The fastest path to **Net Zero**

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730+

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730+

million people

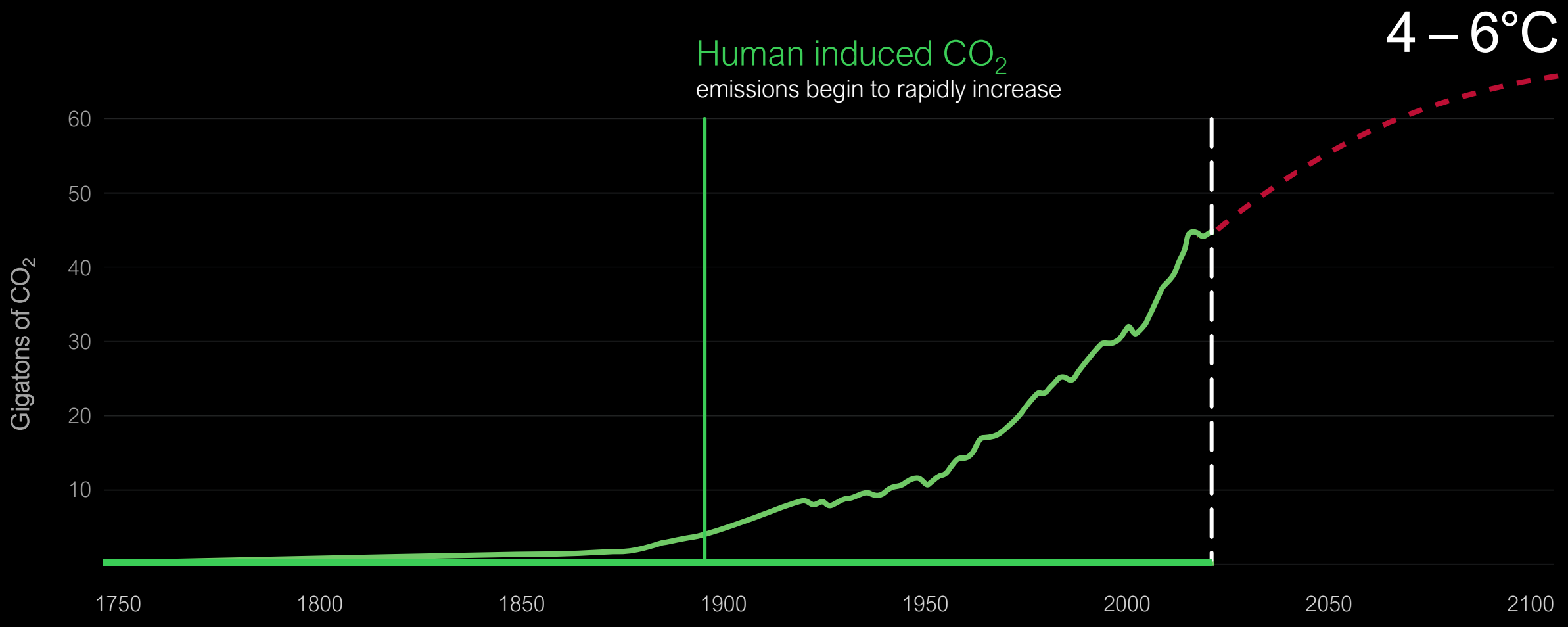
don’t have access to energy

We are at an

Inflection point

The time to act is **now**

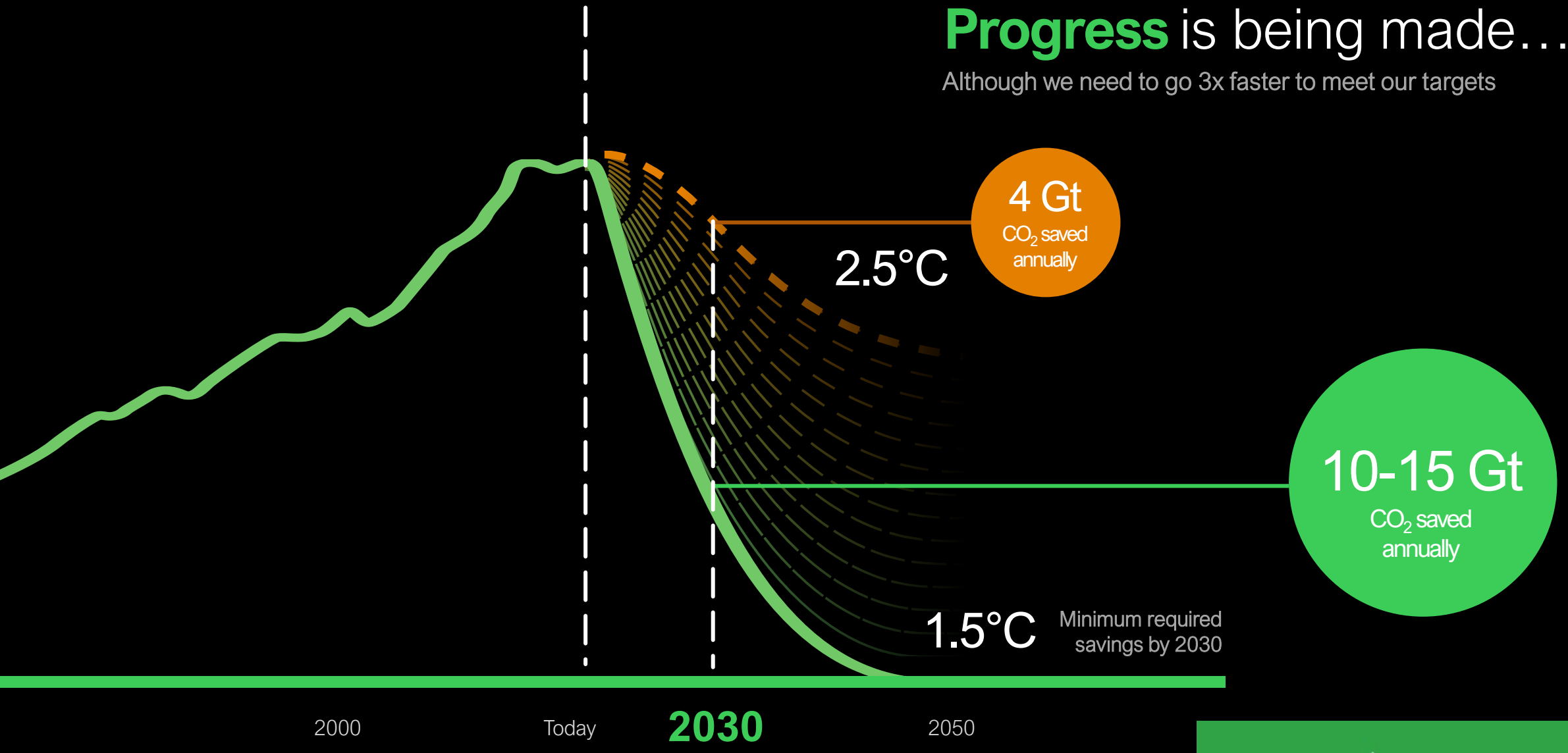
To tackle the climate crisis, we must **decarbonize**



Global Carbon Budget (2019); IPCC (2020), ETC, Making clean electrification possible (2021), Schneider Electric Research Institute
View includes industry process emissions, changes in land uses, such as deforestation

Progress is being made…

Although we need to go 3x faster to meet our targets



Schneider Electric Research Institute (2021): Back to 2050

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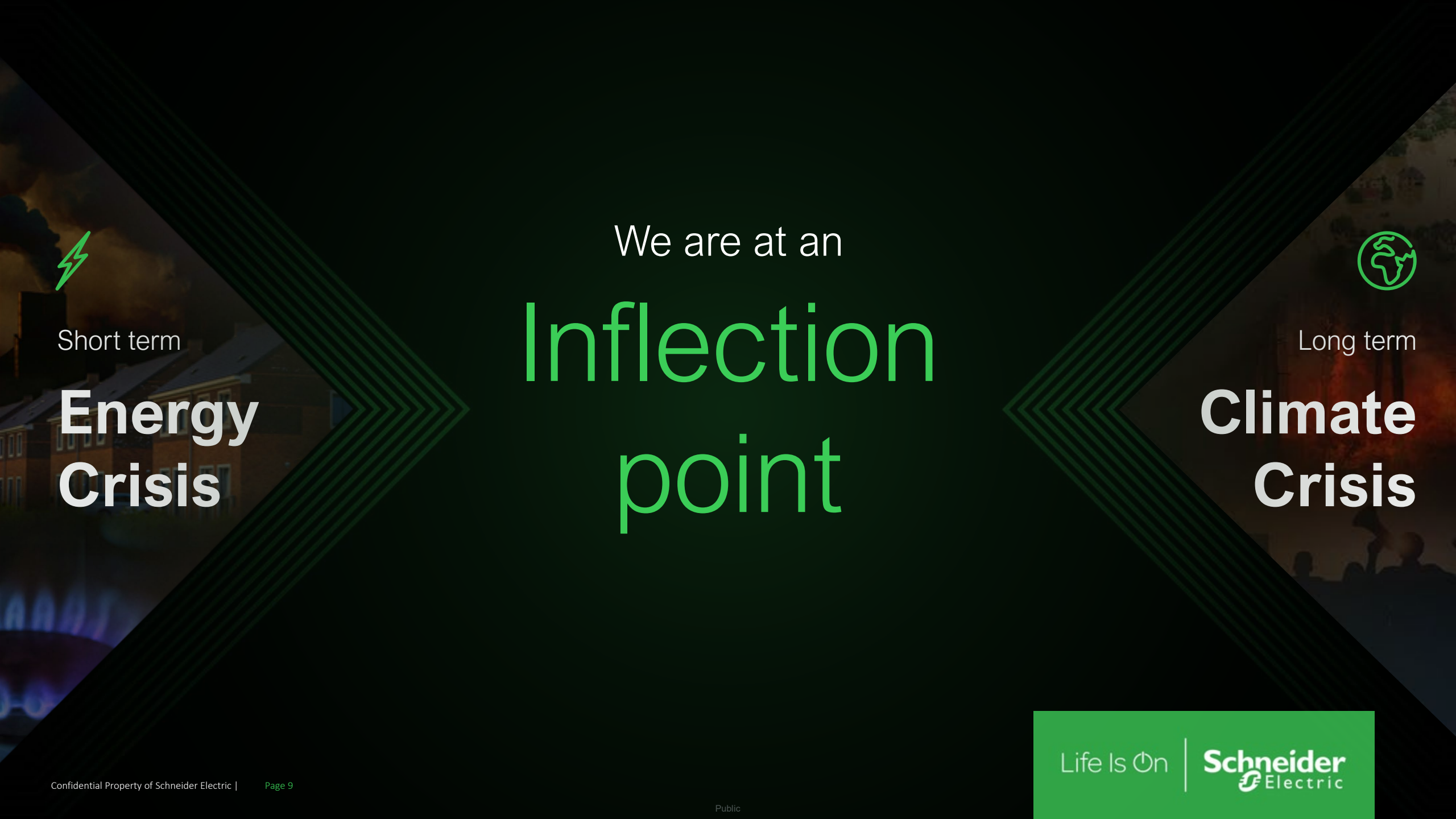


Short term

Energy Crisis

We are at an

Inflection point

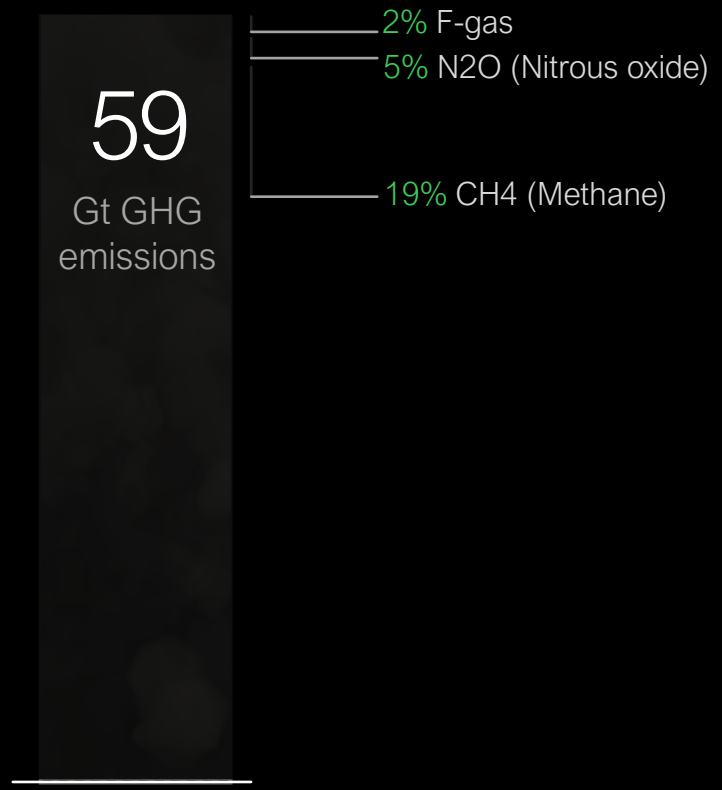
Long term

Climate Crisis

The solution for both is

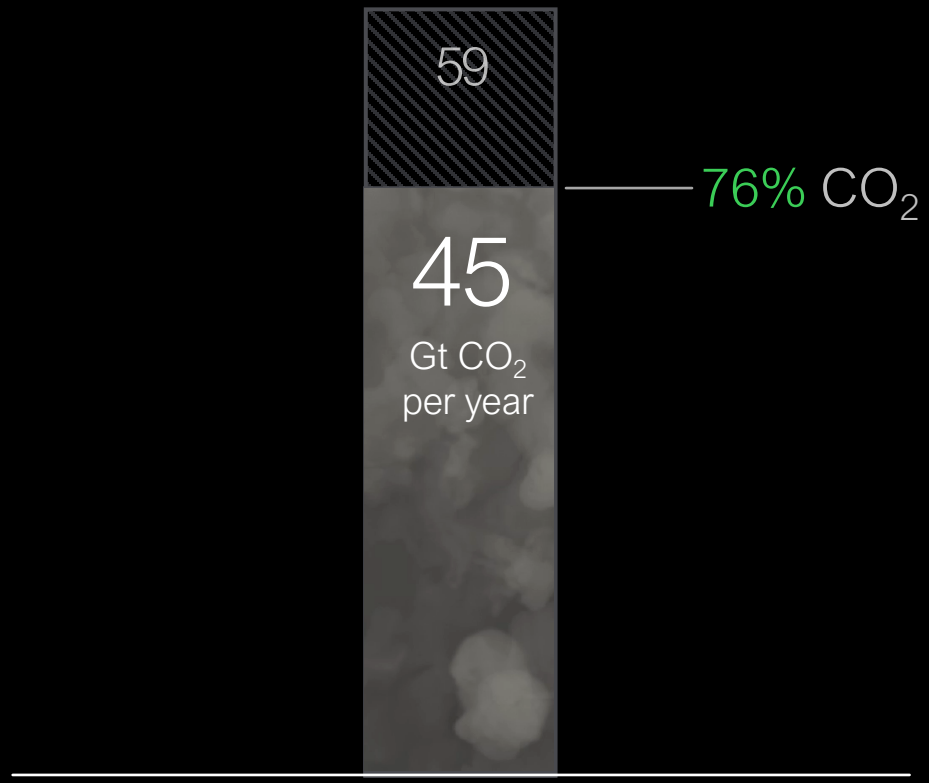
Energy

Let's start with the cause.
Global **greenhouse gas** emissions.



[1] Including CO2 coming from fossil fuel & industrial process (FFI), as well as **Net CO2 from land use, land-use change, forestry (~6.6 Gt).**
Source: IPCC 2022 (based on 2019 CO2 data)

Global **carbon dioxide** emissions



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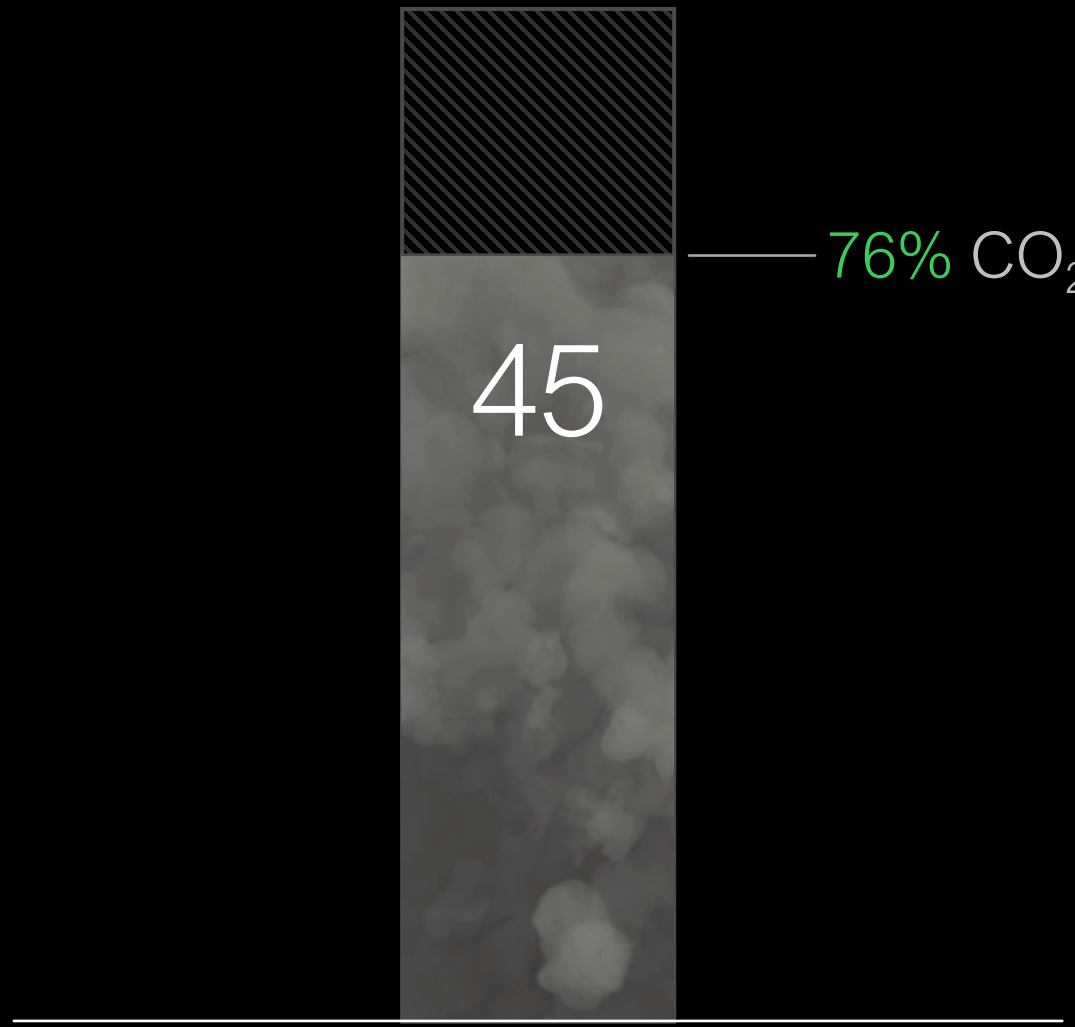

[1] Including CO2 coming from fossil fuel & industrial process (FFI), as well as Net CO2 from land use, land-use change, forestry (~6.6 Gt).
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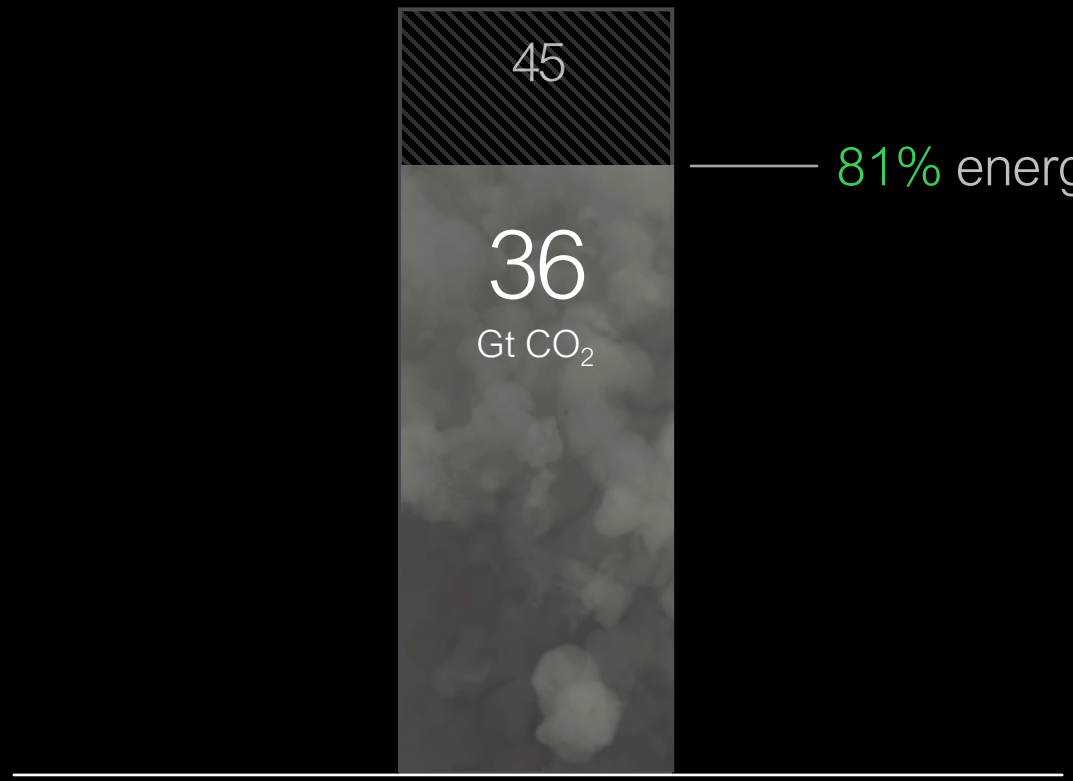
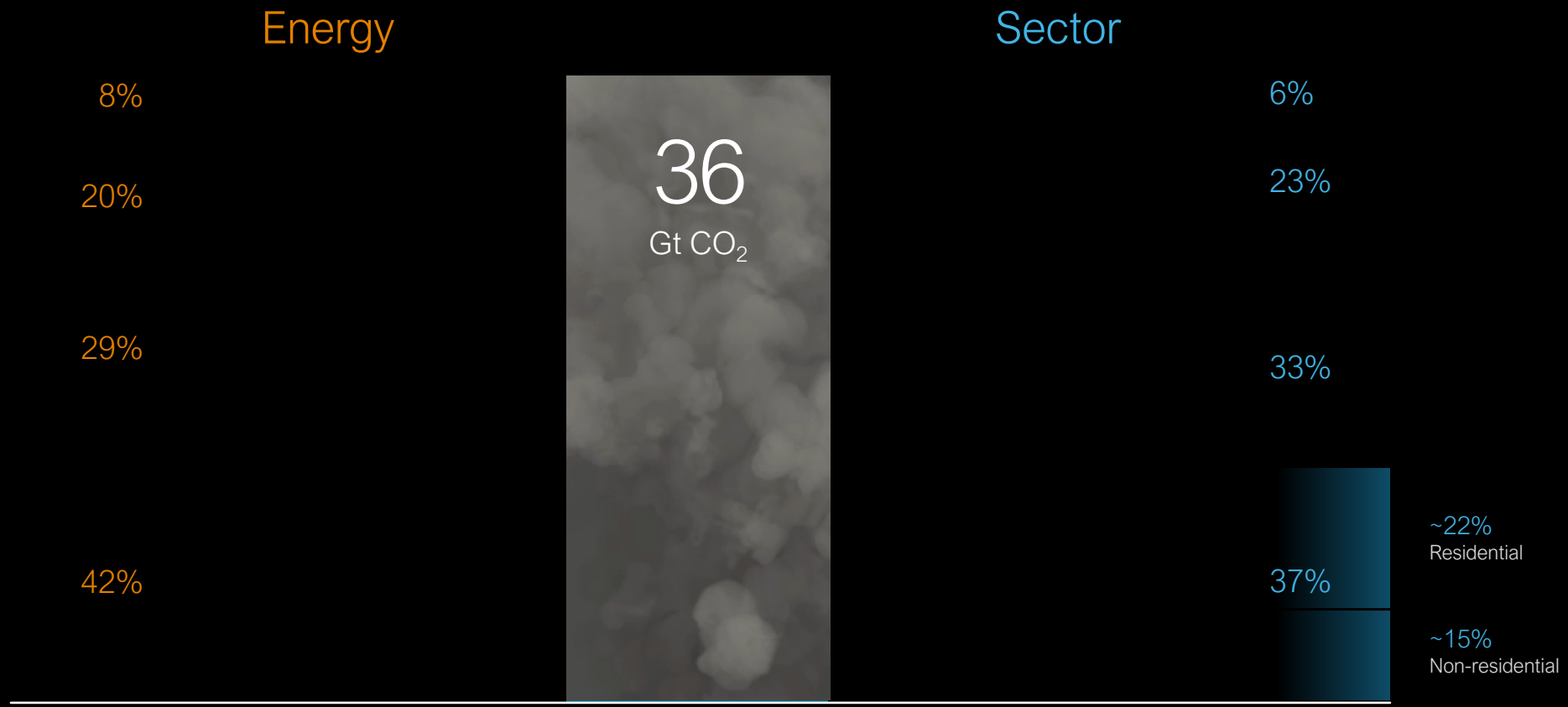
# of which come from **energy**



[1] Biomass & Industrial Processes. [2] Other industries

Source: IEA Global Energy Review: CO2 Emissions, 2021

Now let's determine **the source**



Source: IEA Global Energy Review: CO2 Emissions, 2021

Electricity **4.0**

is our vision to help our customers achieve their
energy and sustainability goals from strategy to execution, globally and locally

Digital + Electric = **Sustainable**

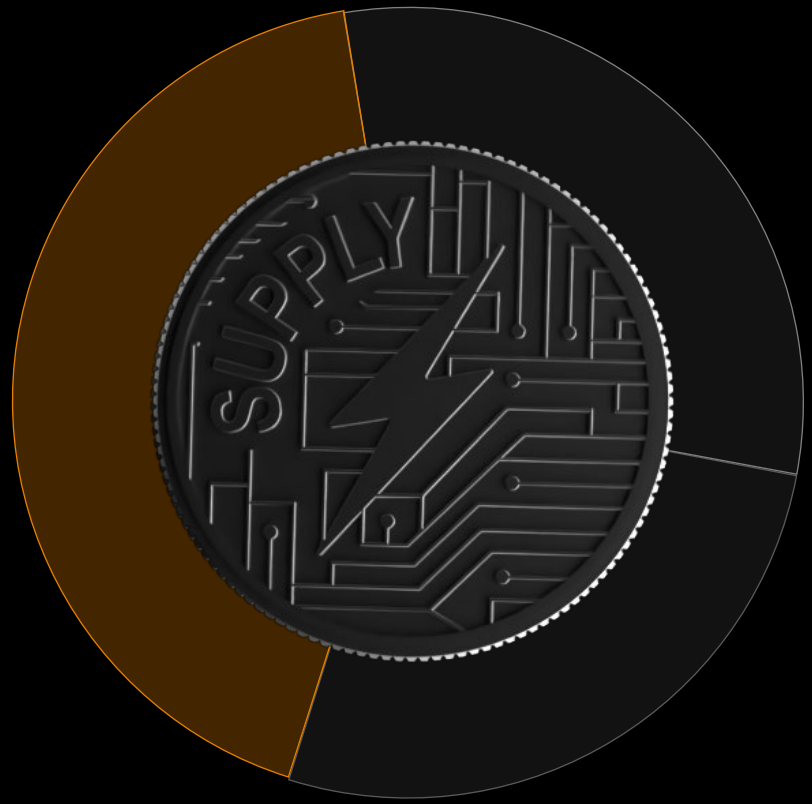
For Efficiency | For Decarbonization | Green and Smart Energy

Decarbonizing supply is just one side of the energy coin…

Replace
energy supply
45%*

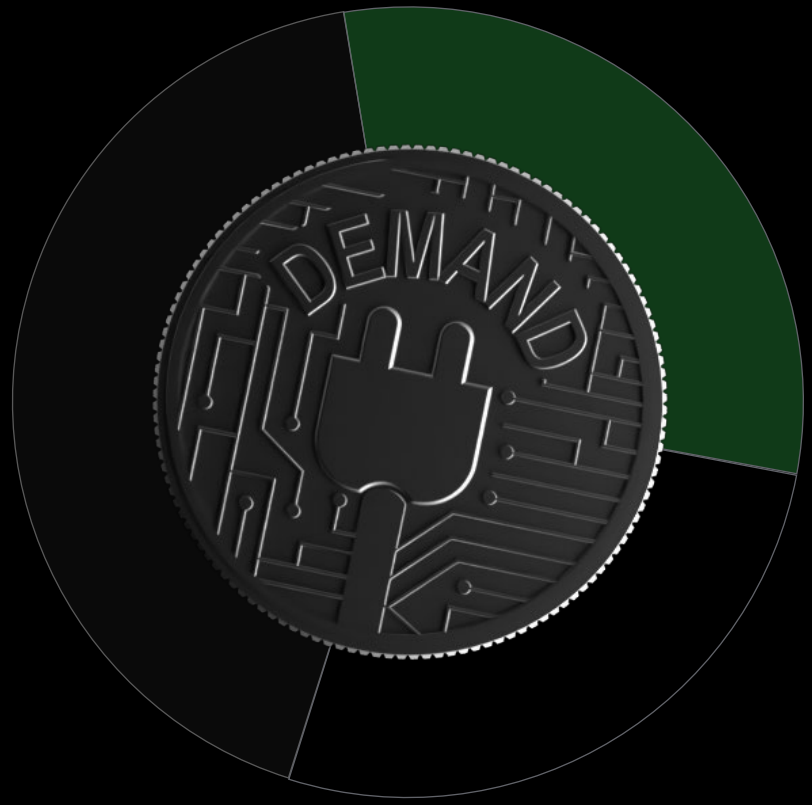
Offsite renewables purchasing
PPAs

Onsite renewables generation
Solar, microgrid, storage



*Contribution to net-zero energy by 2050

We need to look at both sides… and tackle **energy demand**



Reduce

for efficiency and circularity

25%

Design & Build for Low Carbon

3D-6D BIM design to reduce embodied carbon

Measure, Monitor & Save

Connected systems and software for real-time data, insights and automation

Circularity for sustainability

Choose green by design, with extended life, efficient usage & clean disposal options

Contribution to net zero energy by 2050

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We need to look at both sides… and tackle **energy demand**

Electrify

processes

30%

Electrify Everywhere

From transport to heat to industrial processes…
Reduce fossil fuel demand by transitioning to electric

*Contribution to net-zero energy by 2050

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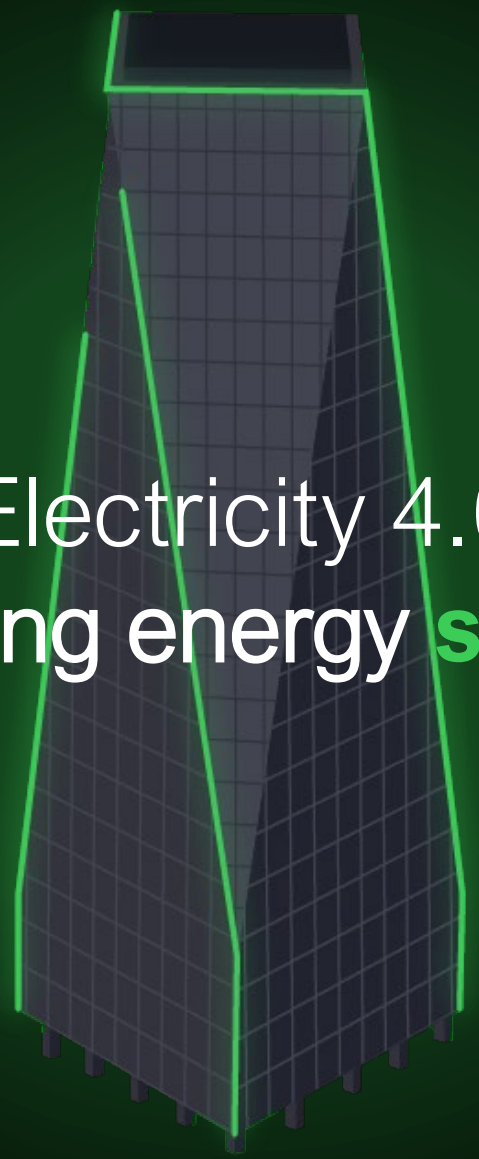
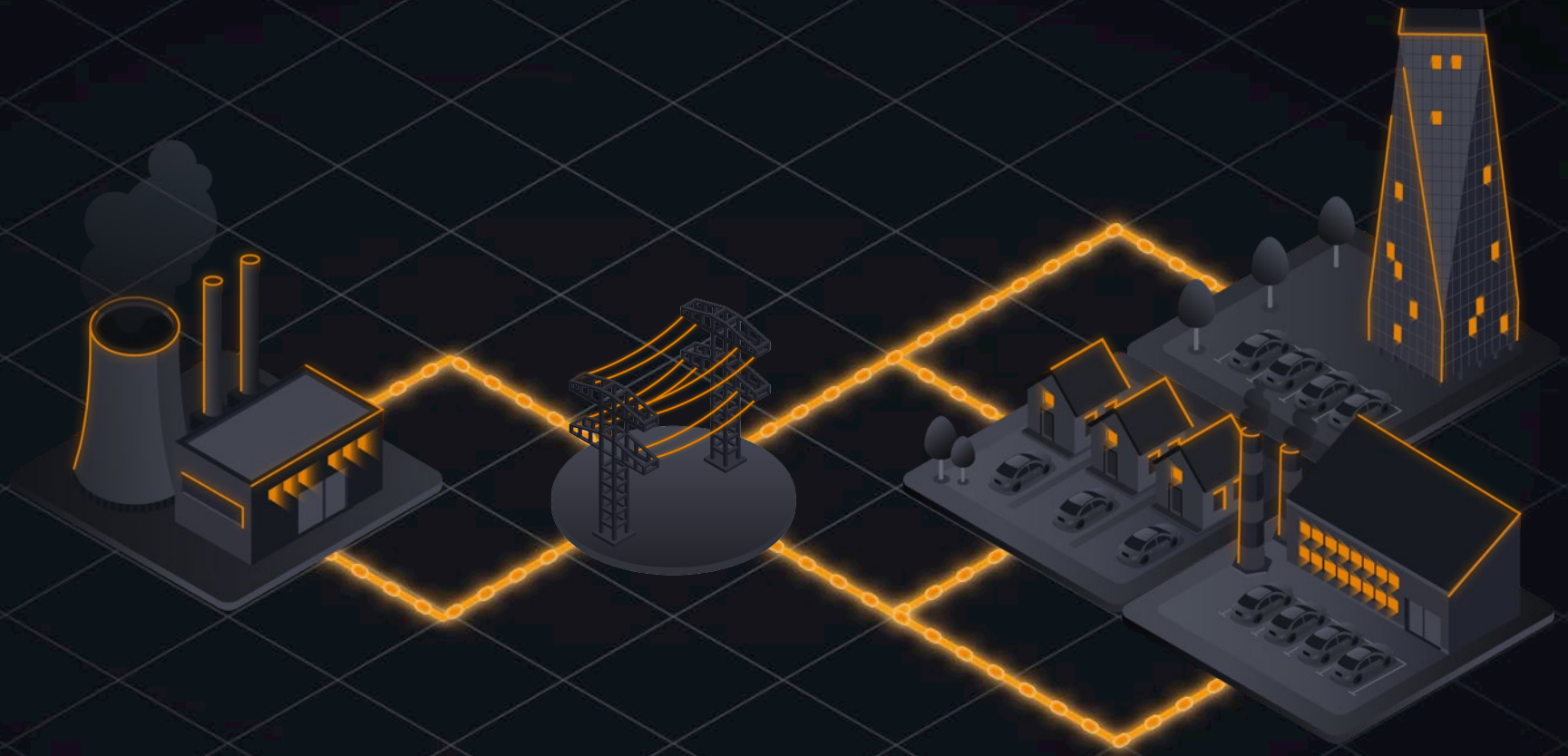
Technology

already exists



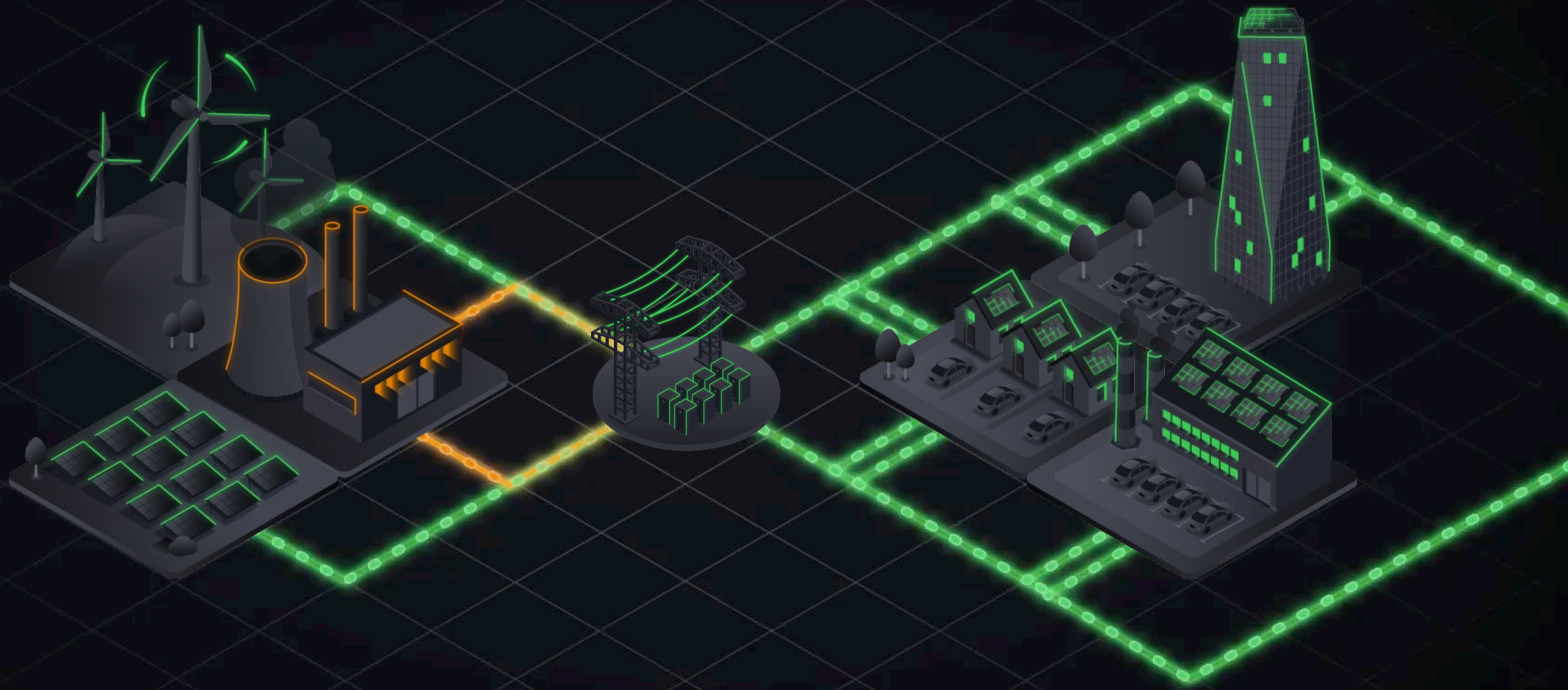
Electricity 4.0
is already transforming energy **supply and demand**

From linear fossil fuel supply and demand

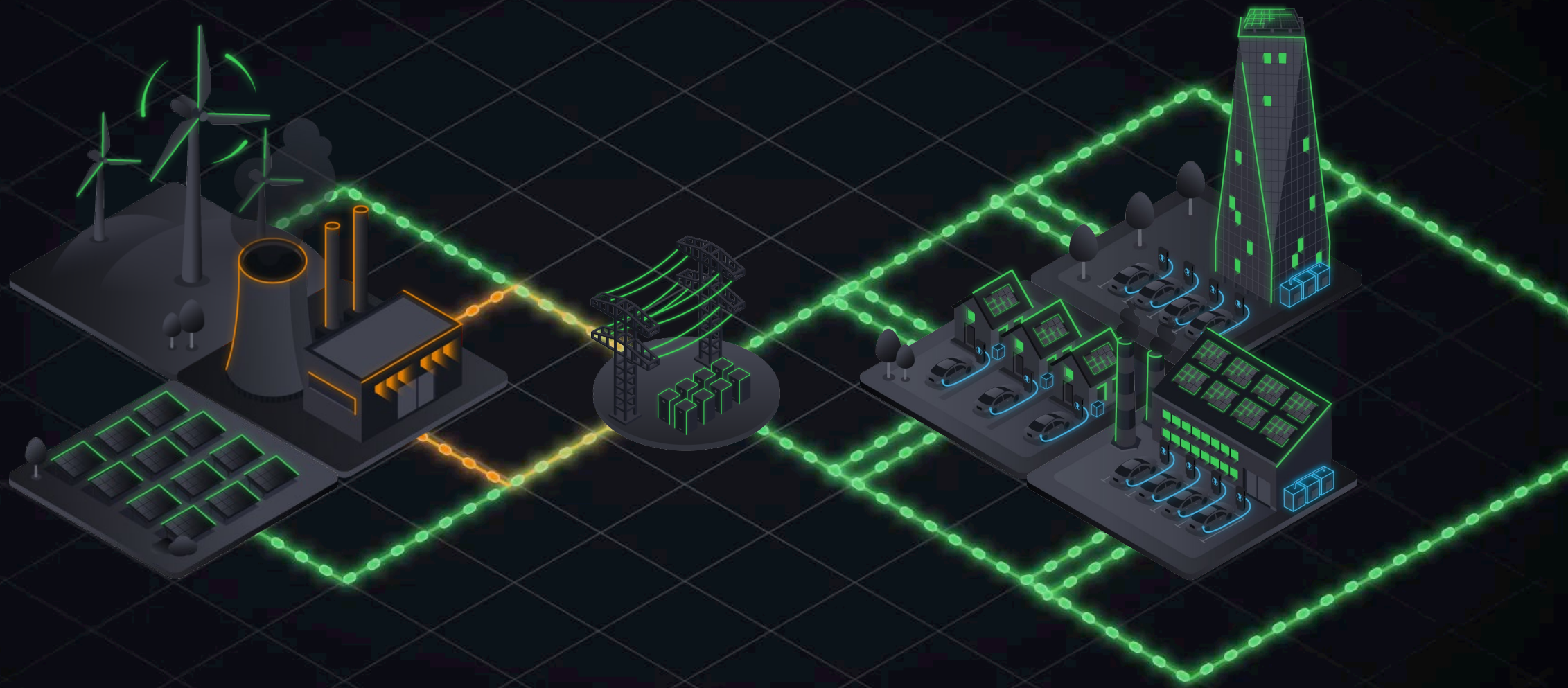


to a cleaner energy supply with increasing renewables…

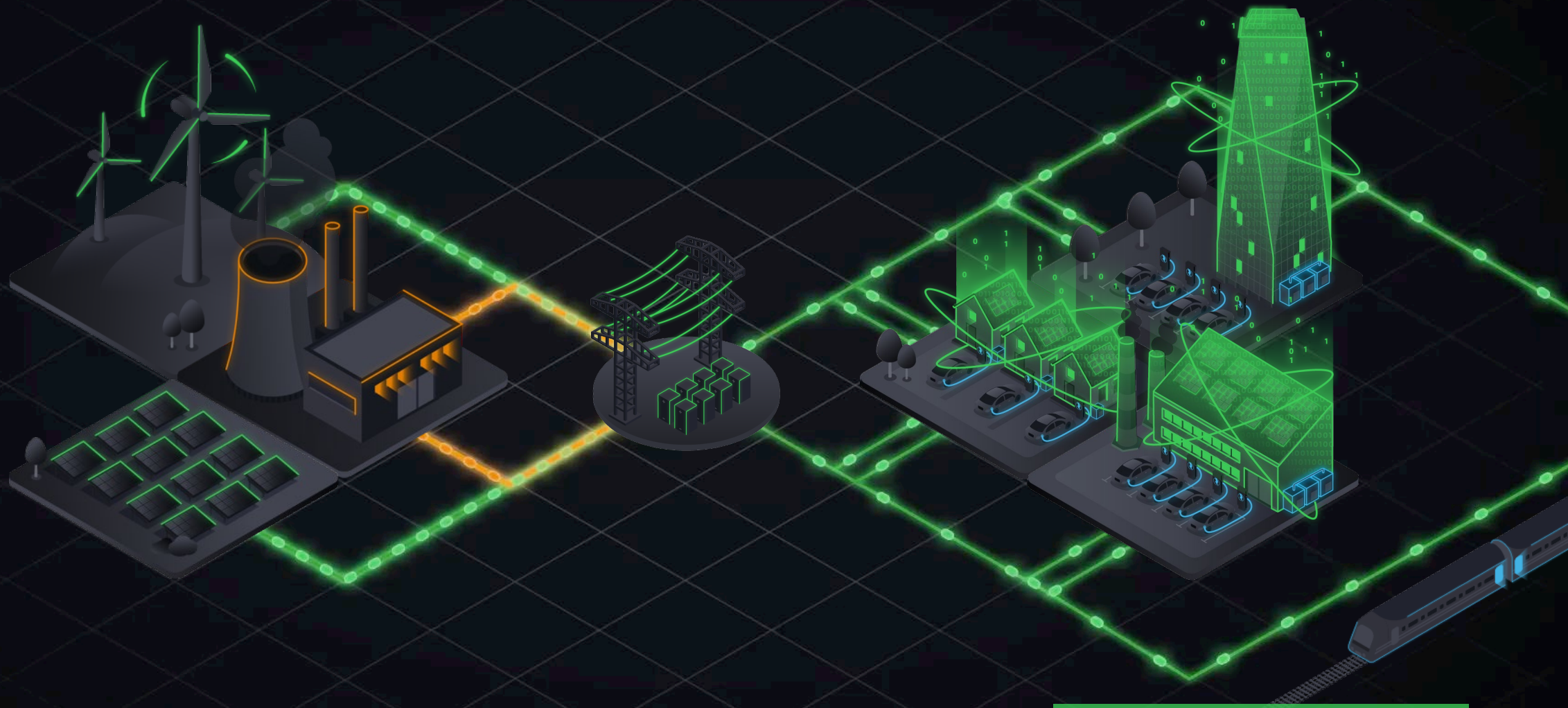
… and prosumers feeding a bi-directional, flexible grid.



Increasing Electrification is reducing dependency on fossil fuels



And digital technology is driving demand optimization



Electricity 4.0

is a technology shift and a call for innovation!

>90

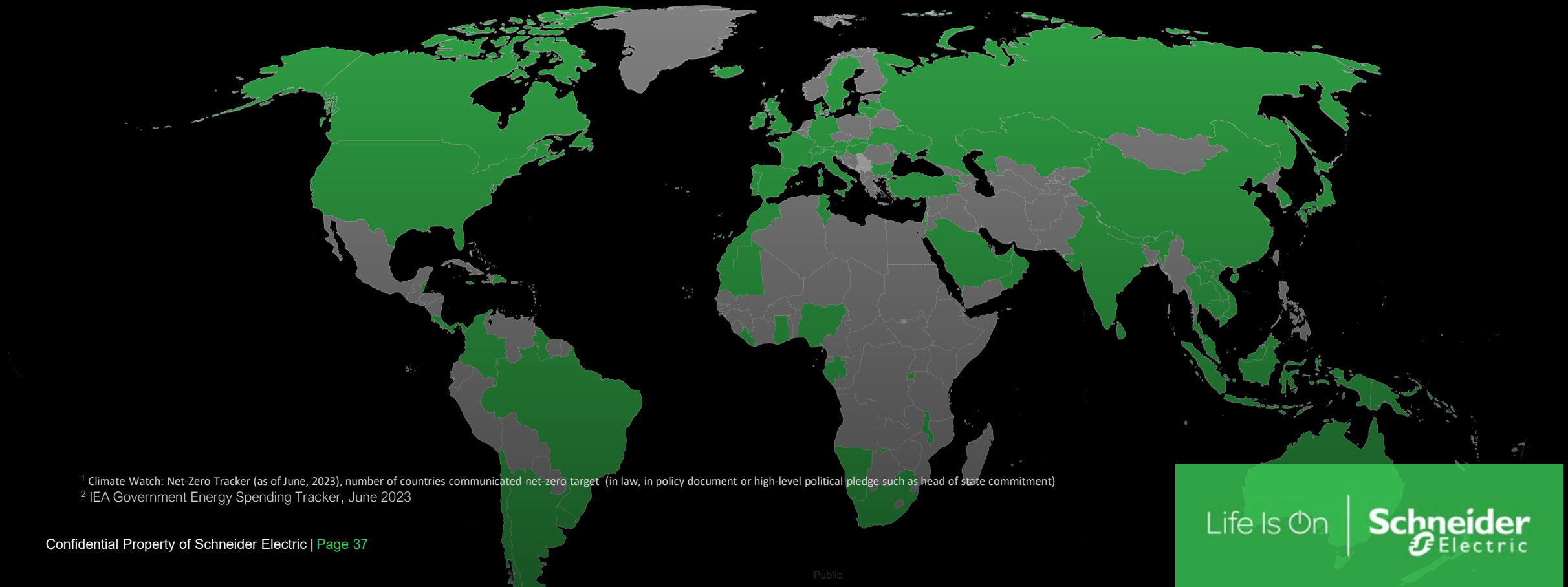
Countries with net-zero pledges[1]

>90%

of global CO_2 emissions

$1.3tn

Government clean energy investment since 2020

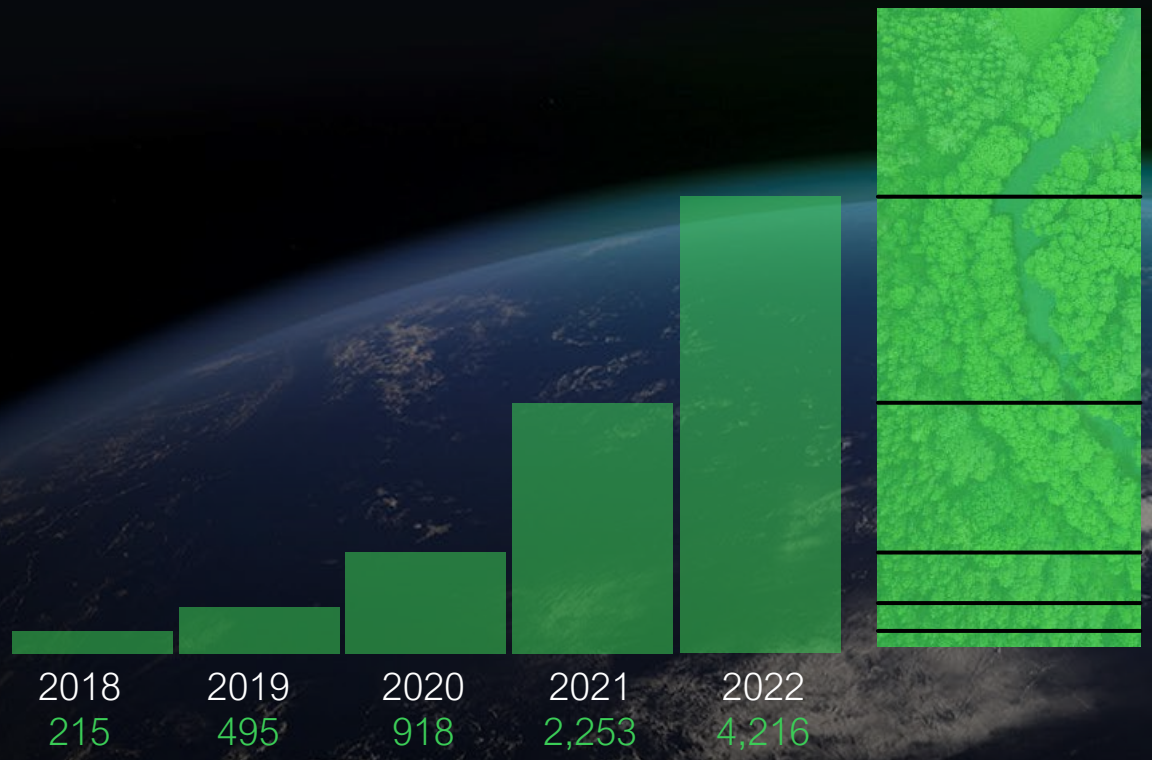


[1] Climate Watch: Net-Zero Tracker (as of June, 2023), number of countries communicated net-zero target (in law, in policy document or high-level political pledge such as head of state commitment)
[2] IEA Government Energy Spending Tracker, June 2023

Number of companies committed to setting science-based targets[1]

2x

Commitments to SBTi targets YoY[1]



[1] SBTi Progress: June 2023

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The **reality**

12%

Few are delivering on their targets

Climate Impact Partners, Reality Check: Climate Action & Commitments of the Fortune Global 500, September 2022 Report

Corporate Sustainability: Commitment, Investment, Action.
2022 C-Level Pulse Check

We surveyed 540 C-level executives across the globe. All companies with annual turnover of more $1B

Out of 539 respondents

Biggest implementation challenges

- Stakeholder alignment
- Data collection, reporting, transparency
- Budget, financing
- Technology, workforce skills
- CO_2 Science understanding
- Roadmap execution

What decarbonization activities are pursued most today?

What decarbonization activities are pursued most **today**?

Replace energy supply

Scope 1 & Scope 2

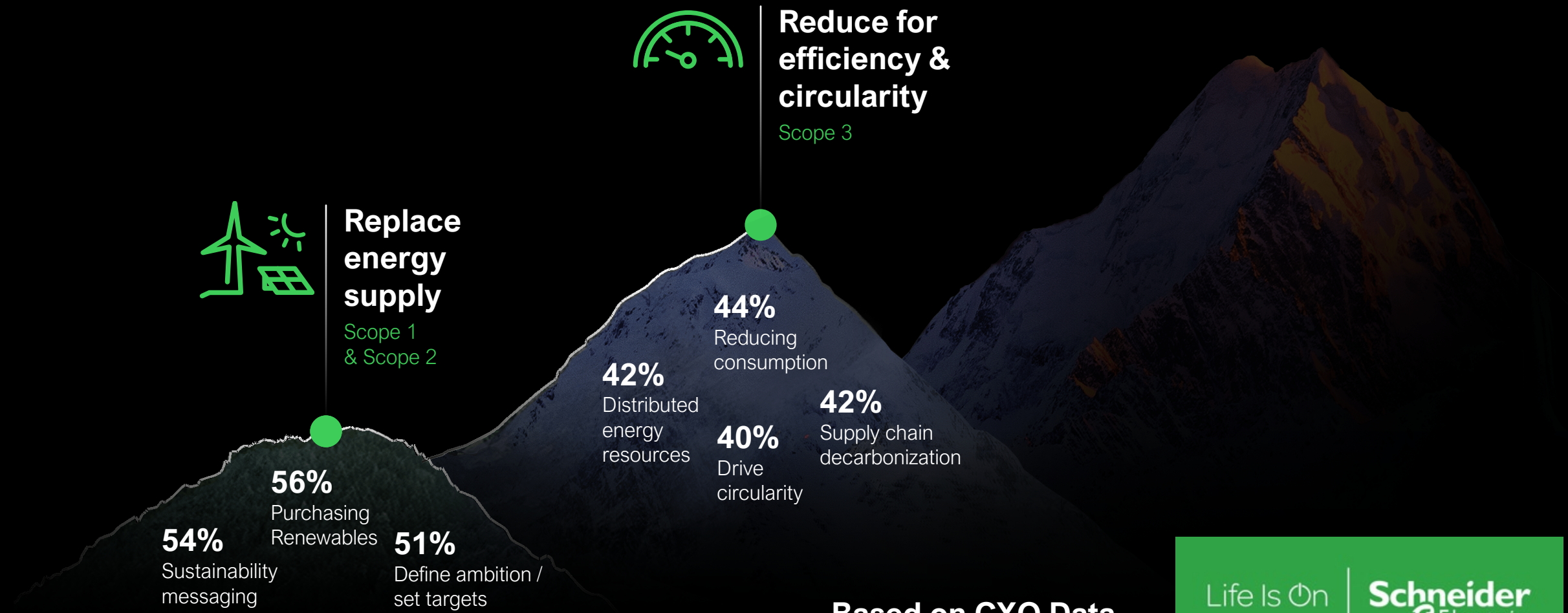
56% Purchasing Renewables

54% Sustainability messaging

51% Define ambition / set targets

Based on CXO Data

What decarbonization activities are pursued most **today**?



Based on CXO Data

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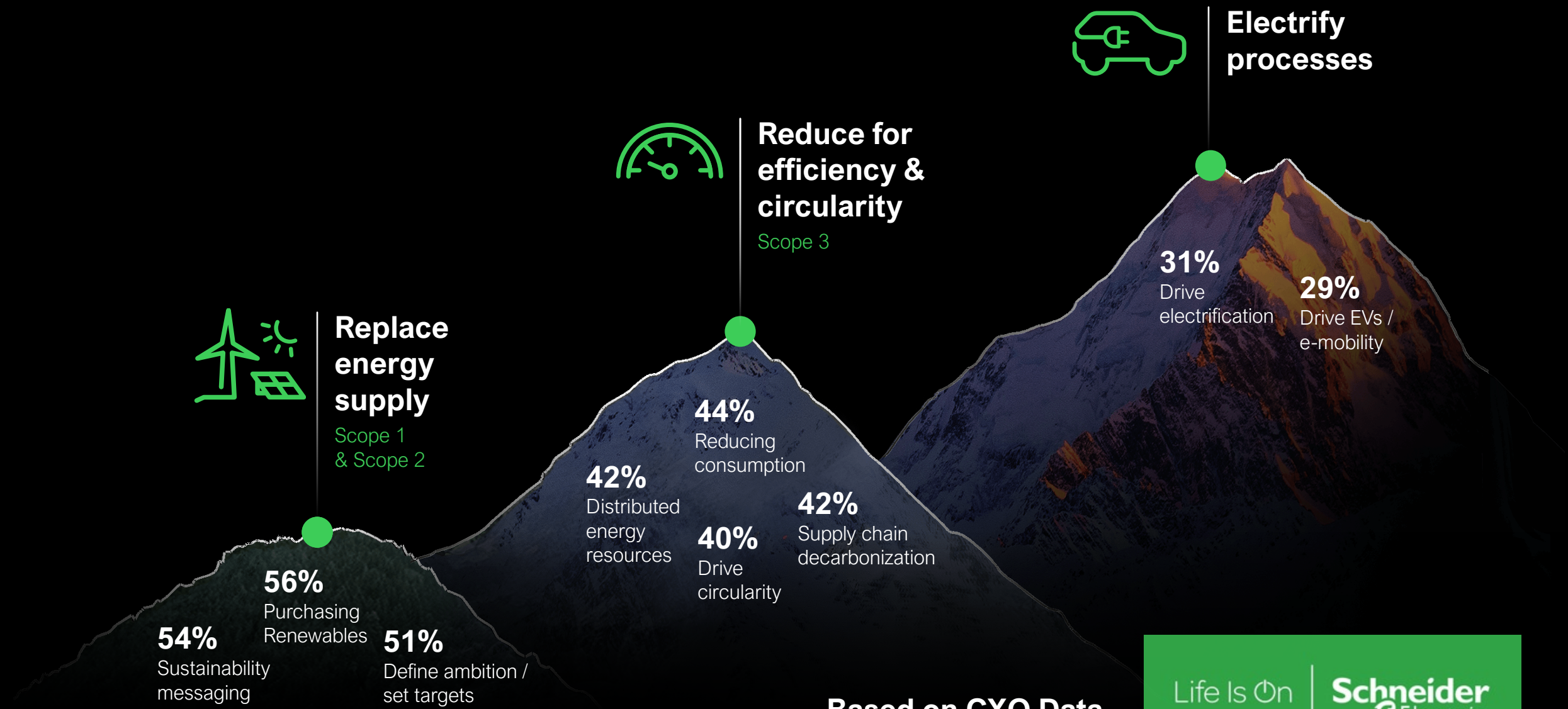


Based on CXO Data

Leading companies follow an **integrated** approach

Strategize

MEASURE enterprise baseline

CREATE decarbonization roadmap

STRUCTURE program & governance

ENGAGE ecosystem

COMMUNICATE commitment

Digitize

MONITOR resource usage & emissions

IDENTIFY saving opportunities

REPORT and benchmark progress

Decarbonize

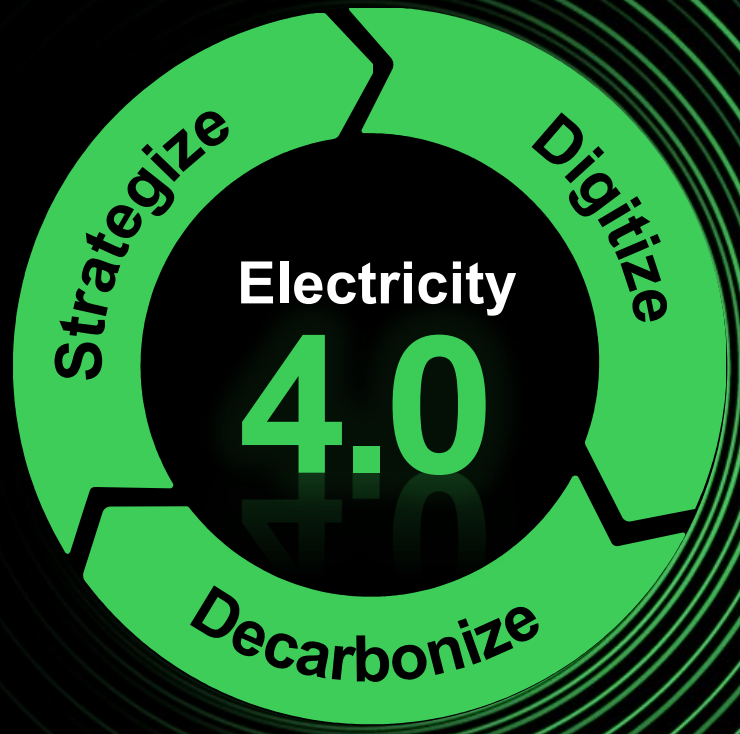
REPLACE energy source

ELECTRIFY operations

REDUCE energy use

Technology already exists

The moment is **now**



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