

Schneider Electric Full Year 2024 Results

Financial Information

Record full year results with accelerated execution in Q4

Rueil-Malmaison (France), February 20, 2025

Financial Highlights

- **FY24 revenues up +8% organic to €38 billion, an all-time high**
 - Energy Management up +12% organic
 - Industrial Automation down -4% organic
- **Q4'24 revenues up +12% organic to €11 billion**
 - Energy Management up double-digit, Industrial Automation returns to growth
 - All four regions contribute to growth, led by North America & Rest of the World
- **FY24 Adj. EBITA €7.1 billion, up +14% organic**
 - Adj. EBITA Margin 18.6%, up +90bps organic
- **Net Income €4.3 billion, up +7%**
- **Free Cash Flow €4.2 billion; Cash Conversion¹ at 99%**
- **Progressive dividend² at €3.90/share, up +11%**
- **Ranked as the world's most sustainable company in Corporate Knights Global 100**
- **Schneider Sustainability Impact - score of 7.55 vs. target of 7.40**
- **FY25 Target: Adj. EBITA org. growth between +10% to +15%, driven by +7% to +10% org. revenue growth and +50bps to +80bps org. Adj. EBITA margin improvement**

Key figures (€ million)	2023 FY	2024 FY	Reported Change	Organic Change
Revenues	35,902	38,153	+6.3%	+8.4%
Adjusted EBITA	6,412	7,083	+10.5%	+14.2%
% of revenues	17.9%	18.6%	+70bps	+90bps
Net Income (Group share)	4,003	4,269	+7%	
Free Cash Flow	4,594	4,216	-8%	
Adjusted Earnings Per Share ³ (€)	7.26	8.32	+15%	+18.2%
Dividend Per Share ² (€)	3.50	3.90	+11%	

Olivier Blum, Chief Executive Officer, commented:

"I am pleased to report very strong financial and extra-financial results in 2024 and I am proud to share that we have been recognized as the World's most sustainable corporation by Corporate Knights for the second time, by driving value for our customers, employees and our shareholders through sustainable practices.

1. Conversion of FCF / Net Income (Group share)

2. Subject to Shareholder approval on May 7, 2025

3. See appendix Adjusted Net Income & Adjusted EPS

We had a strong finish to 2024 with an acceleration of both businesses in the 4th quarter - a true testament to our focused execution and collaboration across the whole Group. We delivered Free Cash Flow above €4bn for the second consecutive year, while we also exceeded our Schneider Sustainability Impact targets. We continue our strong focus on shareholder return as we propose a dividend of €3.90 per share, marking 15 years of a progressive dividend.

Looking ahead, we remain committed to accelerating growth and will strive to capture the unique opportunities ahead of us in all of our four end-markets. We are entering 2025 with strong momentum and are targeting organic adjusted EBITA growth of +10% to +15%, supported by robust revenue growth and margin expansion. This positions us firmly on track to achieve our 2027 ambitions.”

I. FOURTH QUARTER REVENUES WERE UP +12% ORGANIC

2024 Q4 revenues were €10,669 million, up +12.5% organic and up +12.5% on a reported basis.

Products (50% of FY 2024 revenues) grew +4% organic in Q4. Product revenues were up mid-single digit in Energy Management with good growth in sales of electrical distribution products across many end-markets and segments. Industrial Automation product revenues contracted mid-single digit with sales of Discrete automation products not yet returning to growth overall, despite positive evolution in specific offers.

Systems (31% of FY 2024 revenues) grew +27% organic in Q4, with strong organic sales growth in Energy Management supported by continued dynamism in Data Center and Infrastructure end-markets. In Industrial Automation, systems sales were down low-single digit. Growth in Process & Hybrid markets was impacted by delays in customer investment decisions and a market environment that varied by geography, while growth in Discrete automation markets remained slightly negative.

Software & Services (19% of FY 2024 revenues) grew +11% organic in Q4, of which Software & Digital Services (8% of FY24 revenues) grew +10% organic and Field Services (11% of FY24 revenues) grew +12% organic.

Agnostic Software (comprising AVEVA, ETAP and RIB Software)

- AVEVA

AVEVA delivered strong growth in Annualized Recurring Revenue (ARR), up +15% as of 31 December 2024, with strong uptake for Software as a Service (SaaS) offers contributing to the growth. Perpetual license revenues declined, as expected, due to the ongoing subscription transition which remains on-track. ARR growth was broad-based by geography and was driven by strong upsell to existing customers.

- ETAP and RIB Software

Energy Management agnostic Software offers saw a small organic decline in sales in the quarter. Both businesses are transitioning to a subscription model, resulting in a planned decline in perpetual license revenues, while subscription revenues showed strong growth from a low base. The Group's eCAD offer (ETAP), in particular saw good growth in recurring revenue types, while the Group's software offer for the construction market (RIB Software) faced a high base of comparison in perpetual license revenues, and remained impacted by the construction market environment in Germany.

Services (comprising Digital and Field Services offers) grew double-digit organic in Q4

- Digital Services delivered double-digit growth in Q4, driven by strong performance in EcoStruxure Advisors and Sustainability offers, including PPA advisory services in Europe and the U.S. The Group's Digital Services offering comprises its internally generated EcoStruxure solutions and advisors, including Sustainability advisory offers, and its digital offers for prosumers.
- Field Services grew double-digit in Q4, led by double-digit growth in Energy Management. Energy Management services benefitted from strong trends associated with Data Centers, Infrastructure and the renovation of Non-residential buildings in mature economies. Industrial Automation services grew mid-single digit, primarily associated with customers in Process & Hybrid automation markets. The Group's Field Services offering includes safety, efficiency, sustainability and resiliency services across all four end-markets served by the Group, including its efficiency offers for Sustainability.

Digital update:

In 2024, the Digital Flywheel represented 57% of Group revenues (vs. 56% in 2023), showing progress towards a target range of 60% - 65% by 2027. Growth of the Digital Flywheel was led by strong performance in Connectable Products, Field Services and Digital Services. Within the agnostic Software businesses (AVEVA, ETAP and RIB Software), which continue through a transition to a subscription model, around 77% of revenues (vs. 70% in 2023) were classified as recurring, showing strong progress towards a target of around 80% by 2027.

The breakdown of revenue by business and geography was as follows:

Region	Q4 2024			FY 2024		
	Revenues € million	Reported Growth	Organic Growth	Revenues € million	Reported Growth	Organic Growth
North America	3,420	+24.9%	+25.3%	12,225	+17.0%	+17.6%
Western Europe	2,036	+9.1%	+7.2%	7,081	+6.3%	+5.0%
Asia Pacific	2,257	+8.2%	+7.9%	8,124	+4.1%	+6.1%
Rest of the World	1,114	+17.6%	+18.0%	3,701	+11.1%	+18.6%
Total Energy Management	8,827	+15.6%	+15.2%	31,131	+10.2%	+11.5%
North America	431	-2.0%	+0.2%	1,625	-7.8%	-3.8%
Western Europe	522	-1.2%	+0.7%	1,912	-15.2%	-11.6%
Asia Pacific	528	-8.5%	-7.6%	2,223	-9.0%	-4.7%
Rest of the World	361	+21.1%	+20.1%	1,262	+5.1%	+13.6%
Total Industrial Automation	1,842	-0.1%	+1.2%	7,022	-8.3%	-3.7%
North America	3,851	+21.2%	+21.9%	13,850	+13.4%	+14.6%
Western Europe	2,558	+6.8%	+5.8%	8,993	+0.9%	+1.0%
Asia Pacific	2,785	+4.6%	+4.6%	10,347	+1.0%	+3.6%
Rest of the World	1,475	+18.4%	+18.5%	4,963	+9.5%	+17.3%
Total Group	10,669	+12.5%	+12.5%	38,153	+6.3%	+8.4%

Q4 2024 PERFORMANCE BY END-MARKET

Schneider Electric sells its integrated portfolio into four end-markets: Buildings, Data Center & Networks, Infrastructure and Industry, leveraging the complementary technologies of its Energy Management and Industrial Automation businesses and supported by the focus on electrification, automation and digitalization to enable a sustainable future.

- **Buildings** – The Buildings end-market remained a solid contributor to the Group's performance with a mixture of greenfield and brownfield customer investments and strong demand in Non-residential, technical buildings, including in Q4 from Hotels and Healthcare segments. Increased electrical, digital and energy efficiency requirements in buildings continue to drive demand and sales growth for EcoStruxure architectures, including Building Management System (BMS) offers and a broad spectrum of power management technologies, all of which is enabling the Group to maintain and offer a differentiated and leading position in the segment. Sales growth for Residential buildings remained stable with performance varying by geography.
- **Data Center & Networks** – In Q4 both demand and sales grew double-digit. As expected, the pure Data Centers segment continued to report the strongest demand and sales growth. Demand grew in the Distributed IT segment where the Group sells into both the B2B and B2C channels, delivering a strong contribution to sales growth. The Group continues to benefit from its best in class, end-to-end portfolio which will soon include Motivair Corporation, a specialist in liquid cooling, with this transaction expected to close in the coming weeks.
- **Infrastructure** – There was good demand in the Electrical Utilities segment which continues to be driven by grid expansion and resilience requirements for grid operators and momentum in power generation. Sales growth in Electrical Utilities was supported by strong uptake for the Group's digital offers. Water & Wastewater (WWW) saw strong demand growth, with particular traction in the quarter with U.S. water utilities and software in Europe. In the Transportation segment, customers implementing electrification networks for vehicles and airports supported demand, however overall demand was down slightly, against a high base of comparison.
- **Industry** – The Group sells its unique combination of Energy Management and Industrial Automation offers into the Industry end-market. There was growth in both demand and sales in Process & Hybrid automation markets supported by good traction for Services, with a growing proportion of Energy Management offers. Customers in segments including Energies & Chemicals (E&C) and Metals, Mining & Minerals (MMM) continue to decarbonize their operations, while in addition, the Group is seeing the benefit of investments by customers in commodities such as for copper in Chile. Demand from customers in the Semiconductor segment was strong. Sales in Discrete automation remained down year-on-year. There was good underlying demand recovery in Discrete automation, against a low base of comparison, led by China and Western Europe, while demand in Rest of the World remained strong.

Group trends by geography:

North America (36% of FY 2024 revenues) grew +21.9% organic in Q4.

Energy Management grew +25.3% organic. The U.S. was up strong double-digit, led by strong growth in Systems revenues and complemented by continued improvement on supply chain execution. Growth was led by the Data Center end-market which benefitted from the completeness of the Group's offer. There was double-digit growth in Product revenues overall, supported by demand across many end-markets and segments though sales growth in consumer-led segments was mixed, with strong growth in Distributed-IT while the Residential buildings market was subdued. The Group continues to focus on executing capacity investments to support Systems and Products growth in an elevated demand environment. Services grew double-digit with continued support from the strong Systems delivery of recent quarters. Canada was up strong double-digit with growth

across offers and end-markets, while Mexico grew double-digit driven by project execution and growth in the Residential buildings market.

Industrial Automation was up +0.2% organic, where strong growth across the region at AVEVA was partly offset by weakness in traditional automation. The U.S. grew low-single digit where sales into Discrete automation markets declined as the normalization of elevated stock levels at customers continued to progress, while sales into Process & Hybrid automation markets saw declines with lower project execution in the quarter. Canada was down mid-single digit and Mexico declined low single-digit, in each case impacted by continued weakness in Discrete automation markets.

Western Europe (24% of FY 2024 revenues) was up +5.8% organic in Q4.

Energy Management was up +7.2% organic, led by double-digit growth in Spain and Italy and supported by high-single digit growth in France and the U.K. Germany saw declines in a challenging market environment. Across the region there was double-digit growth in Systems revenues supported by project execution across the Data Center, Infrastructure and Non-residential buildings markets, while sales into the Residential buildings market were stable though varied by country. Field Services was up double-digit benefitting from trends of modernization and renovation. The rest of the region delivered good growth in aggregate including strong contribution from project execution in the Industry and Data Center end-markets in Sweden.

Industrial Automation was up +0.7% organic, led by strong growth at AVEVA notably in France and Italy. Discrete automation sales contracted low-single digit, showing sequential improvement compared to last quarter with Germany remaining heavily impacted, while other major economies of the region fared relatively better. Sales into Process & Hybrid markets were around flat in the quarter, with some project delays among customers in the E&C segment, against a backdrop of softening market demand.

Asia Pacific (27% of FY 2024 revenues) grew +4.6% organic in Q4.

Energy Management grew +7.9% organic. India delivered double-digit growth led by the Data Center and Non-residential buildings end-markets, where the Group saw success across both the Schneider Electric and Lauritz Knudsen brands, while also driving growth in digital offers. China declined low-single digit, primarily due to the impact of ongoing macroeconomic challenges on construction markets. Good sales growth in the Data Center end-market in China was driven by Banking, Telecoms and Social Media customers, while there was continued positive momentum in power generation. Australia grew double-digit driven by strong execution on Data Center projects, while sales into the Residential buildings market remained flat. Performance across the rest of the region was strong, delivering double-digit growth in aggregate primarily driven by Data Center projects in Malaysia and Singapore.

In Industrial Automation, which contracted -7.6% organic, China declined low double-digit with sales in Discrete automation down, where market softness persists, while sales into Process & Hybrid automation markets were impacted by delayed project execution. India delivered good growth against a double-digit base of comparison, driven by growth in Discrete automation markets and at AVEVA. Sales in both Japan and Korea were around flat in Discrete automation markets, though Korea declined overall due to a high base of comparison in Software. Australia declined against a double-digit base of comparison, primarily due to weakness in Discrete automation.

Rest of the World (13% of FY 2024 revenues) grew +18.5% organic in Q4. Middle East & Africa and South America grew double-digit, while Central & Eastern Europe grew high-single digit. There was strong growth in many individual countries across the region. While growth in the region benefitted from price actions in the high inflation countries of Argentina, Egypt and Türkiye, organic growth outside of these countries was up double-digit. The high inflation countries delivered volume expansion alongside the price contribution.

Energy Management grew +18.0% organic. Growth was led by South America up strong double-digit, where Chile saw strong project execution in the MMM segment and good traction in Data Center, while Brazil contributed double-digit growth, primarily in the Data Center and Buildings end-markets, benefitting from the Group's differentiated offers across a range of value propositions. There was strong growth across the Middle East & Africa with execution on projects for customers across all four end-markets, with notable contributions from countries in the Gulf region and in multiple countries across Africa. Saudi Arabia grew low-single digit against a high base of comparison with project activity remaining at high levels. Central & Eastern Europe was up double-digit supported by execution on Infrastructure projects.

Industrial Automation grew +20.1% organic. Growth was led by Middle East & Africa, which was up strong double-digit with strong contributions across each of Discrete, Process & Hybrid and Software. The U.A.E. saw strong growth at AVEVA and for sales into Discrete automation markets, while there was also strong growth in Morocco, South Africa, Qatar and Iraq. South America delivered good growth led by Process & Hybrid markets in Chile and Colombia in MMM and E&C segments, while Peru delivered strong growth in Discrete automation linked with projects in WWW. Central & Eastern Europe was around flat in the quarter.

SCOPE⁴ AND FOREIGN EXCHANGE⁵ IMPACTS IN Q4

In Q4, net acquisitions/disposals had an impact of **-€8 million** or **-0.1%** of Group revenues, including the divestment of the Group's industrial sensors business, the acquisitions of EcoAct and Planon, along with the net impact of some smaller acquisitions and disposals.

Based on transactions completed to-date, the Scope impact on FY 2025 revenues is estimated to be **around +€100 million**. The Scope impact on adjusted EBITA margin for FY 2025 is estimated to be **around flat**.

In Q4, the impact of foreign exchange fluctuations was positive at **+€14 million** or **+0.2%** of Group revenues, driven by the strengthening of the British Pound against the Euro and a year-over-year benefit from hyperinflation accounting under IAS 29, offset by the weakening of several new economies currencies against the Euro.

Based on current rates⁶, the FX impact on FY 2025 revenues is estimated to be between **+€600 million to +€700 million**. The FX impact at current rates on adjusted EBITA margin for FY 2025 could be **around +10bps**.

4. Changes in scope of consolidation also include some minor reclassifications of offers among different businesses.

5. For those currencies meeting the criteria to be considered hyperinflationary under IAS 29, such as Argentina and Türkiye, an IFRS technical adjustment for hyperinflation impact is reflected as FX and therefore excluded from the organic growth calculation. The effect of operational actions taken in these countries such as increased pricing to mitigate the inflationary impact is reflected as part of the organic growth.

6. Forward exchange rates are volatile and difficult to predict. Consequently, the impact of such movement and possible impacts from hyperinflation technical accounting (IAS29) are not factored at this stage.

II. FULL YEAR 2024 KEY RESULTS

€ million	2023 FY	2024 FY	Reported change	Organic change
Revenues	35,902	38,153	+6.3%	+8.4%
Gross Profit	15,012	16,268	+8.4%	+10.5%
<i>Gross profit margin</i>	<i>41.8%</i>	<i>42.6%</i>	<i>+80bps</i>	<i>+80bps</i>
Support Function Costs	(8,600)	(9,185)	+6.8%	+7.8%
<i>SFC ratio (% of revenues)</i>	<i>-24.0%</i>	<i>-24.1%</i>	<i>-10bps</i>	<i>+10bps</i>
Adjusted EBITA	6,412	7,083	+10.5%	+14.2%
<i>Adjusted EBITA margin</i>	<i>17.9%</i>	<i>18.6%</i>	<i>+70bps</i>	<i>+90bps</i>
Restructuring costs	(147)	(141)		
Other operating income & expenses	98	(87)		
EBITA	6,363	6,855	+8%	
Amortization & impairment of purchase accounting intangibles	(430)	(406)		
Net Income (Group share)	4,003	4,269	+7%	
Adjusted Net Income (Group share)⁷	4,066	4,664	+15%	+18.4%
Adjusted EPS⁷ (€)	7.26	8.32	+15%	+18.2%
Free Cash Flow	4,594	4,216	-8%	

ADJUSTED EBITA MARGIN AT 18.6%, UP +90 BPS ORGANIC DUE TO STRONG GROSS MARGIN PERFORMANCE COUPLED WITH SFC LEVERAGE

Gross profit was up **+10.5%** organic with Gross margin up **+80bps** organic, reaching **42.6%** in 2024. The organic increase in margin percentage was driven by industrial productivity and improved Gross Margin in the Systems business, mainly due to pricing.

2024 Adjusted EBITA reached **€7,083** million, increasing organically by **+14.2%** and the Adjusted EBITA margin expanded by **+90bps** organic to **18.6%** as a consequence of the strong Gross Margin improvement coupled with SFC leverage. SFC costs increased slightly as a percentage of revenues at 24.1% with a favorable organic development of +10bps despite continued investment in innovation, digital and commercial footprint, offset by a negative FX impact.

7. See appendix Adjusted Net Income & Adjusted EPS.

The key drivers contributing to the earnings change were the following:

€ million	Adj. EBITA	YoY change	Comments
Adj. EBITA FY 2023	6,412		
Volume impact		+1,181	Positive impact from higher sales volumes.
Industrial productivity		+331	The Group's industrial productivity level was +€331m with a lower contribution in H2 vs. H1 as expected due to capacity investments made within the Group's supply chain, primarily in North America and India.
Net price⁸		+67	The net price impact was positive at +€67m in 2024. Gross pricing on Products was positive at +€106m.
<i>Gross pricing on products</i>		<i>+106</i>	Gross pricing on Systems was strong and the related margin impact is captured within the Mix category of this bridge. In total, RMI was a headwind at -€39m, having turned negative in H2.
<i>Raw Material Impact</i>		<i>-39</i>	
Cost of Goods Sold inflation		-139	Cost of Goods Sold inflation was -€139m in 2024, of which the production labor cost and other cost inflation was -€128m, and an increase in R&D in Cost of Goods Sold was -€11m. The overall investment in R&D, including in support function costs continued to increase as expected and represented 5.6% of 2024 revenues.
<i>Production labor cost and other cost inflation</i>		<i>-128</i>	
<i>R&D in Cost of Goods Sold</i>		<i>-11</i>	
Support function costs		-663	Support Function Costs increased organically by -€663m, or +7.8% org. in 2024. The Group was impacted by inflation for -€378m and continued to focus on strategic priorities with investments of -€394m mainly linked to R&D, commercial footprint and digital, including AI and transformation projects. The Group delivered +€243m of cost savings, mainly relating to headcount. Other cost increases of -€134m consisted of miscellaneous items.
Mix		162	2024 performance resulted in a positive mix effect of +€162m where strong improvement of Gross Margin in the Systems business mainly derived from pricing was partly offset by the dilutive impact from the faster growth of Systems revenues compared to Products.
Foreign currency impact⁹		-151	The impact of foreign currency decreased adjusted EBITA by -€151m, or around -20bps of adj. EBITA margin in 2024, with underlying FX impacts of -40bps and a benefit from hyperinflation accounting of +20bps
Scope and Others		-117	The impact from scope & others was -€117m in 2024, with net Scope impacts representing a neutral impact on adj. EBITA margin %. Others consists of miscellaneous small items.
Adj. EBITA FY 2024	7,083		

8. Price on products and raw material impact

9. For those currencies meeting the criteria to be considered hyperinflationary under IAS 29, such as Argentina and Türkiye, an IFRS technical adjustment for hyperinflation impact is reflected as FX and therefore excluded from the organic growth calculation. The effect of operational actions taken in these countries such as increased pricing to mitigate the inflationary impact is reflected as part of the organic growth

The FY 2024 adjusted EBITA for each business was as follows:

- **Energy Management** generated an adjusted EBITA of **€6,865 million**, or **22.1%** of revenues, up c.+110bps organic (up +100bps reported), due mainly to a strong contribution from higher volumes, a good level of industrial productivity and a positive mix effect from improved Systems margin, partly offset by inflation and investment, primarily in SFC.
- **Industrial Automation** generated an adjusted EBITA of **€1,041 million**, or **14.8%** of revenues, down c.-150bps organic (down -220bps reported), with a strong negative volume contribution and production labor inflation, partly offset by a small positive net price contribution, improved mix and SFC savings.
- **Central Functions & Digital Costs** in 2024 amounted to **€823 million** (€859 million in 2023), decreasing to 2.2% of Group revenues (from 2.4% of Group revenues last year).

▪ **NET INCOME UP +7%**

€ million	2023 FY	2024 FY	Comments
Adj. EBITA	6,412	7,083	
Other operating income and expenses	98	(87)	Other operating income and expenses were -€87m in 2024, primarily consisting of M&A and integration costs and a provision in respect of the French Competition Authority investigation, partly offset by a gain recognized on the carrying value of the initial investment in Planon. 2023 included a disposal gain partly offset by M&A and integration costs.
Restructuring costs	(147)	(141)	Restructuring costs were -€141m in 2024, €6m lower than in 2023.
Amortization and impairment of purchase accounting intangibles	(430)	(406)	Amortization and impairment of intangibles linked to acquisitions was -€406m in 2024, €24m lower than last year due to an impairment recognized in 2023.
Net financial income/(loss)	(530)	(409)	Net financial expenses were -€409m in 2024, €121m less than last year. The decrease primarily relates to higher interest income on cash deposits and positive FX differences.
Income tax expense	(1,285)	(1,398)	Income tax amounted to -€1,398m, higher than last year by €113m. The Effective Tax Rate was 23.1%, in line with the expected range of 22-24% for FY2024, and 0.7pts lower than the 2023 ETR of 23.8%.
Profit/(loss) of associates and non-controlling interests	(115)	(153)	Share of profit of associates was +€17m, down -€34m vs. last year, mainly due to performance at Uplight. Amounts attributable to non-controlling interests of -€170m were stable compared to -€166m in 2023.
Impairment of investments in associates	-	(220)	The Group recorded a non-cash impairment charge of -€220m against the carrying value of its investment in Uplight, with slower adoption at customers than was envisaged in the business plan impacting near-term growth, in part due to regulatory challenges.
Net Income (Group share)	4,003	4,269	Net Income (Group share) was €4,269m in 2024, up +7% vs. last year due to the strong operating result and despite the impairment of Uplight.
Adjusted Net Income (Group share)¹⁰	4,066	4,664	Adjusted Net Income was €4,664m in 2024, up +15% vs. last year.

10. See appendix Adjusted Net Income & Adjusted EPS.

▪ **FREE CASH FLOW OF €4.2 BILLION**

The Group delivered Free Cash Flow of **€4,216 million** in 2024, primarily due to the P&L performance driving record operating cash flow of €6,308 million. This included R&D cash costs of €2,260 million, which increased to 5.9% of 2024 revenues.

Net capital expenditure increased to -€1,364 million (compared to -€1,313 million in 2023) remaining stable at around 3.6% of revenues, with 2.4% relating to net tangible capex and 1.2% to intangible capex (mainly capitalized R&D). The Group expects to continue the capacity investment program outlined at its 2023 Capital Markets Day, involving both Capex and Opex investments.

Trade working capital buildup impacted the Free Cash Flow in 2024 by -€594 million, primarily in relation to inventory to support the Group's focus on supply chain execution and its program of capacity additions, resulting in DIN up by 7 days compared to December 2023. DSO on receivables improved by 6 days with improved payment terms on Systems projects and strong cash collections, while DPO on payables was worse by 2 days.

▪ **BALANCE SHEET REMAINS STRONG**

Schneider Electric's net debt at December 31, 2024 amounted to **€8,147 million** (down from €9,367 million at December 31, 2023) after payment of -€2.0 billion to fulfill the 2023 dividend, a net impact from acquisitions and disposals of -€0.5 billion and payment of -€0.3 billion in relation to share buyback, offset by the strong Free Cash Flow performance of +€4.2 billion.

The Group remains committed to retaining its strong investment grade credit rating.

▪ **CASH CONVERSION & PROPOSED DIVIDEND**

The cash conversion ratio (Free Cash Flow as a percentage of Net Income - Group Share) was 99% in 2024, in part due to the non-cash impairment of investment in Uplight reducing the Net Income (94% cash conversion adjusted for this item), down from 115% last year.

The proposed dividend¹¹ is €3.90 per share, up +11% vs. 2023 as the Group maintains its progressive dividend policy for the 15th year.

III. **SCHNEIDER SUSTAINABILITY IMPACT**

The company's Sustainability Impact (SSI) score reached 7.55 out of 10, surpassing the 2024 year-end target of 7.40. Monitoring and reporting on the 11 global commitments of its SSI's quarterly progress is fundamental to achieving the company's goals tied to all dimensions of environmental, social, and governance (ESG).

"In 2024, Schneider Electric was recognized by TIME and Statista as the World's Most Sustainable Company. Earlier this year, we were honored to receive the same recognition from Corporate Knights as part of its Global 100 ranking – marking our second time topping this list and a first for any corporation. These remarkable achievements, alongside other key ESG recognitions inspire us to reach even greater heights in 2025," said Chris Leong, Chief Sustainability Officer at Schneider Electric. "As we enter the final year of our Sustainability Impact program, we are determined to continue transforming ambition into action. There's still work ahead, but with the support of our extensive ecosystem, our people, and all our Impact Makers, we will succeed."

11. Subject to Shareholder approval on May 7, 2025

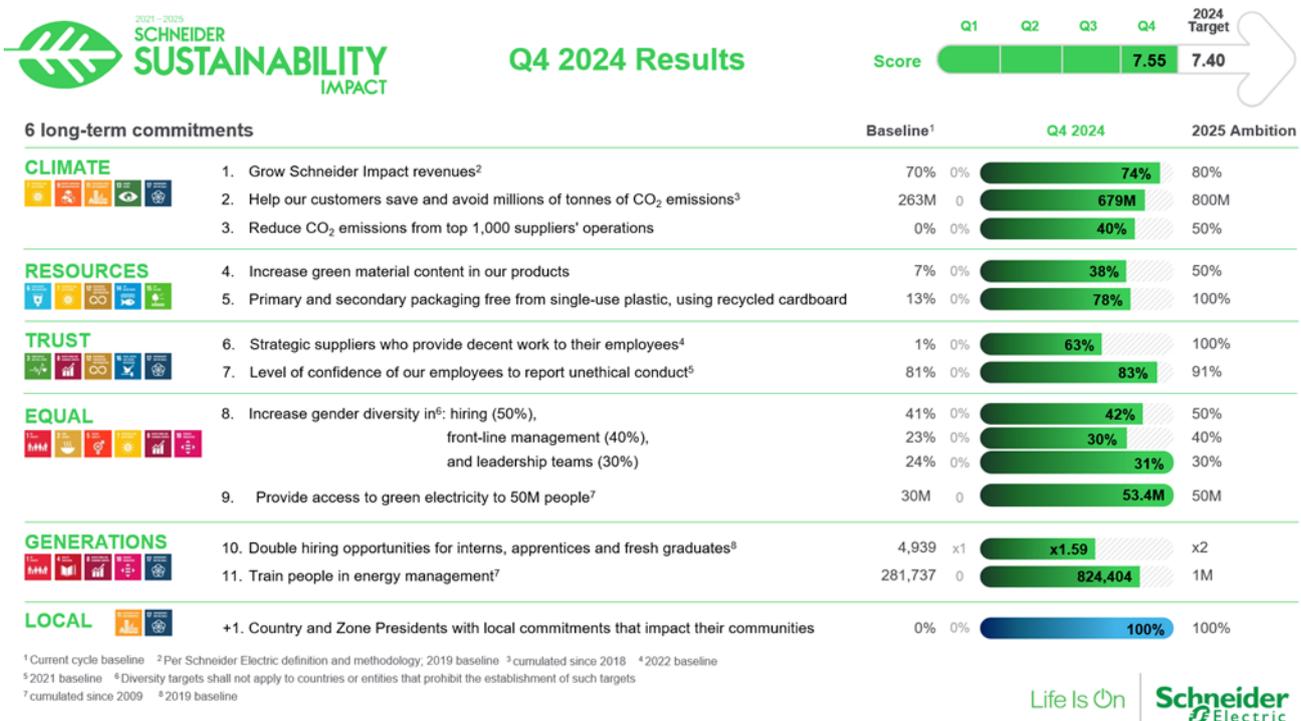
Schneider Electric continues to make consistent strides each quarter towards its goals of reducing the carbon footprint of its customers. Since 2018, its energy-saving products, software, and services have enabled customers to save and avoid 679 million tonnes of CO₂. The 1,000 top suppliers engaged in Schneider's Zero Carbon Project have made notable progress in adopting energy efficiency initiatives and shifting to renewable energy, leading to an overall reduction in supplier emissions of 40% by the end of 2024.

Schneider's suppliers are also committed to upholding decent work standards, ensuring fair wages, safe work environments, and improved labor conditions. Within just one year, the percentage of suppliers meeting Schneider's rigorous standards has surged from 21% at the end of 2023 to 63% by the end of 2024.

This commitment to ethical practices goes hand in hand with Schneider's broader mission to make a positive impact globally. A year ahead of schedule, over 53.4 million people have now access to clean and reliable electricity exceeding the SSI ambition of 50 million. Schneider's rural electrification projects, including solar microgrids in Africa, transform lives by enhancing the quality of life of local communities and supporting local economies. At the end of 2024, Schneider had also trained over 824,000 people in energy management, moving closer to its goal of one million by the end of 2025. Through its Youth Education & Entrepreneurship program, Schneider equips young people with essential skills in energy efficiency, preparing them for careers in sustainable industries.

In addition to these accomplishments, for the 14th consecutive year, Schneider Electric has been included in the DJSI World Index, achieved a place on CDP's A list, and earned a AAA rating from MSCI ESG. Schneider's latest score from EcoVadis also secured a Platinum medal.

For further insights on Schneider's Sustainability Impact program, explore Schneider's Q4 or [full-year 2024 report](#) featuring a detailed progress dashboard:



IV. CORPORATE GOVERNANCE

At the Annual Shareholder meeting which will be held on May 7, 2025, the Board of Directors will propose to renew the mandates of several of its members based on the evaluation of their skillset and the strategic needs of the Company.

The Board considers that it hugely benefits from having Jean-Pascal Tricoire, in his capacity of Chairman of the Board of Directors, who brings his experience as former Chairman & Chief Executive Officer of Schneider Electric SE, his expertise in corporate finance and digital, and his knowledge of international markets, Schneider's industry, and sustainability matters. This led the Board to unanimously ask Jean-Pascal Tricoire to continue to participate in the work of the Board as Chairman and propose his renewal for a four-year term.

The renewal of Anna Ohlsson-Leijon's mandate for a four-year term will also be proposed to shareholders. She brings to the Board of Directors her experience as Executive Vice-President of AB Electrolux and CEO of Business Area Europe & APACMEA, her skills in corporate finance, accounting, risks, and audit, as well as her knowledge of international markets and ethics and compliance matters.

In addition, the shareholders will be asked to approve the ratification of the co-optation by the Board, on November 1, 2024, of Clotilde Delbos as Director in replacement of Cécile Cabanis. She brings to the Board her experience as former Chief Financial Officer, Interim Chief Executive Officer, and Deputy Chief Executive Officer of Renault, as well as her expertise in finance and industry.

The Board would like to warmly thank Mr. Léo Apotheker who decided not to seek the renewal of his term of office. His contribution to the work of the Board as member of the Board of Directors for sixteen years and former Vice-Chairman & Lead Independent Director, has been essential for Schneider Electric.

V. EXPECTED TRENDS IN 2025

- Strong and dynamic market demand to drive growth, with contribution from all four end-markets
- Continued strong demand for Systems offers, led by the Energy Management business
- A demand recovery in Discrete automation, with sales growth weighted towards H2
- Further progress on subscription transition in Software; strong growth in Services
- All four regions to contribute to growth, led by U.S., India, Middle East & Africa
- Execute on previously communicated capacity investments to support growth
- Preparing for agile commercial actions to counter the impact of fast-evolving geopolitical developments and associated fiscal costs

VI. 2025 TARGET

The Group sets its 2025 financial target as follows:

2025 Adjusted EBITA growth of between +10% and +15% organic.

The target would be achieved through a combination of organic revenue growth and margin improvement, currently expected to be:

- Revenue growth of **+7% to +10% organic**
- Adjusted EBITA margin up **+50bps to +80bps organic**

This implies Adjusted EBITA margin of **around 19.2% to 19.5%** (including scope based on transactions completed to-date and FX based on current estimation).

Further notes on 2025 available in appendix

VII. 2024-2027 FINANCIAL TARGETS AND LONGER-TERM AMBITIONS AS ANNOUNCED IN 2023 CAPITAL MARKETS DAY

Based on its current view and assuming no major changes to the macro-economic and geopolitical environment, Schneider Electric announced its medium-term financial targets as follows:

2024-27 Financial Targets:

- Organic revenue growth of between +7% to +10%, CAGR 2023-2027¹²
- Organic expansion of Adjusted EBITA margin of around +50 basis points, CAGR 2023-2027¹²

Longer-term ambitions:

- Organic revenue growth of 5%+ on average across the economic cycle
- To consistently be a Company of 25¹³ across the economic cycle
- Cash conversion ratio¹⁴ expected to be around 100%, on average, across the economic cycle

12. 4-year CAGR

13. Sum of organic revenue growth % and adj. EBITA margin %

14. Free Cash Flow as a proportion of Net Income (Group Share)

The financial statements of the period ending December 31, 2024 were established by the Board of Directors on February 19, 2025. At the date of this press release, the audit procedures were carried out and the report of the statutory auditors is being finalized.

The Q4 2024 & FY 2024 Annual Results presentation is available at www.se.com

Q1 2025 Revenues will be presented on April 29, 2025.

The Annual General Meeting will take place on May 7, 2025.

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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.

About Schneider Electric:

Schneider's **purpose is to create Impact** by empowering all to **make the most of our energy and resources**, bridging progress and sustainability for all. At Schneider, we call this **Life Is On**.

Our mission is to be the trusted partner in **Sustainability and Efficiency**.

We are a **global industrial technology leader** bringing world-leading expertise in electrification, automation and digitalization to smart **industries**, resilient **infrastructure**, future-proof **data centers**, intelligent **buildings**, and intuitive **homes**. Anchored by our deep domain expertise, we provide integrated end-to-end lifecycle AI enabled Industrial IoT solutions with connected products, automation, software and services, delivering digital twins to enable profitable growth **for our customers**.

We are a **people company** with an ecosystem of 150,000 colleagues and more than a million partners operating in over 100 countries to ensure proximity to our customers and stakeholders. We embrace **diversity and inclusion** in everything we do, guided by our meaningful purpose of a **sustainable future for all**.

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Appendix – Further notes on 2025

- **Foreign Exchange impact:** Based on current rates¹⁵, the FX impact on FY 2025 revenues is estimated to be between **+€600 million to +€700 million**. The FX impact at current rates on adjusted EBITA margin for FY 2025 could be **around +10bps**
- **Scope:** around **+€100 million** on 2025 revenues and **around flat** on 2025 adjusted EBITA margin, based on transactions completed to-date
- **Tax rate:** The ETR is expected to be in a **23-25%** range in 2025
- **Restructuring:** The Group expects restructuring costs to decrease towards target of around **€100 million** per year

Appendix – Revenues breakdown by business

Q4 2024 revenues by business were as follows:

	Q4 2024				
	Revenues € million	Organic growth	Changes in scope of consolidation	Currency effect	Reported growth
Energy Management	8,827	+15.2%	+0.2%	+0.1%	+15.6%
Industrial Automation	1,842	+1.2%	-1.5%	+0.4%	-0.1%
Group	10,669	+12.5%	-0.1%	+0.2%	+12.5%

H2 2024 revenues by business were as follows:

	H2 2024				
	Revenues € million	Organic growth	Changes in scope of consolidation	Currency effect	Reported growth
Energy Management	16,479	+13.5%	+0.1%	-0.5%	+13.1%
Industrial Automation	3,501	-2.3%	-2.4%	-0.6%	-5.3%
Group	19,980	+10.3%	-0.3%	-0.5%	+9.4%

FY 2024 revenues by business were as follows:

	FY 2024				
	Revenues € million	Organic growth	Changes in scope of consolidation	Currency effect	Reported growth
Energy Management	31,131	+11.5%	-0.1%	-1.1%	+10.2%
Industrial Automation	7,022	-3.7%	-3.2%	-1.5%	-8.3%
Group	38,153	+8.4%	-0.7%	-1.2%	+6.3%

15. Forward exchange rates are volatile and difficult to predict. Consequently, the impact of such movement and possible impacts from hyperinflation technical accounting (IAS29) are not factored at this stage.

Throughout this document growth percentage calculations are compared to the same period of the prior year, unless stated otherwise.

Appendix – Scope of Consolidation

Number of months in scope	Acquisition / Disposal	2024				2025			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
EcoAct									
Energy Management Business	Acquisition	3m	3m	3m	3m				
Planon									
Energy Management Business	Acquisition				2m	3m	3m	3m	1m
Autogrid									
Energy Management Business	Disposal	1m							

Appendix – Adjusted EBITA, Analysis of Change

€ millions	H1	H2	FY
	Adj. EBITA	Adj. EBITA	Adj. EBITA
2023 Adj. EBITA	3,174	3,238	6,412
Volume	427	754	1,181
Net Price	69	-2	67
Productivity	210	121	331
Mix	85	77	162
R&D & Production Labor Inflation	-78	-61	-139
SFC	-268	-395	-663
FX	-104	-47	-151
Scope & Other	-132	15	-117
2024 Adj. EBITA	3,383	3,700	7,083

Appendix - Results breakdown by division

€ million		H1 2023	H1 2024	Organic	H2 2023	H2 2024	Organic	FY 2023	FY 2024	Organic
Energy Management	Revenues	13,669	14,652		14,572	16,479		28,241	31,131	
	Adjusted EBITA	2,824	3,250		3,143	3,615		5,967	6,865	
	Adjusted EBITA margin	20.7%	22.2%	c. +170 bps	21.6%	21.9%	c. +30 bps	21.1%	22.1%	c. +110 bps
Industrial Automation	Revenues	3,964	3,521		3,697	3,501		7,661	7,022	
	Adjusted EBITA	758	542		546	499		1,304	1,041	
	Adjusted EBITA margin	19.1%	15.4%	c. -300 bps	14.8%	14.3%	c. +10 bps	17.0%	14.8%	c. -150 bps
Corporate	Central Functions & Digital Costs	(408)	(409)		(451)	(414)		(859)	(823)	
Total Group	Revenues	17,633	18,173		18,269	19,980		35,902	38,153	
	Adjusted EBITA	3,174	3,383		3,238	3,700		6,412	7,083	
	Adjusted EBITA margin	18.0%	18.6%	+100 bps	17.7%	18.5%	+90 bps	17.9%	18.6%	+90 bps

Appendix – Adjusted Net Income & Adjusted EPS

Key figures (€ million)	2023 FY	2024 FY	Reported Change	Organic Change
Adjusted EBITA	6,412	7,083	+10%	+14.2%
Amortization of purchase accounting intangibles	(396)	(406)		
Net financial income/(loss)	(530)	(409)		
Income tax with impact from adjusted items	(1,305)	(1,451)		
Profit/(loss) of associates and non-controlling interests	(115)	(153)		
Adjusted Net Income (Group share)	4,066	4,664	+15%	+18.4%
Adjusted EPS (€)	7.26	8.32	+15%	+18.2%

Appendix – Free Cash Flow and Net Debt

Analysis of net debt change in € million	FY 2023	FY 2024
Net debt at opening at Dec. 31	(11,225)	(9,367)
Operating cash flow	5,529	6,308
Capital expenditure – net	(1,313)	(1,364)
Operating cash flow, net of capex	4,216	4,944
Change in trade working capital	173	(594)
Change in non-trade working capital	205	(134)
Free Cash Flow	4,594	4,216
Dividends	(1,851)	(2,049)
Acquisitions – net	611	(452)
Net capital decrease	(484)	(70)
Purchase commitments on NCI	(55)	(70)
FX & other (incl. IFRS 16)	(957)	(355)
(Increase) / Decrease in net debt	1,858	1,220
Net debt at Dec. 31	(9,367)	(8,147)

Appendix – ROCE

ROCE calculation

P&L items (€ million)		2023 reported	2024 reported
EBITA	(1)	6,363	6,855
Restructuring costs	(2)	(147)	(141)
Other Operating Income & Expenses	(3)	98	(87)
= Adjusted EBITA	(4) = (1)-(2)-(3)	6,412	7,083
x Effective tax rate of the period	(5)	23.8%	23.1%
= After-tax Adjusted EBITA	(A) = (4)*(1-(5))	4,886	5,447

Balance sheet items (€ million)	2023 reported	2024 reported		2023 avg. of 4 quarters	2024 avg. of 4 quarters
Shareholders' equity	27,168	31,280	(B)	26,676	29,268
Net financial debt	9,367	8,147	(C)	11,522	9,513
Adjustment for Associates and Financial assets (fair value)	(1,907)	(1,870)	(D)	(1,875)	(1,961)
= Capital employed	34,628	37,557	(E) = (B)+(C)+(D)	36,323	36,820
= ROCE			(A)/(E)	13.5%	14.8%