

Advancing Performance: Energy Tech for Shareholder Value

Capital Markets Day 2025

December 11

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Disclaimer

All forward-looking statements are Schneider Electric management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. For a detailed description of these factors and uncertainties, please refer to the section "Risk Factors" in our Universal Registration Document (which is available on www.se.com). Schneider Electric undertakes no obligation to publicly update or revise any of these forward-looking statements.

This presentation includes information pertaining to our markets and our competitive positions therein. Such information is based on market data and our actual revenues in those markets for the relevant periods. We obtained this market information from various third-party sources (industry publications, surveys and forecasts) and our own internal estimates. We have not independently verified these third-party sources and cannot guarantee their accuracy or completeness and our internal surveys and estimates have not been verified by independent experts or other independent sources.

On track to deliver our ‘Next Frontier’ CMD commitments from 2023, with further opportunities ahead

Next Frontier **revenue growth**

Next Frontier **profitability**

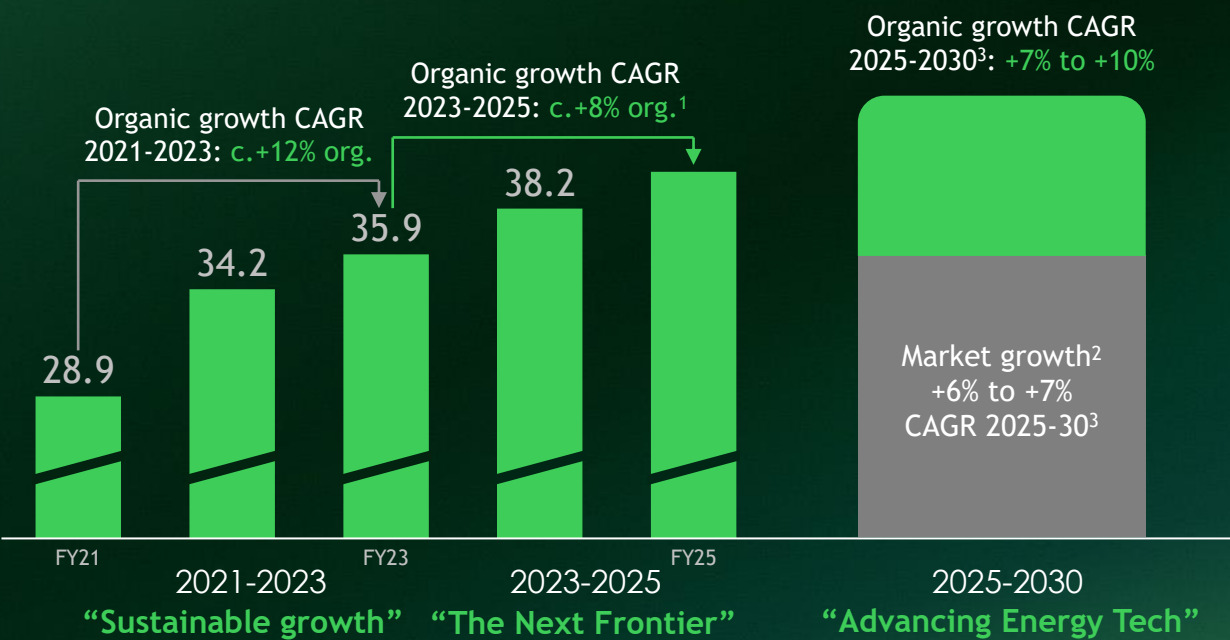
Next Frontier **converting performance into returns**

Organic growth +7% to +10% CAGR (2023-27) 	Digital flywheel to represent 60-65% of Group revenues by 2027 	Recurring revenues in agnostic software to reach 80% by 2027 
Gross margin continue to deliver strong gross margin (2024-27) 	Adj. EBITA margin c. +50bps CAGR organic expansion (2023-27) 	Operating leverage ambition to reduce SFC/Sales ratio 2024-27 
Cash conversion around 100% on average across the cycle 	ROCE ambition to achieve 15%+ 	TSR +34% ¹ achieved (2024 - 2025) 

¹ TSR from 1st Jan. 2024 to 5th Dec. 2025

Advancing Performance Through Energy Tech: Differentiated Growth

Megatrends continue to drive dynamic market growth through 2030, and we ambition to outperform



Organic revenue growth of between
+7% to +10%
CAGR,
2025-2030³

Mega-trends:



Key pillars:

- 1 New Energy Landscape

2 Digitalization & AI

3 Multi-Polar World
- Technology leadership

Customer differentiation

Operational excellence

1. 2023-2025 CAGR computed on FY2024 actual and FY2025 based on Post-Q3 2025 company compiled consensus
2. Market growth (volume) CAGR based on Schneider Electric internal composite index
3. 5-year CAGR
Property of Schneider Electric | Page 5

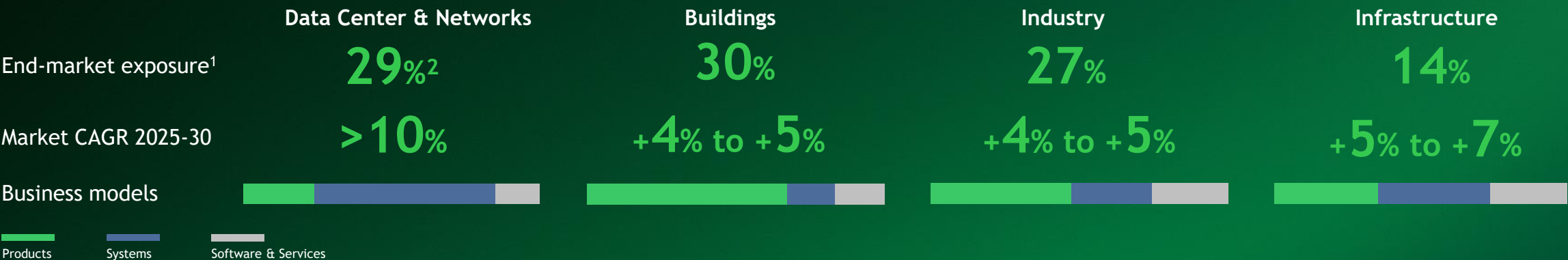


Opportunities expected across all end-markets with continued strength in Data Centers set to lead growth

A continuation of **strong market growth** expected 2025-30

All end-markets contributing to growth, led by Data Center

Potential Addressable Market Estimate



1. In 2025 the Group has adopted a new tool for the assessment of end-market exposures, resulting in a reclassification of amounts previously treated as industrial manufacturing into specific segments, improving the accuracy of the disclosure. Figures shown above represent the best estimate of Full Year 2025 orders split by end-market. Had FY24 been shown on an equivalent basis, Data Center and Networks would have been 25% of 2024 orders, Buildings would have been 32% of 2024 orders, Industry would have been 28% of 2024 orders and Infrastructure 15% of 2024 orders.

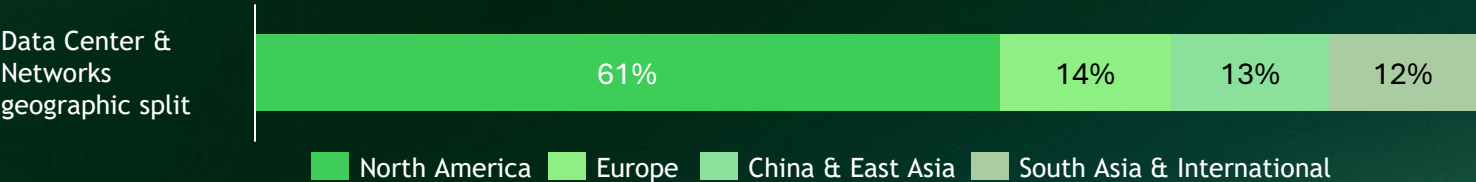
2. c.25% Data Center and c.4% Distributed IT

Data Center & Networks market leader, with complete lifecycle offer for AI and traditional data centers across geographies

Data Centers
c.+12% to +14%
Market growth CAGR 2025-30¹

Distributed IT
c.+3% to +4%
Market growth CAGR 2025-30¹

Broad geographic coverage

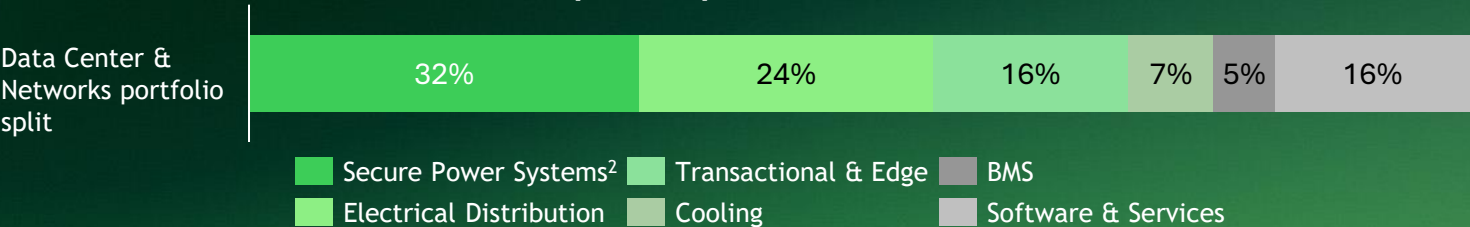


Optimizing the cost of token per Watt for AI Data Center

Schneider Electric opportunity:

\$1.2m - \$3.3m
\$/MW

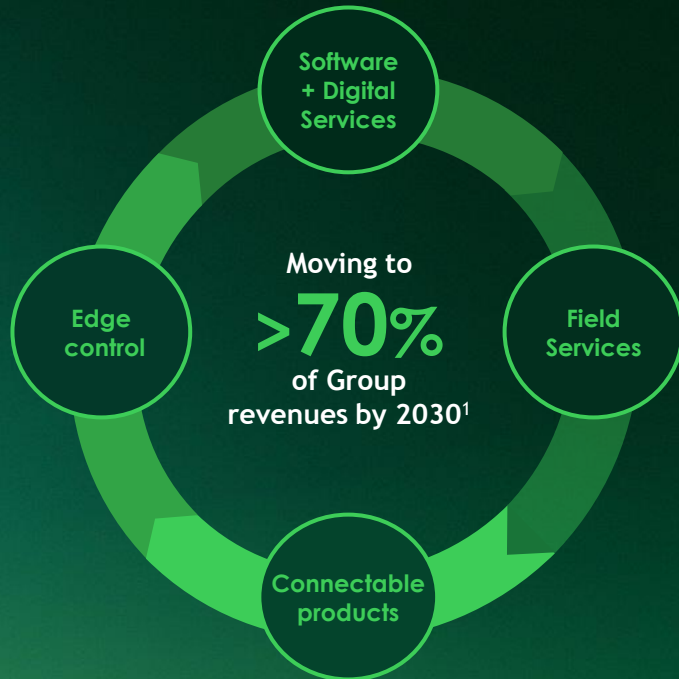
A complete portfolio for customers



1. 5-year CAGR
2. Secure Power Systems includes 3-phase UPS and Prefab solutions
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Accelerating our revenues toward more digital and resilient



Energy Intelligence

The brain of the system

Centralized intelligence and predictive insights for informed decision-making.

Industrial Intelligence

Powering the Energy Tech era

Dynamic integration of data-driven insight enhanced with Industrial AI and human expertise

Software and Services to increase to around 1/4 of Group revenues by 2030

c.19%
FY25  **c.25%**
FY30

Leveraging unique capabilities through Data Cube, augmented by AI to deliver **double-digit growth in Software and Services**, driving

- customer **stickiness**,
- **accelerated** growth,
- resilient **revenues**

2x weightage of **recurring revenues** by 2030

Strong progression at **AVEVA**

- **Double-digit** ARR growth expected
- Recurring revenues **already at ~85%**









¹ From 57% in FY24

Diversified growth across regions

Balanced exposure across regions makes Schneider uniquely positioned to capture growth

Megatrends driving growth across both mature and emerging economies



	NORTH AMERICA	EUROPE	CHINA & EAST ASIA	SOUTH ASIA & INTERNATIONAL
Indicative growth CAGR ¹	High-single to Double-digit	Mid-single digit	Mid-single digit	Double-digit
High-single to Double-Digit ¹	 		East Asia	  Middle East & Africa
Low-single to Mid-single Digit ¹		 		

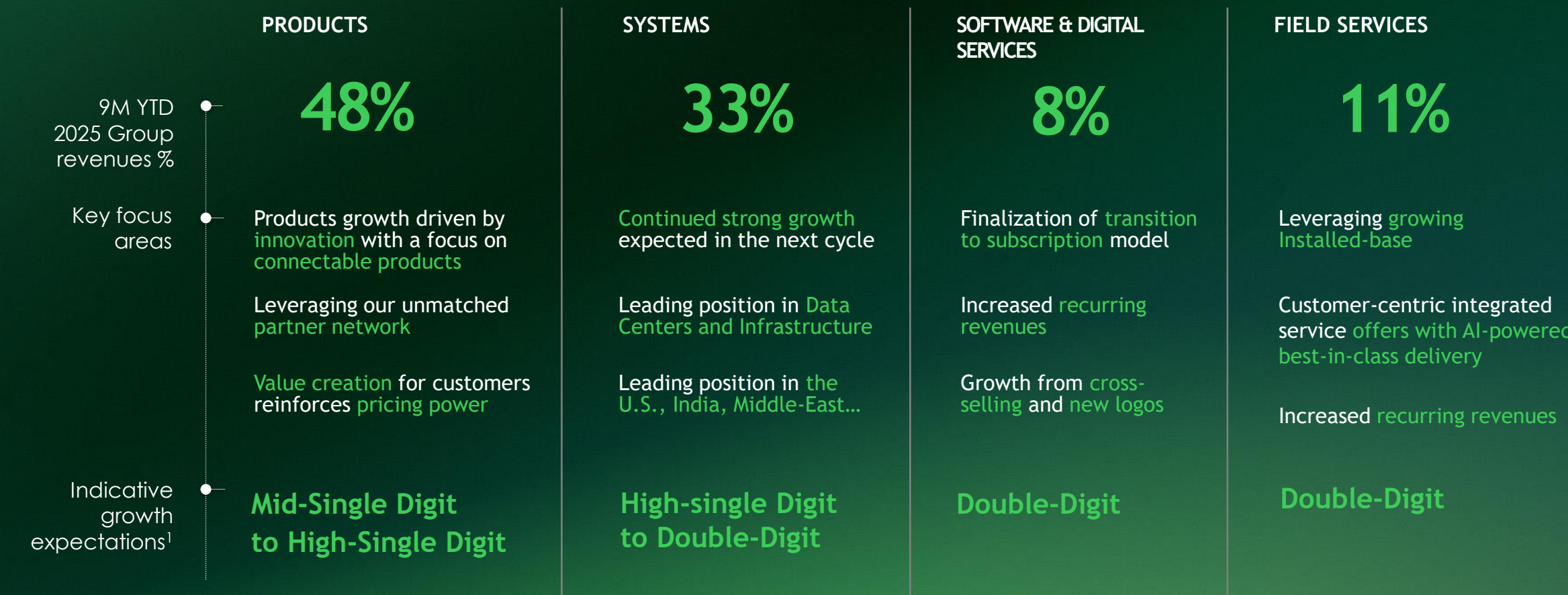
From January 1, 2026, Schneider Electric will report revenues under 4 redefined regions aligned to its internal reporting structure: North America; Europe (including Central & Eastern Europe); China & East Asia; and South Asia & International (including India and Australia). Restated comparative data will be provided.

- Under the existing reporting structure, the equivalent information would be as follows:
- 1. North America: 38% of Sept. YTD revenues, indicative growth CAGR High-single to Double-digit
 - 2. Western Europe: 23% of Sept. YTD revenues, indicative growth CAGR Mid-single digit
 - 3. Asia Pacific: 27% of Sept. YTD revenues, indicative growth CAGR High-single digit
 - 4. Rest of the World: 12% of Sept. YTD revenues, indicative growth CAGR Double-digit

1. Indicative organic growth CAGR, 2025-30 (5-year CAGR)



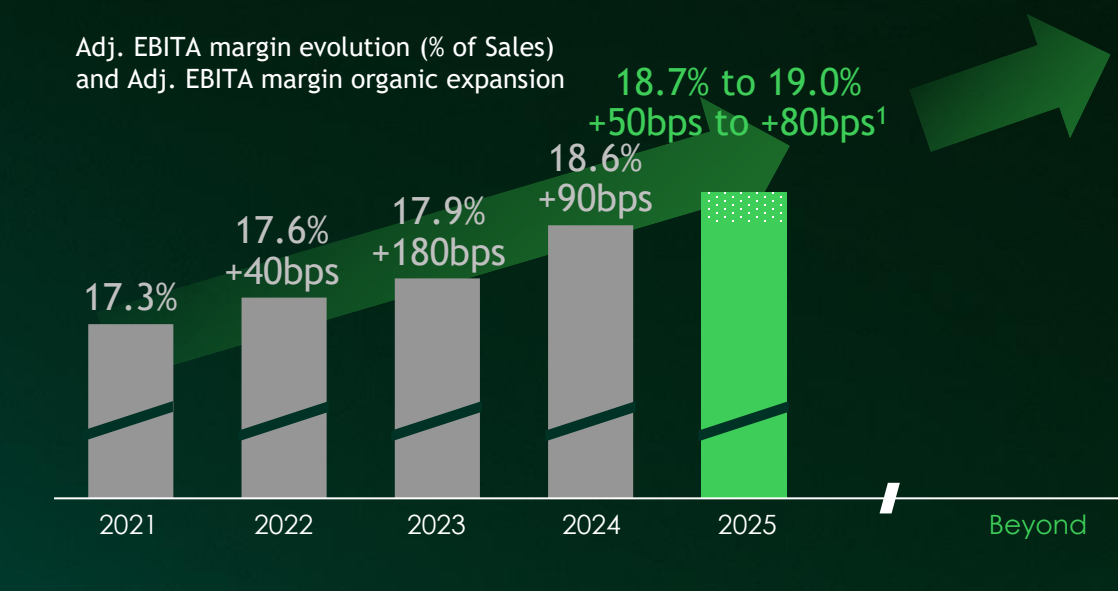
Growth contribution over this cycle to be better balanced by business model



1. Organic growth, 2025-2030 (5-year CAGR)

Advancing Performance Through Energy Tech: Profitability through Operational Excellence

Focus on operational excellence to drive adjusted EBITA margin improvement in all growth scenarios



Adjusted EBITA
margin target:

+250bps

organic expansion
cumulatively,
2026-2030

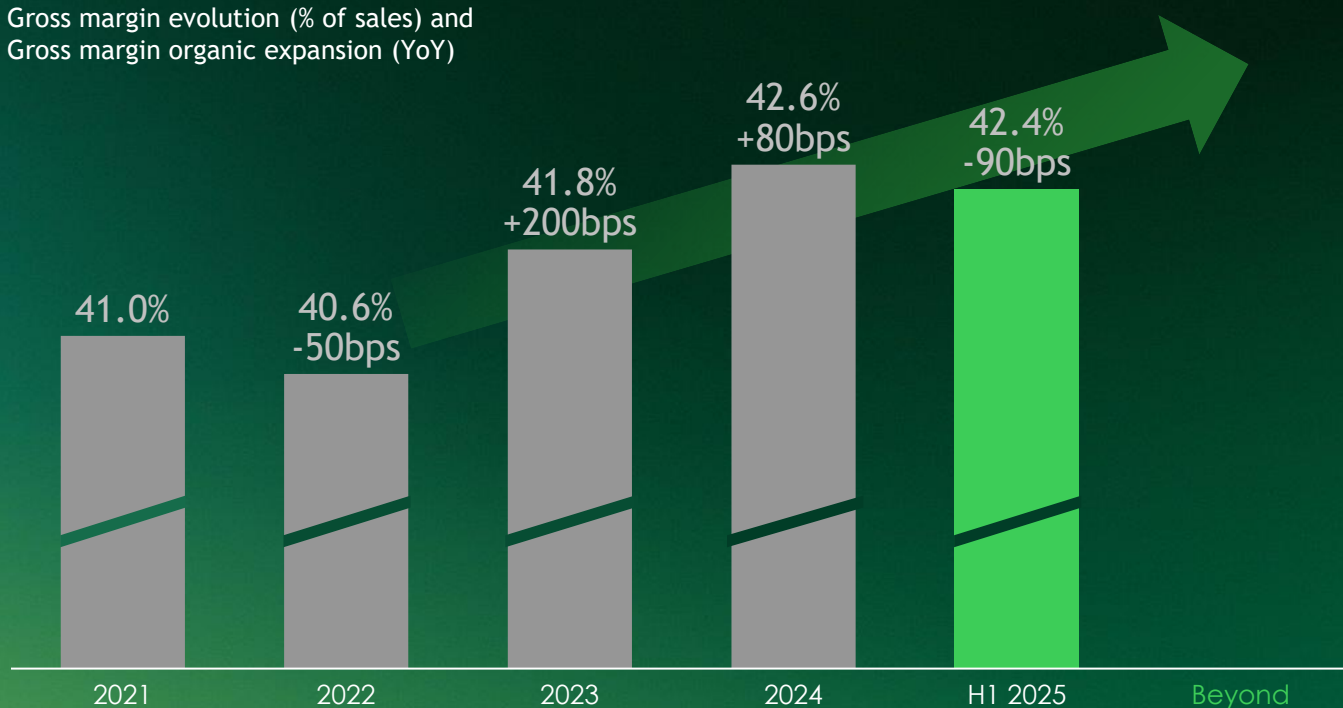
Key drivers of margin improvement:

- Gross margin obsession
- Simple & Scalable operations
- Regain automation momentum
- Next phase of AVEVA

1. As communicated in Q3 2025 Financial Release on October 30, 2025

Gross margin obsession with several levers for further organic improvement

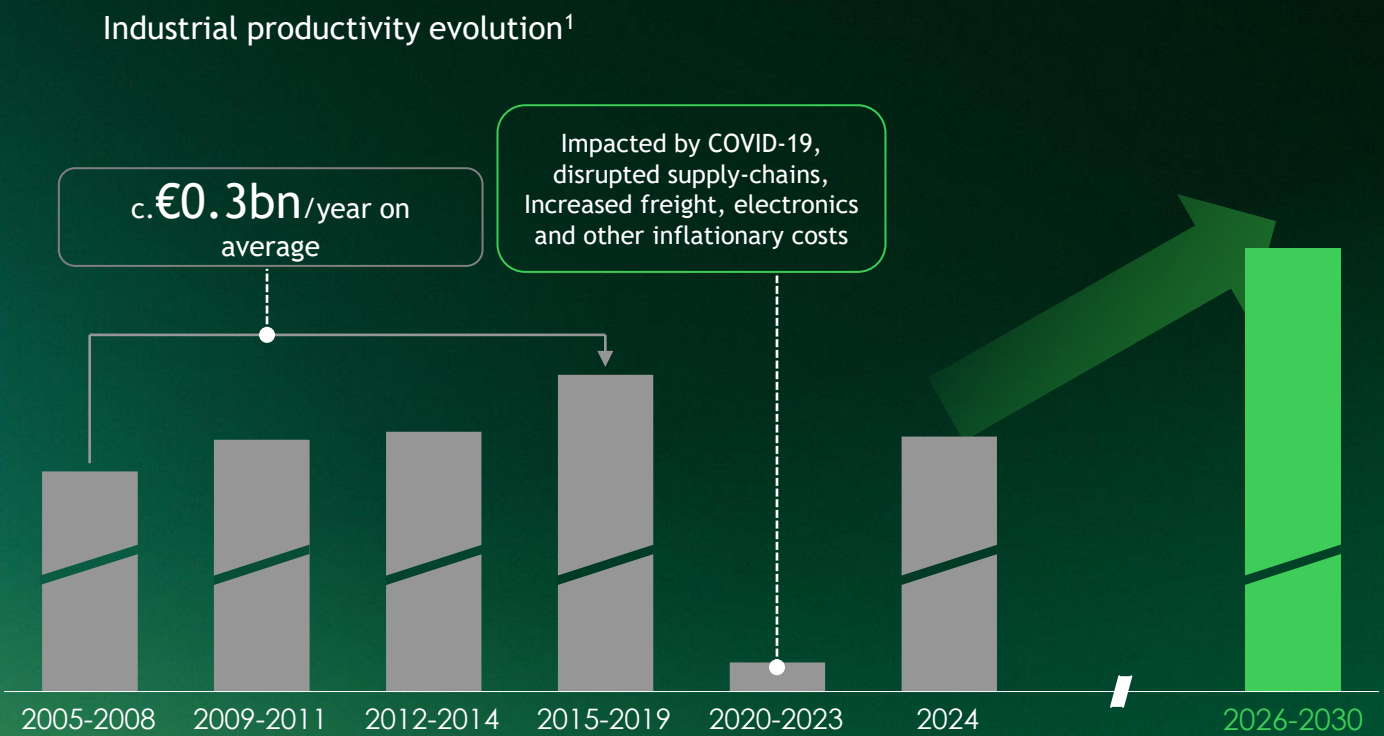
Gross margin evolution (% of sales) and
Gross margin organic expansion (YoY)



Expected gross margin dynamics in the coming cycle:

- Step-up industrial productivity
- Pricing excellence
- Mix management

Renewed focus on Industrial Productivity



Industrial Productivity target:

€2.0bn - €2.5bn

cumulatively,
2026-2030

- Drivers:
- DESIGN -TO-COST
 - TECHNICAL PRODUCTIVITY
 - LEVERAGE CAPACITY INVESTMENT
 - SUPPLIER NEGOTIATION

1. Average annual productivity over the indicated time period

Reinforcing a mindset of pricing excellence

Strong macroeconomic volatility and market trends demand **agility, reactivity and consistency in pricing**

- Moving from a culture of price management to revenue management to maximize **value capture**
- **Enhanced digitalization** for efficiency, accuracy, compliance and customer experience
- Pricing excellence **across all business models**¹
 - enhancing pricing models and best practice

**Ambition of flat to positive net pricing²
(offsetting tariffs and inflation)**

Pricing framework

- Reflective of customer value creation
- Focus on price realization
- Pricing across business models

Strong governance & execution

- Regulatory compliance & commercial policy
- Action plans in place across geographies
- Digitalization and traceability

Enablers for long-term success

- Upskilling and training of relevant teams
- Promote digitalization and analytics

1. Gross margin impact included in the mix category of the semi-annual gross margin analysis of change for non-products pricing

2. Price on Products, raw material impact and tariffs

Mix management remains key: negative gross margin impacts to be primarily offset at adj. EBITA level

Mix evolution (2026-2030) will be driven by:

Normalized pricing in Systems

Gross margin headwind from Business Model mix, due to the relatively faster growth of Systems vs. Products

Software to contribute positively to mix, coming out of transition to subscription

No significant impact from Geographic mix^{1,2}

Business Model margin impacts¹ and expectations

Software: Highly accretive to Group gross margin; expected to become accretive at adj. EBITA level over this cycle

Products: Remain accretive to Group gross margin and adj. EBITA margin

Services: Around neutral to Group gross margin; expected to become neutral at adj. EBITA level over this cycle

Systems: Remain dilutive to Group gross margin; remain around neutral at adj. EBITA margin level over this cycle

1. Excluding central costs which are not allocated across Regions or Business Models

2. No significant variation in margin profile between reported regions

Advancing Performance Through Energy Tech: Cost Consciousness

Investing with intent across CapEx and OpEx

R&D intensity

Moving
towards

c.7%

of Group revenues invested into
R&D cash-out vs. 5.9% in FY24

Offer innovation with strong focus
on **digital, sustainability** and **AI**

Digitalizing one Schneider Electric

c.€1.5bn – €2.0bn

Between 2026-30 to support
the Group's **internal
digitalization program** and
AI investment for efficiency

CapEx

Tangible CapEx to average
around

c.2.5%

of Group
revenues 2026-30

Peaking in 2026/2027 due to
timing of deployment

Maintaining cost discipline with strong focus on ROI across all investments

Driving simplification and scalability in our unique operating model supported by digitalization and AI

Digital tools & systems

Building a future-ready company: Standardizing processes, data, and digital architecture to harness cloud-based SaaS; driving integration, simplicity, and long-term value

- Moving from multiple ERPs to 3 ERPs
- Streamlining targeted global applications
- Managing technical debt through best-of-breed approach

✦ **AI @**
Every level

+ AI to drive efficiency

- **Quotation & Tendering:** Enable faster responses using Gen AI
- **Field Service Representatives:** Work order planning optimization
- **Customer Care Center:** AI assistant for improved efficiency in customer response

Combined with a further focus on efficiencies, set to drive:

SFC¹ / Sales ratio

-1.5pts to -2.0pts

cumulatively,
2026-2030
excl. R&D

To be funded by incremental² restructuring charges of c.€500m cumulatively in 2025-27

Restructuring to return to a normalized level of c.€100m - c.€150m per year, from 2028

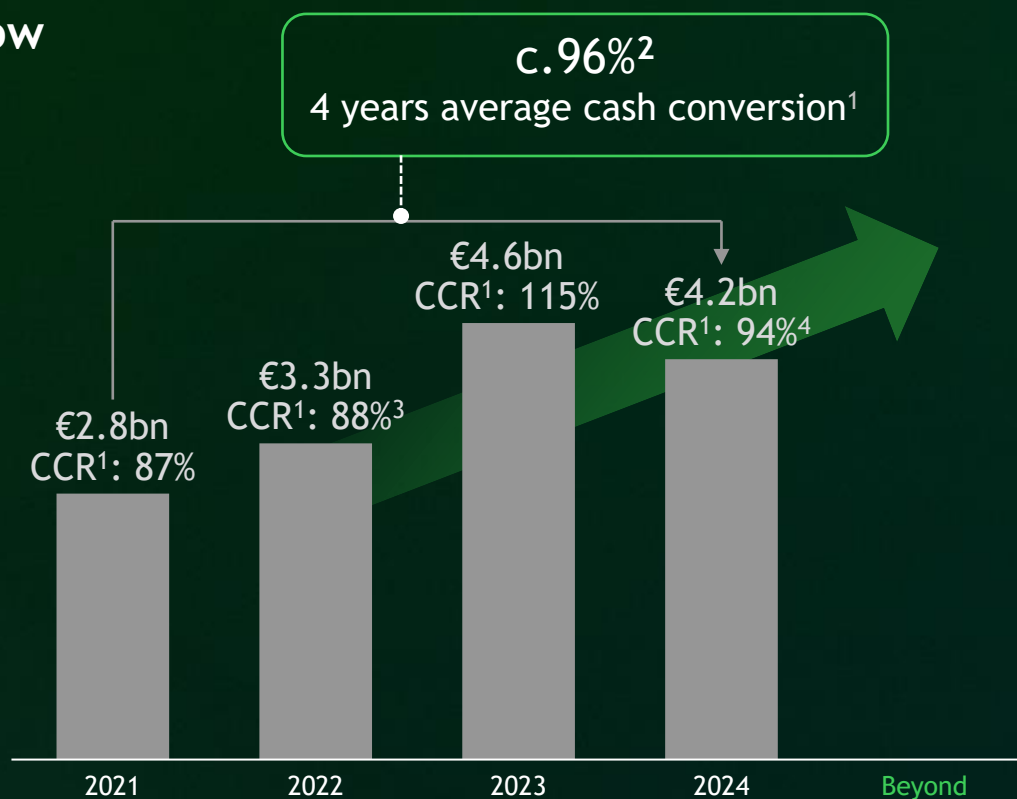
1. Support Function Costs

2. Incremental to a normalized rate of c.€100m - c.€150m per year

Advancing Performance Through Energy Tech: Free Cash Flow and ROCE

Translating strong P&L ambitions into Free Cash Flow

Free Cash Flow evolution



Cash conversion

~100%

FCF conversion as % of
Net income (Group share)
2026-2030

Including targeted working
capital reduction programs

¹ Cash conversion ratio: free cashflow as a percentage of net income (Group share)

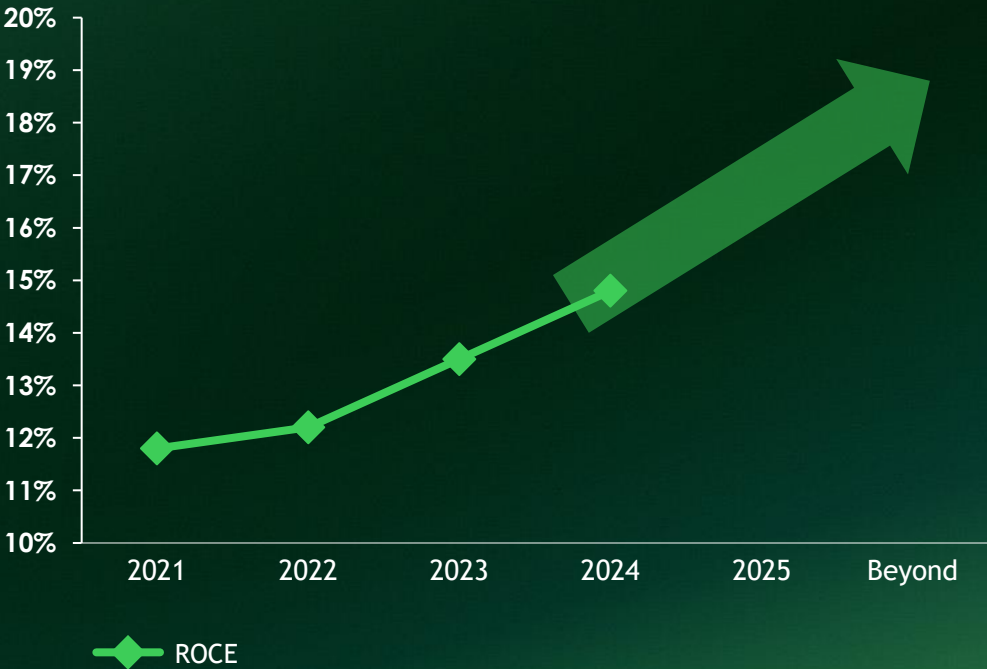
² c. 99% 4 years average on a reported basis

³ 96% cash conversion as reported positively impacted by one-time losses on Russia exit in 2022

⁴ 99% cash conversion as reported benefiting from non-cash impairment in 2024

Our ambition for ROCE growth

Return On Capital
Employed evolution (%)



Ambition to get to

15% - 20%

Return On Capital Employed

Advancing Performance Through Energy Tech: Capital Allocation

Capital Allocation priorities



Committed to retaining a strong investment grade credit rating

Committed to retaining
Category A credit ratings

S&P Global Ratings

A/A-1 with stable outlook¹

MOODY'S

A2 with stable outlook²

¹ A/A-1 rating from April 2024

² A2 rating from June 2025

A strong commitment on returns to our shareholders

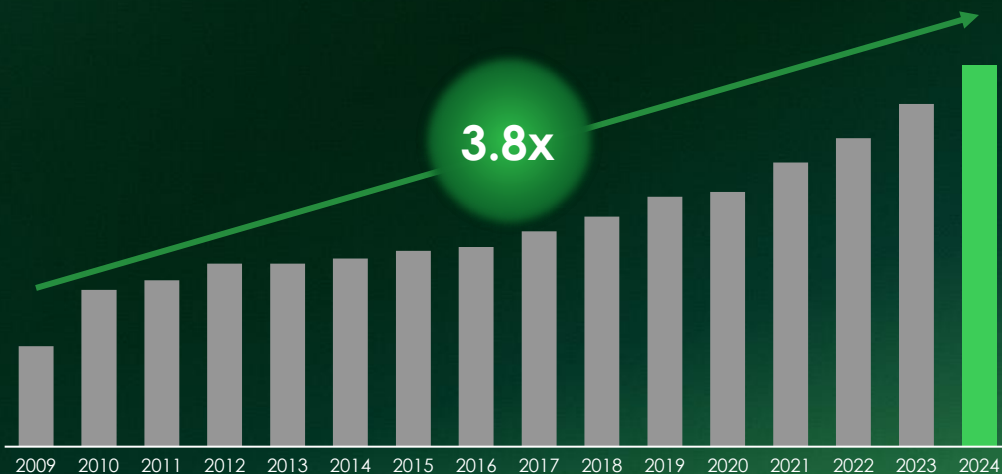
We remain committed to a progressive dividend policy

Progressive dividend for 15 years in a row

Dividend evolution (€)

€3.90 dividend per share in 2024

3.8x



We plan to undertake a systematic share buyback program

Share buyback

€2.5bn - €3.5bn

through 2030

Active Portfolio Management: A disciplined approach to value creation

Acquisitions

Remain agile in acquisitions that **accelerate our strategy**

Disposals

€1.0bn - €1.5bn revenue disposal program to be completed by 2030

Partnerships

Leverage **strategic partnerships and alliances** to drive value creation

A strategy-tied and process-defined approach to M&A

What we expect from any potential M&A

Strategic Fit

- Accelerate **technology differentiation**
- Enhance **geographical coverage**
- Further develop **key business models**

Financial Fit

- Strong **growth** and **gross margin** profile
- Aligned with **Capital Allocation** priorities

Integration Ready

- Clear focus on **people**, **culture** and feasible **integration plan**
- Standardized integration programs aligned with SE **governance** models
- Dedicated **post-M&A integration** team

Robust governance model in place

Businesses

Responsible for: idea generation and pipeline management; accountable to deliver business plan

Objective: identify and prioritize areas for inorganic growth to strengthen the portfolio and create competitive advantage

Corporate

Responsible for: End-to-end deal execution

Objective: select and execute opportunities across **M&A**, **Partnerships and Ventures** to achieve strategic goals using a disciplined, process & data-driven approach.

Board of Directors

Approval needed for transactions above €250m

Inorganic growth is a complement to the Group's organic growth strategy, pro-actively shaping a future-ready portfolio and driving long-term value creation

Advancing Performance Through Energy Tech: Medium-term financial targets

Recap of key financial targets

Organic revenue
growth of between

+7% to +10%

CAGR,
2025-2030¹

Adjusted EBITA
margin target:

+250bps

organic expansion
cumulatively, 2026-2030

Cash
conversion:

~100%

FCF conversion as % of
Net income (Group share)
2026-2030

¹ 5-year CAGR

Appendix

Further notes on 2026-30

Tax rate: The ETR is expected to be in a **23-25% range** between 2026-2030

FX sensitivity: For modelling purposes, provided below are the estimated annual translational FX impacts of a -5% devaluation of the following currencies vs. the Euro

Currency	Movement vs. EUR	Revenue impact	Adj. EBITA margin impact
U.S. Dollar (USD)	-5%	c. -1.7%	c. -10bps
Chinese Yuan (CNY)	-5%	c. -0.6%	c. -4bps
Indian Rupee (INR)	-5%	c. -0.3%	c. +4bps
British Pound (GBP)	-5%	c. -0.2%	c. -1bp
Australian Dollar (AUD)	-5%	c. -0.1%	c. -4bps
Canadian Dollar (CAD)	-5%	c. -0.1%	c. -4bps



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