Peter HERWECK
CEO

Schneider Electric's individual commitments to act4nature international

Company Overview

Schneider Electric is a global manufacturing company that specialises in energy management and automation. We have a presence in more than 100 countries, serving multiple market sectors.

Sustainability is at the core of the Schneider Electric's strategy, with biodiversity representing a fundamental aspect of our commitment to sustainability. We recognize the importance of Nature and Biodiversity for humanity to thrive; we are all dependent on natural resources and ecosystem services. Our Purpose is to empower all to make the most of our energy and resources bridging progress and sustainability for all.

Materiality analysis

Biodiversity has been identified as a material issue for Schneider Electric. Every year Schneider Electric conducts a materiality assessment assessing issues of importance for internal and external stakeholders. In 2022, Biodiversity was included within the materiality matrix that we report to investors and other stakeholders (SE URD Page 80). In addition, using the Taskforce for Nature-related Financial Disclosures framework, Schneider Electric assessed impacts and dependencies across land, ocean, freshwater & atmosphere, and conducted an end-to-end biodiversity footprint assessment using the Global Biodiversity Score (GBS) tool developed by Caisse des Dépôts et Consignations Biodiversité. In collaboration with CDC Biodiversité, we continue to assess and track our biodiversity footprint. Our initial assessment was conducted in 2019, followed by a subsequent evaluation in 2023. The findings indicate that our dynamic impacts are primarily concentrated in the downstream scope 3, attributed to CO_2 emissions during the usage phase of our products. Within our upstream and direct operations, we observe significant impacts in terms of climate change and land use pressures. This is largely attributable to our dependency on extracted raw materials, particularly wood and metals. Information on the materiality and the footprint analysis enable SE to embed biodiversity into our corporate strategy and programmes.

Link to our previous act4nature commitments

Our previous commitments remain largely unchanged, and we are actively progressing towards achieving them. In addition, we have introduced a new commitment for 2030: to source for 100% deforestation free wood. We believe that this commitment holds significant potential to reduce our land use impacts associated with wood. We have also accelerated on our corporate training on biodiversity, to bring onboard all employees in this journey. Our Biodiversity Pledge can be found here.

Individual commitments

Common Commitment[2]	SE Biodiversity Pledge[1] Goals & objectives	Comments / References	Scope	Unit of measure	Baseline	Timeline
1. Quantify and publish every 3 to 4 years the assessment of impacts on biodiversity (MSA.km²)						
2 10		The first Biodiversity Footprint Assessment was completed in 2021 and communicated externally in a whitepaper available on the corporate website. Results and progress are also shared in the company annual report. The second Biodiversity Footprint Assessment was completed in December 2023 and will be communicated in 2024. The group is committed to conducting these impact assessments on a regular and consistent basis, for instance, every 3 or 4 years. Through this evaluation, we can pinpoint segments of the value chain that have significant impacts on various aspects of biodiversity, enabling us to develop targeted strategies to address them. BFA shared externally in thought leadership SE URD Page 188	SE end to end value chain	MSA Km²	2021	2023 and every subsequent 3-4 years
2. Align biodiversity objectives and Biodiversity impact reduction with science						
1 3 5 10	**2.1** Reduce biodiversity impact as identified in our impact assessment	We are committed to reduce our biodiversity impacts as identified through our impact assessment. The assessment maintains a high level of scientific rigor, and its methodology is continuously refined. Results show that dynamic impacts are primarily associated with GHG emissions & Land use. The outcomes of the studies are used to inform Schneider Electric's strategy and included into climate risk analysis. Schneider Electric is in discussion with SBTN; we were not part of the pilot companies, as our industry was not deemed a priority. SE URD page 156	SE end to end value chain	MSA Km²	2019	2030
	2.2 Achieve Zero Net Biodiversity loss	We are committed to achieve no net biodiversity loss in our direct operations by 2030. This target is aligned with the global biodiversity framework as announced in COP15. The Biodiversity Footprint Assessment uses the Global Biodiversity Score Tool, advised by the CDC Biodiversité. SE URD page 188	Direct operations	MSA Km²	2019	2030
3. Develop solutions and technologies that contribute to the preservation of biodiversity						
4	**3.1** Reducing customer CO_2 emissions by 800 M tCO_2 from 2018 to 2025 **(SSI 2)**	Over two-thirds of our impact on biodiversity is attributed to greenhouse gas (GHG) emissions and their contribution to climate change. Consequently, our primary focus in stakeholder engagement is on initially tackling GHG emissions within our supply chain. SE URD page 182 CO_2 Impact Methodology for Saved & Avoided emissions	Scope 3 downsteam	Million tonnes	2018	2025
	3.2 Contributing to the access to electricity for 50 million people and thus reduce their pressure on local biodiversity **(SSI 9)**	This is part of a wider commitment to 100 million people by 2030 cumulatively since the start of the programme in 2009. SE URD page 244	Electricity for Livelihood programme	people	2020	2025
4. Engage and transform the value chain						
	4.1 Increase the sustainable material content of products to 50% **(SSI 4)**	Schneider Electric use the term 'Green Material' to refer to relevant criteria per commodity to identify 'greener' than usual alternatives, focussing on high stakes environmental impacts including climate change, resource depletion and harm to people & ecosystems. This multi-impact approach is aligned with the Schneider Electric Sustainability Strategy and principles of Eco-design. In 2021, the scope of green materials focused on 3 types of commodities covering around a third of purchased materials in volume: • Thermoplastics (including both direct and indirect procurement). Thermoplastics are qualified as "green" when the supplier provides evidence of a minimum recycled content, biobased content (the minimum threshold depends on whether the compound is halogenated or not) or is using a green flame retardant. • Steel (direct purchases). Steel is qualified as "green" when the supplier provides evidence that the mill of origin is an Electric Arc Furnace (EAF) or has a Green certificate such as the ones delivered by Responsible Steel. • Aluminum (direct purchases). Aluminum is qualified as "green" when the supplier provides evidence that the product carbon footprint is below 8 tonnes of CO_2 per tonne of aluminum, is using a minimum of 90% of recycled content in its product or that the mill of origin has a Green certificate such as the ones delivered by the Aluminium Stewardship Initiative. SE URD Page 198	Steel, aluminum and thermoplastics	%	01/01/2021	31/12/2025
4	**4.2** Achieve 100% of packaging free from single-use plastics and using recycled cardboard	SE URD Page 200	Primary and secondary packaging	%	01/01/2021	31/12/2025
	4.3 Reduce by 50% the CO_2 emissions of the operations of 1,000 top suppliers **(SSI 3)**	In 2023 upstream Scope 3 emissions accounted for 12% of the company carbon footprint. Under the Zero Carbon Project, we actively collaborate with our supply chain partners, working towards net-zero emissions. Our objective is to reduce the carbon footprint of our leading 1000 suppliers by half by the year 2025. Approximately 60% of our upstream scope 3 are involved in Zero Carbon Project. SE URD Page 175 Inc. details on the Zero Carbon Project	1,000 suppliers	%	01/01/2021	31/12/2025
	4.4 Avoid the consumption of 420,000 tonnes of resources with «end-of-life recovery» **(SSE 10)**	Product Environmental Profiles & Environmental Impact database used to determine the avoidance. SE URD Page 207	All SE Products	Tonnes	01/01/2017	31/12/2025
	NEW 4.5 Source 100% deforestation-free wood by 2030	This commitment exceeds government regulation as it applies to global scope. SE URD Page 189	All paper and wood based consumption	%	01/01/2021	31/12/2030
5. Act locally, engaging employees and partners to preserve and restore biodiversity						
5 7 8 9	**5.1** 100% of sites will deploy biodiversity conservation and restoration programs by 2025 **(SSE 8)**	Site level biodiversity conservation and restoration programmes are locally specific. An internal design tool requires that site plans to address local ecological risk, engage interested stakeholders and promotes the use of participatory sciences. Activities include landscaping for pollinators, creation of ponds, mangrove restoration & river clean ups and wider stakeholder engagement. Sites are encouraged to work with local NGOs to support with design and monitoring of action plan. SE URD Page 206	100% of in-scope sites (400 sites)	%	01/01/2021	31/12/2025
5 7 8	**5.2** 100% of sites located in areas subject to water stress will have a water conservation action plan by 2025 **(SSE 11)**	Water stress is defined using WRI Aqueduct tool. Water conservation plans include a series of essentials relevant to all sites including training and reporting and technology specific best practices e.g. Paint lines, HVAC etc. In addition to SSE#11, we also measure & report on water efficiency. SE URD Page 204	Sites in water-stressed areas (77 sites)	%	01/01/2021	31/12/2025
4	**5.3** 200 Sites will obtain our «Waste to resource» label **(SSE 9)**	Information on Schneider Electric 'Waste to Resource' label can be found in the annual report. Criteria includes: 100% hazardous waste recovery using best available technology, 99% recovery for all non-hazardous waste, waste to energy <10% of waste management. SE URD Page 203	200 sites within the GED 001 Scope	Sites	01/01/2021	31/12/2025
4	**NEW 5.4** Elimination of Single Use Plastics for non-operational activities **(Sub-metric of SSE 8)**	Elimination of single use plastics for non-operational activities refers to 14 priority single use plastics used in our sites. These include water bottles, disposable coffee cups, food containers etc. Whilst the volume of plastic may be small compared to the Operational Single Use Plastics (mainly packaging), it represents a very important route to engagement of employees and communication on sustainability programme. SE URD Page 200	100% of in-scope sites (400 sites)	%	01/01/2021	31/12/2025

1 Schneider Electric (2021) Schneider Electric Biodiversity Pledge, available at https://www.se.com/eg/en/download/document/Biodiversity_Pledge_EN/

2 act4nature Common Commitments (2022), available at https://www.act4nature.com/wp-content/uploads/2022/12/A4-act4nature-international-VA-04-22.pdf