

Schneider Electric Environmental Policy

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Life Is On

Schneider
Electric

Policy name

Schneider Electric Environmental Policy

Purpose

Dissemination of our Environmental Policy across the Company, reflecting our Vision, Commitments and Guiding Principles for action

Objectives

Definition of the three key commitments of Schneider Electric Environmental Policy

- We differentiate through innovative green offers
- We decouple our operations from natural resources consumption
- We strive to embed environment in key decisions

Audience

All employees

Content

1. Our Vision
2. Our Commitments

Confidentiality Status

Public

Local adaptation authorization

No local adaptation allowed with the exception of using local language if required

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Sustainability

Legal; Logistics; Procurement; Manufacturing

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1. Our Vision

Our Passion for Green Growth

We care for biodiversity, natural resources and climate. We strive to have a positive impact on the environment.

We align our strategy with a 1.5°C climate scenario: we reduce CO₂ emissions while addressing energy demand growth.

We believe environmental expectations from Customers, Investors, Society will constantly increase, fostering innovation.

We accelerate partnerships with customers, suppliers, investors, public agencies and civil society.

We care for Life and the Planet.

We aspire to reconcile global economic growth and the environment.

We consider environmental performance as critical to business.

To deliver this ambition:

1. **WE DIFFERENTIATE THROUGH INNOVATIVE GREEN OFFERS**
 - We design energy efficient, low CO₂, serviceable and safe offers
 - We help our customers improve their environmental performance
 - We digitally provide environmental information on our offers

2. **WE DECOUPLE OUR OPERATIONS FROM NATURAL RESOURCES CONSUMPTION**
 - We protect the environment, prevent pollution and limit emissions
 - We continuously improve our environment management system and meet our compliance obligations
 - We decouple our supply chain from natural resource consumption
 - We invent circular business models and supply chain loops

3. **WE STRIVE TO EMBED ENVIRONMENT IN KEY DECISIONS**
 - We seek to embed environment in our strategy and governance
 - We extend our environmental ambitions to suppliers and partners
 - We spread a culture of environmental excellence in the company
 - We set ambitious targets and report transparently on progress

2. Our Commitments

2.1 WE DIFFERENTIATE THROUGH INNOVATIVE GREEN OFFERS

Research & development, products and services, engineering and projects

- Invest in **R&D** to create energy-efficient and environment-friendly solutions
- **EcoDesign** new products and solutions, develop **life-cycle thinking**
- Invent **circular offers** and business models, through products that can be reused, repaired, retrofitted, refurbished and recycled and through end-of-life services
- Provide **transparent** and **digitized** information on the **environmental information and benefits** of our offers
- Deliver continuous improvement in Product Stewardship through our **Green Premium™ Portfolio**

2.2 WE DECOUPLE OUR OPERATIONS FROM NATURAL RESOURCES CONSUMPTION

Industrial operations and facilities, business and sales offices, R&D centers, logistics and field services

- **Comply** to all legal requirements on environment
- **Commit to reduce our environmental footprint**, through the prevention and mitigation of environmental impacts (soil, air and water pollution, emissions and waste), the reduction of natural resources and energy consumption and the elimination of hazardous substances
- Commit to achieve **100% Renewable Electricity** and **Carbon Neutrality**
- Carry out periodical **audits** to assess and reduce environmental **risks**
- Deploy environmental **best practices** in our operations, offices and properties
- Design **environment and health-friendly workplaces** for our people
- Act as **role models** and **showcase** our **EcoStruxure** solutions in our facilities
- Consider environment in acquisitions, divestments and mergers; **integrate** new entities in our environmental programs within two years

2.3 WE STRIVE TO EMBED ENVIRONMENT IN KEY DECISIONS

We embed environment in our strategy, governance and decisions

- **Embed** environmental objectives in functions across the company

- Consider environmental performance and resource productivity in relevant **business decisions** such as **financial resources allocation**
- Leaders act as **role models** and environmental **targets** are part of their performance scorecards
- Continue to strengthen **Environmental Management Systems**
- **Be open to external ideas and challenges**, act as active members of external organizations and **team up** with leading universities and scientists
- **Promote and support** ambitious environmental regulations

We spread a culture of environmental performance

- Develop **internal expertise** and **recognize** teams who deliver environmental performance and innovation
- **Empower** our People to be agents of change, to turn our passion for green growth into **action**
- Promote environment **awareness** and **embark** our People in company initiatives (Global Environment Day, Schneider Electric Foundation, etc.)

We deploy our ambitions towards our business partners

- **Engage** suppliers, contractors, joint venture partners and customers in our environmental excellence journey, through targeted actions such as third-party evaluations
- **Select** partners, contractors and suppliers compliant with environmental regulations; regularly assess environmental risks in our supply chain and work to reduce environmental risks
- **Collaborate** with our partners to **innovate** and develop circular business models and closed loop supply chains
- **Purchase green** materials and products (recycled, low-CO₂, bio-sourced, etc.) where feasible

We set ambitious environmental targets and report transparently

- Define **mid-term environment strategy** and goals, with **annual targets**
- **Report** and review monthly and quarterly our environmental performance
- Seek annual **independent assurance** of environmental performance
- **Embed** environmental annual targets in collective and individual goals