achieve 100% sustainable packaging by 2025.

Circular economy efforts: The company has also increased the number of Waste-to-Resource sites to 176, compared to 120 in 2020 (SSE #9).

48%

Green Material content in our products (vs 7% in 2020) – SSI#4

85%

Primary and secondary packaging free from single-use plastic, using recycled cardboard (vs 13% in 2020) – SSI#5

176

Waste-to-Resource sites (vs 120 in 2020) – SSE#9

3.44

Waste generated per sales (tons/million€) (vs 4.98 in 2020)

Annual Report reference for more details: Sections "2.2.2.3 Resource use and circular economy (ESRS E5)" p. 162

7.4 Impact on biodiversity

Relevant documents: Environmental Sustainability Policy, Schneider Electric's Position on Protecting and Restoring Natural Forests

The Group has aligned its targets with the Global Biodiversity Framework missions 'to halt and reverse biodiversity loss by 2030' and will begin to adopt TNFD recommendations, implementing best practices to facilitate transparency and consistency in nature related disclosures. In May 2024, Schneider Electric updated its Biodiversity Pledge to act4nature, adding more granularity on how the different activities related to climate change, circularity, sustainable materials, and waste roadmaps are contributing to Schneider Electric's ambition towards nature. **Schneider Electric's reiterated commitments to act4nature international**:

1. Quantify and regularly publish the assessment of the group's impacts on biodiversity.
2. Commit to reduce Schneider's impacts and align biodiversity objectives with science.
3. Develop solutions and technologies that contribute to the preservation of biodiversity.
4. Engage and transform the value chain.
5. Act locally, engaging employees and partners.

Upstream supply chain

In 2023, the second Biodiversity Footprint Assessment (BFA) which was run from an end-to-end perspective allowed to further identify and reiterate the **main levers of action to reduce its biodiversity footprint across its value chain**:

- **Reduce greenhouse gas (GHG) emissions in the group's own operations and in the supply chain**. Climate change is one of the major pressures on biodiversity globally and represents the group's main impact on biodiversity (over 70%). Therefore, Schneider's Net-Zero commitment will have a significant impact on reducing the group's pressure on biodiversity (please see section "Fighting Climate Change").
- **Reduce the "land use" due to the extraction of raw materials**. The main driver of land use is the extraction of wood and metals. Wood is mainly used for packaging purposes (cardboard, pallets, boxes); metals are the core of the group's products (silver, copper, steel, aluminum, etc.). Greater transparency and access to data on end-to-end supply chain is key to understanding how to minimize the group's impacts and dependencies on nature. Nevertheless, whether on climate or nature, data quality should not get in the way of necessary immediate action. Schneider made several commitments:
  - Source 100% deforestation-free wood by 2030.
  - Source 50% "green materials" in its products by 2025 (SSI #4).
  - 100% of sustainable primary and secondary packaging by 2025 (SSI #5).

Schneider premises

In 2025, Schneider Electric updated the initial the Integrated Biodiversity Assessment Tool (IBAT(2)) assessment using WWF "Biodiversity Risk Filter". The results showed that 243 Schneider Electric sites (with overlap between 1% to 100%) were located in close proximity to Protected Areas and KBA, and 34 Schneider Electric sites were located in areas with high biodiversity pressure – primarily in the US, France, Australia and China. Of those with overlap risk, 29% have active nature restoration-type programs deployed through SSE #8, which ambition is to deploy biodiversity conservation and restoration programs in 100% of Schneider Electric sites. To meet this ambition, 279 sites must: (i) eliminate non-operational single-use plastics (e.g., cups and cutlery), and (ii) implement a site biodiversity and conservation program to address local ecological risks, engaging with stakeholders and including participatory sciences.

The program empowers employees to understand local ecological risks and take direct action, resulting in initiatives such as: tree planting drives in India and Canada; National Park collaborations in the US; Living walls in the UK; Firefly habitat restoration programs in Mexico, and wetland restoration in China. At the close of the program in 2025, Schneider Electric achieved its objective of 100% sites covered by a biodiversity program, up from 85% in 2024.

As for the upstream supply chain, main lever to reduce the Group's biodiversity footprint is to reduce its GHG emission. The Group engaged into several actions to reduce its Scope 1 and 2 emissions. Please see section "Fighting climate change"

100%

Sites deployed biodiversity conservation and restoration programs (vs 0% in 2020) – SSE#8

85%

Primary and secondary packaging are free from single-use plastic, using recycled cardboard(vs 13% in 2020) – SSI#5

Annual Report reference for more details: Section "2.3.1.2.1 Biodiversity" p. 280

7.5 Water

Relevant documents: Environmental Sustainability Policy

Schneider Electric regularly assesses water-related risks. In 2022 the group conducted a corporate water footprint assessment across the full value chain, covering water consumption, scarcity, eutrophication, ecotoxicity, and acidification. The assessment showed that direct water use and indirect energy water use in facilities amounts for less than 1% of Schneider Electric's overall water footprint; 18% was allocated to raw materials and 81% to the use phase of its products.[1]

Schneider Electric's direct operations are not water intensive with industrial processes consisting of mainly manual and automatic assembly. However, without water the facilities cannot operate and as such, water remains a continued focus of the business with increased focus on sites located in the most water-stressed areas.

In 2025, Schneider Electric continued to prioritize water conservation by monitoring water stress levels at its sites and implementing water conservation strategies at main sites.

Upstream supply chain

A specific study of a list of raw materials, such as copper, has started to better understand the impact of these industries so that their risks can be further apprehended in our risk mapping exercise. As a precautionary approach, Schneider Electric is accelerating its policy of reusing, recycling, expanding product life span to limit the consumption of raw materials, and thereby potential associated risks. The Company is also progressing well on its Schneider Sustainability Impact (SSI) #4 objective to use 50% green materials in its products by 2025, which focuses on steel, aluminum, plastics.

Schneider premises

Water Withdrawals

The Group measures water withdrawals from various sources, including public network, groundwater, surface water, and other sources like rain and recycled water. Water is mainly used for cooling, sanitary purposes, and specific processes such as surface treatment and paint lines.

In 2021, Schneider Electric set a target to reduce water intensity by 35% by 2025 compared to 2017, focusing on sites with high water withdrawal and in water-stressed areas. In 2025, the Company achieved a water withdrawal intensity of 48 cubic meters per million euros of revenue, a 55% reduction from the 2017 baseline.

Water discharge

Most of the water discharged by Schneider Electric is sanitary and canteen wastewater, sent to third parties for treatment without needing additional pre-treatment on site.

In cases where industrial processes like surface treatments are involved, on-site wastewater treatment is used to reduce pollutants, aligning with regulatory requirements. Increasingly, sites are adopting closed-loop systems to eliminate wastewater, minimize freshwater withdrawal, and recover valuable raw materials. No incidents of spills or discharges exceeding permits were reported in 2025.

Water-stressed areas

Schneider Electric recognizes the critical importance of water for its operations and local communities, particularly in water-stressed areas. The Group monitors water stress levels at all ISO 14001-certified sites, including factories, distribution centers, and large offices, using the World Resources Institute's Aqueduct Water Risk Atlas. Sites identified as "high" or "extremely high" are classified as water-stressed, regardless of the volume of water withdrawn. This allowed Schneider Electric to identify 79 sites located in water carcity areas, accounting for about 47.8% of total water withdrawals. All sites identified in 2021 are part of the (2021-2025) SSE #11 program which aims for 100% of Schneider's waterstressed sites to have a water conservation strategy and action plan by 2025.These plans involve conducting water use assessments to identify efficiency improvement opportunities, implementing best practices in metering, providing technical and general water training for employees, and analyzing water use in various processes. In 2025, the Group achieved 99.8% of its 2025 ambition, continuing to prioritize water conservation efforts.

99.8%

Sites in water–stressed areas with water conservation plans (vs 0% in 2020) - SSE#11

55%

Reduction of water intensity compared to 2017 baseline

Annual Report reference for more details: Section "2.3.1.2.8 Water withdrawal, discharge and stress" p. 282

1 Water footprint from the downstream mainly comes from the energy mix when products are being used

8 Business ethics

8.1 Prevention of bribery and corruption

Relevant documents: Anti-Corruption Policy, Philanthropy Policy, Gifts & Hospitality Policy, Business Agent Policy, Export Control Directive, Competition Law Cooperation Agreements & Partnerships Guidelines, Conflict of Interest Policy; Supplier Code of Conduct

To meet legal obligations specified by the 2016 French law (Sapin II), the Company launched a risk mapping exercise focusing on corruption in 2018. In 2024, this risk assessment was updated as part of the new Ethics & Compliance risk mapping. The group also established specific risk maps for newly acquired entities currently being integrated. Based on the Ethics & Compliance risk mapping results, Schneider Electric adopts a risk-based anti-corruption program.

Upstream and downstream value chain

Schneider Electric has established procedures to prevent, detect, and manage corruption risks in business relationships. These procedures involve steps such as risk assessment, screening, investigation, review, and audit. They ensure that adequate actions are taken to mitigate risks effectively.

Customers and suppliers: When forming relationships with customers and suppliers, Schneider Electric employs a meticulous screening and continuous monitoring process supported by automated tools and risk matrices to assess the risks of corruption and export control. High-risk cases trigger enhanced due diligence. Continuous monitoring ensures timely updates and mitigation actions.

Business Agents: Their use is strictly limited and subject to strong governance. Due diligence on Business Agents focuses on corruption and integrity risks, supported by screening against sanctions lists and adverse media, mandatory questionnaires, compliance certifications, and continuous monitoring. A dedicated set of anti-corruption controls applies to these engagements, including contractual safeguards, approval workflows, and compliance attestations.

Sponsoring and donations: To ensure legal and ethical operations in sponsorship activities and mitigate corruption and reputational risks, comprehensive risk screenings are conducted. Additionally, Schneider Electric's Philanthropy program is governed by strong practices, including thorough due diligence to assess donation-related risks in compliance with laws and local contexts.

Mergers and acquisitions: A specific process and guidelines were put in place to ensure full compliance of M&A operations with anti-corruption, export control regulations, and human rights risk. In 2024, they were updated to identify, manage, and mitigate those risks at the earliest possible stage. and plan how to integrate the acquired entity through dedicated Trust Standards.

Schneider premises

Awareness: In 2025, several communication campaigns on anti-corruption were organized within the Company, with specific focus on third-party management and anti-corruption controls, gifts, and hospitality, as well as conflict of interest, to support the 2025 Annual Conflict of Interest Disclosure Campaign for targeted employees exposed to conflict of interest risks. Schneider Electric organized a live event on December 9, 2025, to raise awareness about combating corruption. The event aimed to educate employees on preventing unethical conduct through real stories of how Schneider Electric manages corruption risks.

Training: Schneider Electric has developed a suite of anti-corruption e-learnings, providing guidance on real life risk scenarios, designed to meet the trainees' needs and expectations. Trainings are supported by videos from top leaders demonstrating the "tone at the top", are available in 14 languages, and are mandatory for all targeted employees exposed to corruption risks, are identified by the corruption risk mapping. In 2025, those e-learnings were rolled out to more than 73,000 employees, with a completion rate of 98.3%. Moreover, the year saw ad hoc anti-corruption learnings delivered to specific audiences in functions deemed to be priorities (e.g., Finance). In 2025, the Anti-Corruption Essentials was also taken by Schneider Electric's Board members.

98.3%

« At-risk » functions employees trained on anti-corruption training (i.e. 64,000+ employees) (vs 94% in 2020)

99.2%

Schneider Electric employees have completed Trust Essential

Annual Report reference for more details: Sections "2.2.4.1 Zero tolerance for corruption" p. 247

9 Offer safety and cybersecurity

9.1 Offer safety

Relevant documents: Quality Policy

Schneider Electric's Quality Strategy embeds quality across the entire value stream, from design to field operations, ensuring safety, reliability, and customer satisfaction.

Upstream supply chain

Three major initiatives were launched with our supply base in 2023, and reinforced over 2024 and 2025. First, the Supplier Qualification process was analyzed and updated for efficiency and robustness including the addition of Quality Fundamentals, software supplier qualifications, and counterfeit component programs. Second, the group is standardizing "Advanced Product Quality Planning" (APQP) process with external suppliers for new project offers. In addition to these new offers, the Group launched a program to apply the Production Part Approval Process (PPAP) to legacy critical parts and changes of suppliers. Finally, in support of the strategy, the Group continues to invest in building quality expertise, most recently expanding battery and electronics competencies.

Schneider premises

The Group integrated Quality Fundamentals into daily activities, on all its portfolio - including Projects and Services - to strengthen processes and establish standardization for proactive identification, prioritization, and mitigation of risks. Projects & field execution Service/Field Reliability Product Quality Management System and internal audit Schneider Electric's Quality Strategy embeds quality across the entire value stream, from design to field operations, ensuring safety, reliability, and customer satisfaction. This strategy is supported by significant resource allocation, including the creation of a Quality Academy, expansion of quality-focused roles, and deployment of Quality Fundamentals across all business functions. Thousands of employees have been trained through immersive workshops, reinforcing a culture where every employee, from frontline staff to executives, is accountable for quality.

Quality in the design phase: To prevent material negative impacts, Schneider Electric launched a Design for Safety and Reliability Standard, introducing mandatory Quality Fundamentals for design. This ensures that new offers meet the highest safety and robustness standards. The Customer Satisfaction & Quality (CS&Q) function enforces strict compliance, halting launches that fail to meet quality criteria.

Quality in industrialization and launch: The Group adopted Advanced Product Quality Planning (APQP) to improve product launches. This cross-functional approach brings together design, manufacturing, and service teams to co-create reliable and serviceable solutions. Quality Fundamentals were embedded into prototype and pre-series phases, and roles were redefined to strengthen accountability. This "zero-defect" program ensures first-time-right launches, reducing the risk of recalls and enhancing customer trust. The effectiveness of these actions is tracked through performance metrics and customer feedback, ensuring continuous improvement.

Downstream

The group enhanced the efficiency of service and project execution by incorporating risk management and mitigation strategies throughout the entire process, from offer definition to maintenance. The group also integrated Quality Fundamentals for Projects and Services into daily activities to strengthen processes and establish standardization for proactive identification, prioritization, and mitigation of risks. By implementing this approach, we seek to improve safety, robustness, quality, and cost optimization, surpassing our customers' expectations while ensuring their safety. Additionally, this will help us establish consistent standards across the Company.

-86%

Reduction in product safety recalls in 2025 compared to 2023 (3 recalls vs 22 in 2023) - SSE#15

Annual Report reference for more details: Sections "2.2.3.4.1 Personal safety of consumers and end-users" p. 239

9.2 Data privacy

Relevant documents: Data Privacy Policy, Data Classification Policy, Privacy by Design Guidelines, Data masking Standard, Supplier Security Management Policy, Digital Certification Procedure, Binding Corporate Rules

Upstream supply chain

As part of the data protection program, a procurement process has been implemented, requiring the conclusion of Data Protection Addendum with suppliers processing personal information on behalf of Schneider Electric.

Downstream

To facilitate the exercise of their data protection rights by consumers, a dedicated web form accessible via the online privacy policy on the Group's website was implemented (2024-2025), supported by a workflow management tool to ensure a streamlined process.

Schneider premises

The Company regularly revisits and strengthens its data protection processes and measures. Several actions are ongoing, including:

- **A data privacy and protection program has been rolled out in Europe, the USA, China, India, and other key countries** through Data Golden Rules checklist and a Data Privacy Playbook. It provides a governance model and covers essential components such as data privacy awareness, the inventory of data processing activities, the provision of privacy notices, the identification of activities requiring DPIAs (Data Protection Impact Assessments) and their performance, and supplier DPAs.
- **To monitor progress and maturity, annual Data Protection Assessments are performed in each country**, reviewed by the Global Privacy team and reported to the Chief Data Officer
- **Annual training and awareness campaigns** are made (either global or tailored to a specific population in countries or functions), with updated GDPR and global privacy training planned for 2026.

Annual Report reference for more details: Sections “2.2.3.4.2 Data Privacy” p. 243

9.3 Cybersecurity

Relevant documents: Supplier Security Principles, Security Principles for Non-Integrated Companies, Source Code Security Principles, Cyber Badge Principles, Vulnerability Management policy, Data Privacy policy

Upstream supply chain

Schneider Electric mandates that its suppliers meet high standards in cybersecurity and privacy, as per the Supplier Security Principles. The Company requires them to extend these guidelines to their own suppliers and service providers. These security expectations are included in the onboarding process and Schneider Electric assesses suppliers' cybersecurity maturity to verify compliance with the company's requirements before engagement.

Out of ~50,000 unique suppliers tiered, ~6,000 are monitored, according to their criticality and exposure. ~73% of critical risk profile suppliers went through C-level security discussions.

Schneider premises

To maintain and demonstrate this commitment on Cybersecurity strategy, Schneider Electric has established two reporting protocols: SSE #13 and SSE #16, which are shared with external auditors annually and publicly disclosed through the group's annual report:

- Cybersecurity training is part of the global mandatory Schneider Essentials program, assigned to all Schneider Electric employees through our global learning management system, with completion thoroughly tracked and regular reminders sent to ensure compliance, and reflecting our commitment to our Trust Charter and the principles of respect and good faith towards all stakeholders.
- Schneider Electric continuously and consistently monitors its posture with the support of cyber scoring agencies. This enables the group to identify and address vulnerabilities and weaknesses (along with intelligence-driven detections). By addressing findings that can negatively impact overall cybersecurity ratings and benchmarking Schneider Electric's performance, the group is supporting the group's maturity journey on cybersecurity, from a performance, risk, and communication perspective.

Downstream

Secure practices for products and software

Secure Lifecycle Management.
Schneider Electric recognizes the need to have cybersecurity measures fit-for-purpose throughout the entire lifecycle of the product, from development to retirement. This discipline includes end-to-end security across all software and system development lifecycles, certified to the ISA/IEC 62443-4-1 Secure Development Lifecycle standard, to which Schneider Electric has been contributing for over a decade

Customer environment security: To meet customer expectations, Field Service Representatives (FSRs) must follow consistent and sound security measures and be certified with a "Cyber Badge". This certification demonstrates they have undergone training on secure operation principles consistent with industry-leading cybersecurity standards such as NIST, ISA/IEC 62443-2-4, and ISO/IEC 27000-series and possess up-to-date equipment and software to carry out their work on a customer site.

Top 25%

in external ratings for Cybersecurity performance (Top 25% in 2020) - SSE#16

98%

Of employees trained on cybersecurity and Ethics (90% in 2020) - SSE #13

100%

Of sites are monitored in real-time for physical and digital penetration.

Annual Report reference for more details:
Sections "2.2.4.3 Cybersecurity" p. 267

10 Correspondence table

10. Correspondence table

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The Schneider Electric Vigilance Plan is a collective effort **coordinated by the Corporate Citizenship and Institutional Affairs Team**. Should you have any questions, comments or suggestions please contact us.

Ethics and Compliance: https://www.se.com/ww/en/about-us/sustainability/responsibility-ethics/
Sustainability: https://www.se.com/ww/en/about-us/sustainability/

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