

Schneider Electric, leading the digital transformation of **Energy Management and Automation**

€24.7 billion

~5%

~ 160,000

Our Products & Solutions

- FY 2017 revenues



in Buildings, Data Centers, Infrastructure and Industries

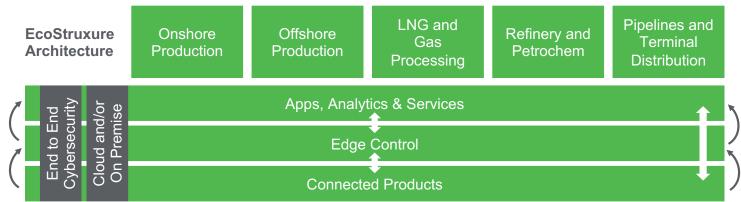
Balanced geographies - FY 2017 revenues





EcoStruxure for Oil & Gas Connects Software, Applications, **Analytics & Services**







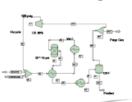


Major Update 2018: AVEVA acquisition by Schneider Electric to address needs of capital intensives industries

Capital investment constraints: need to maximize utilization and efficiency of existing assets

Project phase 2-6 years (1/3 of project spend)

Process Design



Plant Design



Operate and Maintain



Plant & Asset Optimization



Segmented Engineering

Manual process Cost & time Inefficiencies



Asset Lifecycle Management Gap

Manual process Data complexity Inefficiencies







A Digital Architecture Provides Real World Business Benefits



Ensure highest standard of safety



Increase productivity typically in the range of 5%



Optimize assets & reduce Capex costs typically by 10%



Reduce Opex costs typically by 5%

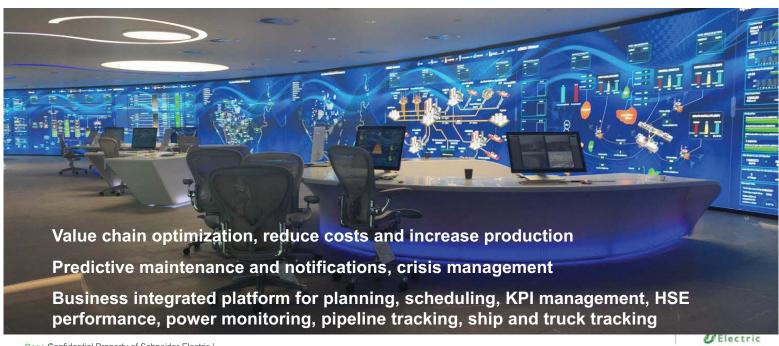


<u>Achieve digital</u> transformation

Ensure profitable business in the 'New Normal' and prepare for the Energy transition

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An example of integrated information Command Center in O&G ADNOC: Panorama wall



Our in-house experience

6 areas of digital transformation in our smart factories

Agile Management

Shop floor agility: Bringing control to the enterprise level

Empowered Operators

Empowering operators for more effective decisions on the factory floor

Process Efficiency

Better closed-loop measurement and control for greater throughput and faster processing

Reliability

Ensuring plant, process, and asset uptime

Asset Performance Management

Optimized asset use to improve profitability

Energy Efficiency

Visibility, control, and optimization of power consumption and costs

Life Is On



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Our Global Supply Chain

A vast worldwide set-up resulting from growth and acquisitions

Orders

- 150,000 order lines/day
- · 260,000 references



Logistics

98 distribution centers



Manufacturing

- 207 factories
- 44 countries



Purchasing

- 24,000 suppliers
- €11 B purchases



85,000 employees (Total industrial headcount, including Purchasing, Manufacturing and Logistics)

as of December 2017





Becoming Digital – the Battle Field of Digital Transformation

Managing Disruption(s)

Corporate: how come Integrating disruptive innovation into successful strategies and efficient organization?

Leadership: Delivering a clear & shared vision of the digital strategy based on the right understanding of the value at stake and the right organization model

A shift of paradigm

Intellectual revolution from
Products toClient
Control toAnalytics
Planification toInnovation
Channel toUbiquity
Hierarchical toSocial

Transparency

Transformation plans and strategies must be readable / understandable by managers and employees to break barriers, get team's buy-in and traction of key actors

Structured approach around 4 axes...

Customer	Digital
Experience	Processes
New Businesses and Practices	Digital Culture

Life Is On Schneider

Long-term digital evolution

Solid program to help partners and customers in their own digital transformation journeys
Define a Digital Roadmap
Establish a Digital Committee at the board level, making Schneider Electric one of the first companies in its industry to have a dedicated high-level structure focused on issues such as cybersecurity, the digital customer experience and IoT
Creation on of an internal "Digital Barometer," which measures the pace of Schneider Electric's digital transformation on a month-by-month basis, ensuring the long-term continuity of its digital evolution.

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