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Sustainable Development Report  
2005 | 2006



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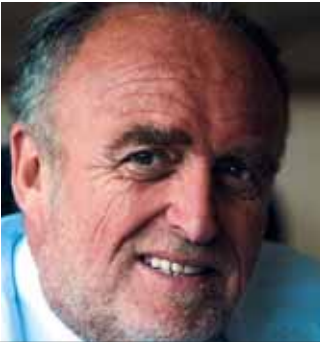
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Use of the Global Compact as a reference

As a UN Global Compact signatory, we have aligned our improvement targets with the Compact's approach. Throughout this report, you'll see the above symbol each time one of our initiatives fulfills one of the Global Compact's principles

Henri Lachmann



How does sustainable development fit in with Schneider Electric's strategic vision?

**Henri Lachmann:** Schneider Electric has a longstanding commitment to sustainable development. We affirmed this commitment again in 2005 and gave sustainable development a whole new scope by making it an important part of our new<sup>2</sup> Company Program.

What were the sustainable development highlights of 2005?

**Jean-Pascal Tricoire:** We focused on two main areas in 2005. The first has to do with our business, properly speaking. More than ever, we're organized to be our customers' energy efficiency partner. Our acquisitions strategy, R&D processes and sales approach are designed to support this objective. The drive to enhance energy efficiency applies in particular to customers who need to reduce their CO<sub>2</sub> emissions under the targets set by the Kyoto Protocol. It also fits in with our other responsibilities, notably our commitment to lowering energy consumption at our own sites.

Two voices,  
one message

Use of the Global Reporting Initiative as a reference

We have used the Global Reporting Initiative's recommendations to write this report. The GRI is an internationally recognized benchmark for defining and assessing social and environmental reporting. GRI indicators are listed for each section in the table of contents.

Compliance with France's NRE legislation

This report has also given us the opportunity to address the requirements of France's NRE legislation more specifically and exhaustively. This legislation requires companies incorporated in France to disclose information on a number of social and environmental criteria. It covers the entire Company, except when specified.



Jean-Pascal Tricoire

Your second focus is inside the Company...

**Jean-Pascal Tricoire:** Yes, it has to do with our employees. We're dedicated to being our employees' healthcare partner. This managerial commitment is designed to make the business more efficient by reducing the number of lost days due to work accidents. In 2005, we brought that number down by the equivalent of 40,000 days. Our ultimate goal in this ongoing plan is zero accidents. We also want to support our employees' desire to participate in the greater community. One of the ways this participation expressed itself in 2005 was through the unprecedented international response to the December 2004 tsunami.

How do sustainable development issues help the Company advance?

**Henri Lachmann:** By integrating sustainable development principles in our organization and management and by creating carefully defined, transparent tracking resources like the new<sup>2</sup> program or our Planet & Society Barometer, we're using sustainable development every day to drive social, environmental and economic progress. This puts the Company on a path of responsibility and continuous improvement.

# Conserving energy and delivering greater efficiency, safety and comfort

*In 2005, Schneider Electric had 88,670 employees in 130 countries around the world. We reported consolidated revenue of €11.7 billion, of which 30% from emerging markets that offer us the greatest growth prospects.*

## Profile

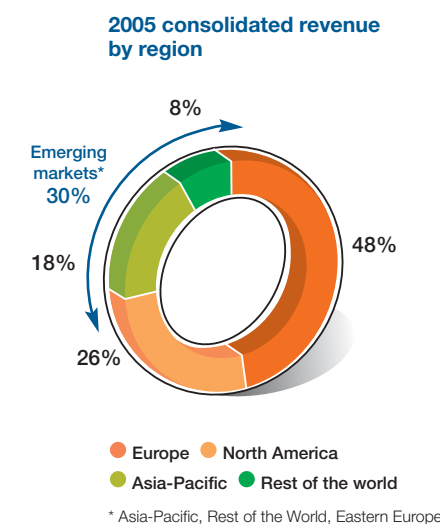
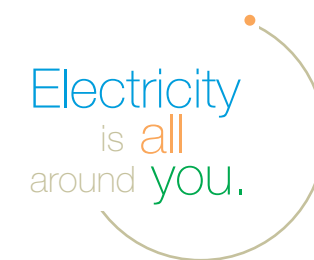
*Our lineup is unparalleled in terms of breadth, strategic fit and related services. It comprises three market-leading global brands—Merlin Gerin, Square D and Telemecanique—powerful local brands in ultra terminal distribution, and internationally recognized specialist brands in energy management, building automation and specific automation solutions.*

Electricity is an indispensable part of most of the products and services we use every day, and demand for electricity is constantly growing.

As the world leader in automation and electricity management, Schneider Electric helps its customers **optimize their energy costs while enhancing their installations' performance, reliability, safety and ease of use.**

Easy to install, open-ended and adaptable, our solutions are becoming **even more intelligent and networked. They also meet the most demanding environmental protection requirements.**

Just look around, and you'll see that the future is electric, with embedded intelligence, web-enabled control and monitoring systems, wireless links, multimedia networks and much, much more. We innovate every day to give the best of the New Electric World to everyone, everywhere, at any time.



With operations around the globe, Schneider Electric offers the organization and expertise of a world leader and the service and customer care of a local partner.

## Local roots A global organization

Thanks to our global organization and local operations and distribution networks, we can serve international customers everywhere and meet local customers' expectations with products that comply with each country's specific standards and practices. Around the world, we serve 90% of distributor and user needs within 48 hours.

Measures taken in the areas of hiring, training, internal promotion and mobility allow us to fulfill our human resource requirements locally and deploy our projects effectively.

- 88,670 employees in 130 countries
- 25 Research and Development sites
- 206 manufacturing facilities
- 60 logistics centers
- 13,000 sales outlets

## Global deployment for manufacturing and logistics

Forty-five percent of our manufacturing facilities are dedicated to global production. The other units are located as close as possible to their end markets.

In Western Europe and the United States, rightsizing plans have been deployed for our production and logistics base with a focus on specializing units, reducing their number and increasing their size.

At the same time, we have moved manufacturing closer to demand by increasing capacity in Eastern Europe, Mexico, India, China and the rest of Asia.

More than 700 projects have been initiated around the world to re-balance and capitalize on our manufacturing and supply chain resources.



## How we generate and use our revenue

Schneider Electric is dedicated to creating wealth for shareholders, as well as all its other stakeholders, including customers, employees, suppliers and the community.

### Customers

€11,679 million

Schneider Electric generated revenue of €11,679 million in 2005, for operating profit of €1,565 million and profit attributable to equity holders of the parent of €994 million. Revenue rose 13% at current scope of consolidation and exchange rates. This performance was driven by both strong organic growth of 7.9% and a significant contribution from acquisitions.

### Banks and bondholders

€156 million

Interest on debt totaled €156 million.

### Corporate income tax

€427 million

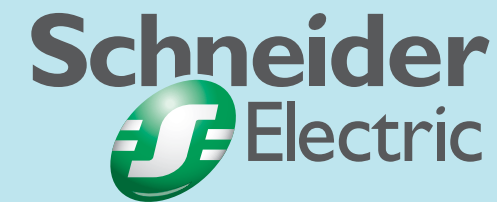
Schneider Electric's financial contribution to its host countries amounted to €427 million in corporate income tax in 2005.

### Cash flow

(after dividend payment)

€1,130 million

Schneider Electric uses cash flow to finance operating investments and remunerate shareholders, among other things.



### Shareholders

€418 million

Schneider Electric paid:

- €395 million in dividends to holders of 226,619,227 shares in the Company.
- €23 million in minority interests.

### Investments

€69 million

Schneider Electric's strategic investments generated €69 million in interest, foreign exchange gains, advances and dividends in 2005.

### Purchases, external services and general expenses

€6,064 million

Schneider Electric made 75% of its purchases from 3,000 suppliers and sub-contractors. Electrical and electronic equipment accounted for nearly €881 million, raw and processed materials for more than €1,900 million and services for €1,130 million, of which €248 million for shipping.

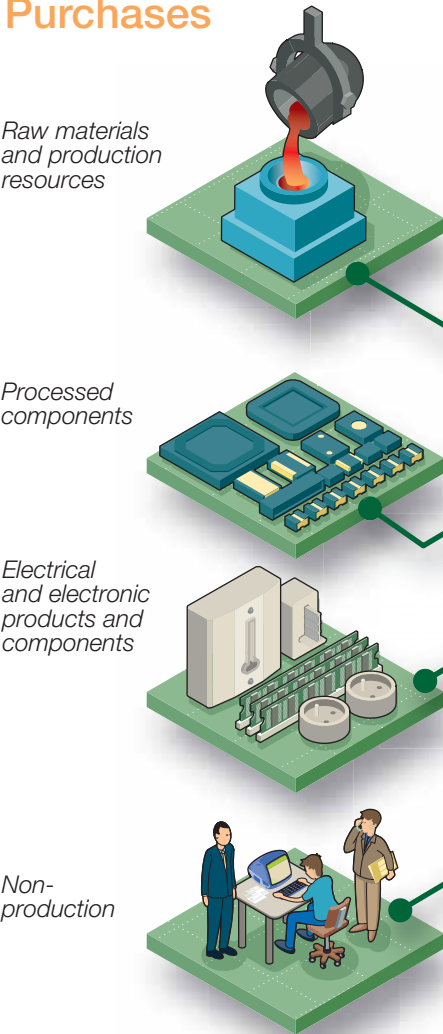
### Employees

€3,565 million

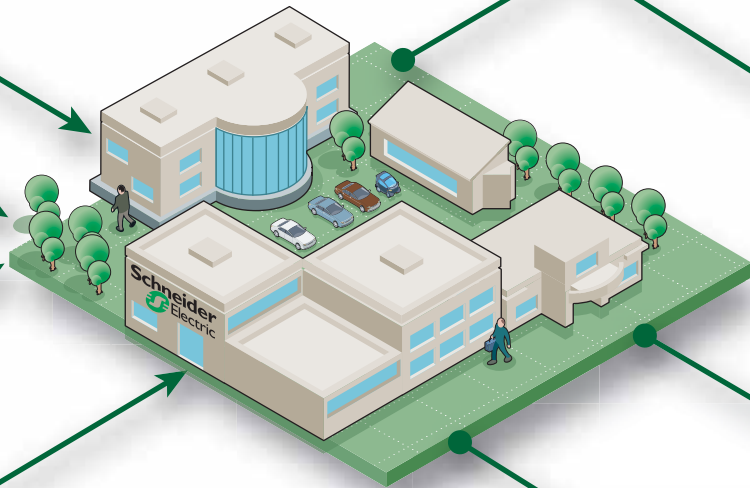
Schneider Electric paid out nearly €3.6 billion to its 88,670 employees, two-thirds in gross salary and one-third in payroll expenses and individual and team benefits.

# Impact of our businesses

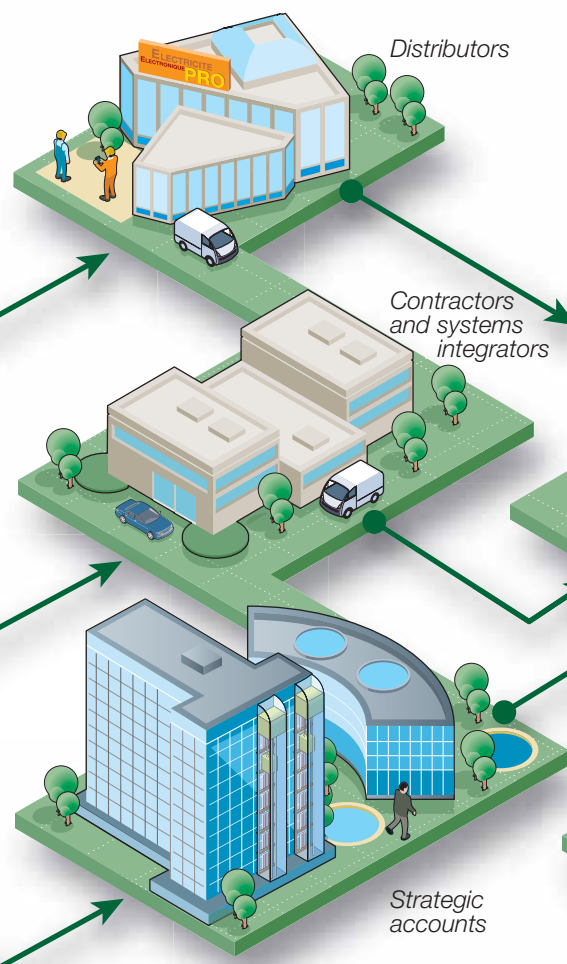
## Purchases



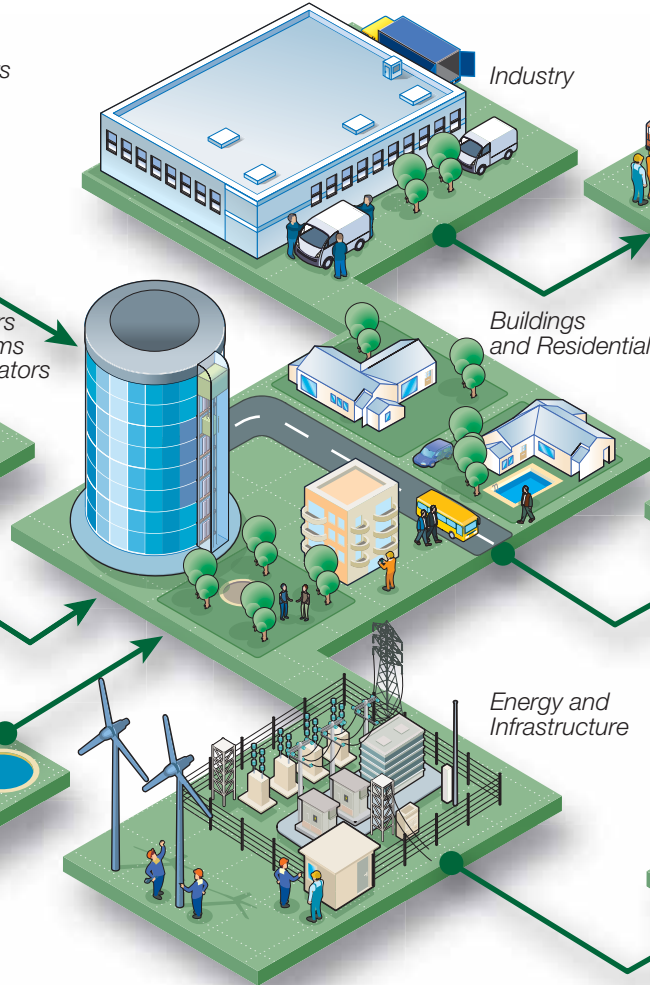
## Production



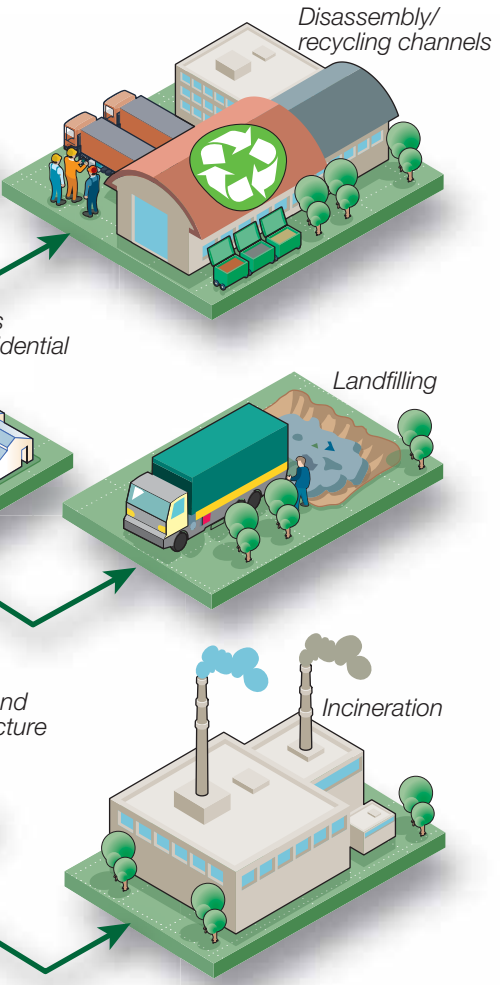
## Distribution



## End users



## End of life



### Profile

- 800 Schneider Electric employees are involved in purchasing.
- They represent the equivalent of 4,800 indirect supplier jobs.
- At end 2005, 12% of our suppliers had signed the Global Compact (or documents that comply with the Compact's principles).

### Effects

Mainly in the chemicals or mining industries, in the areas of energy consumption, air and water pollution, waste, and the destruction of natural surroundings and biodiversity.

### Influence

Limited room for action due to Schneider Electric's marginal share of purchasing markets and dependence on spot market prices, and relatively little overall understanding of suppliers' social and environmental conditions.

### Improvement plans

- Improve understanding of our suppliers and of their suppliers, who provide raw materials.
- Include more social and environmental criteria in the supplier selection process.
- Make 60% of purchases from suppliers who support the Global Compact or similar charters by end-2008.

### Profile

- 45% of our 206 production sites serve local markets.
- 50,644 employees work at these sites, most of which have fewer than 300 employees.
- 85% of our manufacturing and logistics sites were certified ISO 14001 at end-2005.

### Effects

Relatively low overall environmental impact, as our business mainly involves assembly.

### Influence

Direct influence on the manufacturing base. Schneider Electric's decision to produce close to local markets limits the environmental impact.

### Improvement plans

- Extend the use of Best Available Techniques (BAT).
- Ensure that all manufacturing and logistic sites are certified ISO 14001 by end-2008.
- Reduce energy consumption per production site employee by 10% (in MWh/year) by end-2008.

### Profile

- Direct and indirect sales:
  - 7,000 Schneider Electric sales staff.
  - 80 global strategic accounts.
  - 13,000 distributor sales outlets (50% of sales).
- Products most often integrated into complex installations, invisible to end users.

### Effects

Mainly from road and air shipment (energy consumption, greenhouse gas emissions and air pollution).

### Influence

Direct influence on the choice of transport and supply chain organization; indirect influence on shippers' environmental performance.

### Improvement plan

Move production sites and logistics centers closer to their markets.

### Profile

- More than 30% of sales in emerging markets.
- Revenue by market:

• Energy & Infrastructure	16%
• Industry	32%
• Buildings	40%
• Residential	12%

### Effects and influence

- Because fossil fuels are the source of most of the electricity produced worldwide, energy savings generated by Schneider Electric's products, solutions and services help reduce greenhouse gas emissions.
- Schneider Electric has a direct influence on the safety of product users.

### Improvement plans

- Develop energy-efficient products, either internally or through acquisitions.
- Make energy efficiency a business priority.

### Profile

- Average product life: 10-20 years
- 27 Product Environmental Profiles (PEPs) published in 2005.
- Treatment of end-of-life products available in Europe.

### Effects

Linked to product incineration and landfilling (greenhouse gas and toxic substance emissions) and the presence of some substances in certain products.

### Influence

Direct influence on making products environmentally friendly, through the development of eco-design and end-of-life processing solutions.

### Improvement plans

- Provide an environmental profile for 120 products representing more than 50% of total revenue by end-2008.
- Develop end-of-life treatment solutions.
- Improve understanding of the end-of-life product channel.



A close-up portrait of a middle-aged man with dark hair, looking slightly upwards and to the right with a thoughtful expression. He is wearing a dark blue button-down shirt. The background is blurred, showing some bokeh light effects.

# Vision

Electricity  
is all around  
you

**Leveraging energy efficiency  
to drive growth**

In a world in which energy efficiency has become a major issue, Schneider Electric is leveraging sustainable development to drive growth. We are extending the scope of our traditional business and launching a new dynamic by helping customers care for the environment and optimize their energy use. This is the goal of our new Energy Efficiency platform.





Vision

# Energy efficiency



- Principle 7 | Environment**  
*Businesses should support a precautionary approach to environmental challenges.*
- Principle 8 | Environment**  
*Businesses should undertake initiatives to promote greater environmental responsibility.*

## Energy efficiency: a key growth driver

Schneider Electric sees the principles of sustainable development as an important growth opportunity, particularly as more and more citizens, manufacturers and public officials buy in. We are currently making the most of our broad expertise to develop ideas based on the concept of energy efficiency. Identified as a major challenge for the years ahead, this approach touches on all our markets and customer categories.

Worldwide energy consumption has risen by 45% since 1980. Unless something happens to slow this trend, consumption should grow by more than 57% over the next 25 years, with emerging markets accounting for most of the increase. Energy infrastructure is aging in mature countries and often over-burdened in emerging markets, where it is costly to build new capacity. What's more, fossil-fuel energy sources are becoming scarcer. This situation represents a risk for the environment and for our world's economic and geopolitical balance.



**Eric Pilaud**  
Executive Vice-President Strategic Deployment & Services, responsible for the Energy Efficiency Program

45%

Increase in worldwide energy consumption since 1980

Schneider Electric is focusing its R&D on energy efficiency

“We’ve helped customers optimize their energy performance for years.

*It has become apparent, however, that we need to promote and structure this competency, which until now has been diluted among several product and service ranges.*

*In 2005, we launched a cross-functional program devoted to the topic of energy efficiency. To start, we identified everything in our current lineup that contributes to energy efficiency.*

*This will help us support our customers even more effectively with new products and services.”*

The concept of energy efficiency, which involves delivering solutions to drive motors and produce heating, lighting and other services with less energy at an equal or improved level of quality, is a compelling response to these emerging challenges. It is also one of the fastest, least expensive and most environmentally friendly solutions for increasing the world’s energy resources. Through its market positions and businesses, Schneider Electric intends to play a major role in this area

## A research and development avenue

At Schneider Electric, we devote nearly 5% of revenue to R&D. To prepare the solutions of tomorrow, we are focusing our energy efficiency research on such topics as speed drives, energy metering and lighting management. In medium voltage, we are doing work on sensors and software to give devices advanced diagnostic functions. Our teams are also designing new electrical distribution products to feed energy from solar power, micro-turbines, wind farms or fuel cells into the power grid.

In 2005, we played an active role in setting up the leading-edge Minalogic industrial cluster in France, which pools research and cooperation among manufacturers, research centers and training organizations in the area of nanoelectronics and embedded intelligence. Smart energy management is one of the applications for these technologies. We are also involved in the Enerrdis industrial cluster, dedicated to renewable energies.

Lastly, our Schneider Electric Ventures fund supports 14 start-ups involved in developing innovative technologies, primarily in Europe and North America. Fully owned by Schneider Electric, the venture capital fund identifies start-ups with promising technologies that can add value to our business, either through innovative products or technological cooperation. These include software, network and communication electronic components, RFID solutions, network security, VDI systems, radio communication, and MEMS sensors. A recent example is Watteco, which offers products that give a component-by-component picture of energy consumption in an electrical installation from a single measurement point.

To find out more: [www.ventures.schneider-electric.com](http://www.ventures.schneider-electric.com)





Principle 8 | **Environment**  
*Businesses should undertake initiatives to promote greater environmental responsibility.*

Principle 9 | **Environment**  
*Businesses should encourage the development and diffusion of environmentally friendly technologies.*

Solutions

We cover many aspects of energy efficiency with our products, as well as our audit and consulting services. Motors, for example, account for more than 60% of global energy consumption. Specialists estimate that optimized use could reduce their consumption by at least 12%. Speed drives—one of our strengths—play a key role here. Power loss is another source of wasted energy. Our capacitors, filters and low loss power transformers offer effective solutions to this problem.

**In industry**, where energy costs can represent 25% to 50% of production costs, inefficient automated lines lead to excess energy use. Our automation devices help optimize consumption throughout the industrial process.

**Buildings** account for 40% of total energy consumption in Europe and the United States. No matter what energy savings measures are taken, continuous monitoring is the only way to achieve sustainable gains in this area. Our lighting and building management solutions provide comprehensive, intelligent responses.

Energy savings target:

more than €1 million per year

Energy savings for hospitals in Sweden and the UK

RegionFastigheter, the office that handles property services for public hospitals in southern Sweden, has contracted with our TAC subsidiary to optimize energy costs at hospitals in Lund, Helsingborg and Kristianstad. The goal is to achieve savings of more than €1 million a year, enough to finance the equipment needed to make the facilities more energy efficient. TAC is also doing technological wonders in the UK by transforming a complex of five hospitals into smart buildings that will ensure a safe and comfortable environment for patients, visitors and staff.



Our speed drives, automation devices and lighting and building management solutions play a powerful role in optimizing energy.

Motors account for more than

60%

of global energy consumption.

“ San Francisco Airport enhances security

*After 9/11, San Francisco International Airport invested to tighten security and, as a by product of the security improvements, we were able to upgrade our PowerLogic SCADA (Supervisory Control And Data Acquisition) system.*

*The site is huge and our power distribution needs are equivalent to those of a city of 75,000 inhabitants. We had already been using PowerLogic products for quite a while, but performance was considerably improved when we automated five substations and upgraded many of the existing circuit monitors. We can now track our consumption and that of the airport's tenants in much greater detail, enabling more accurate cost distribution. For example, we now know how much power the driverless 'Air Train' transit system uses that links all the terminals and car rental agencies, and when the consumption peaks are, etc.*

*Consequently, the Air Train operator can now cross-charge car rental companies and airlines the real costs for moving passengers. In case of a power outage, we can tell tenants exactly when the outage began, where it is located in the system and who was responsible, them or us. Remote failure diagnostics and management capabilities also save our teams lots of time having to go to the various substations to investigate the problems. Quick response to problems is critical for us. Even a minor, localized outage that prevents, for example, a conveyor belt from bringing baggage from a plane, can cause cascading delays.” To find out more: [www.flysfo.com](http://www.flysfo.com)*



James Wolanin  
Electrical Systems Manager/  
San Francisco International Airport



# Sustainable development

## Our businesses' contribution

### Two main approaches

#### Products: our historic businesses

- **Building utilities:**  
Lighting control | HVAC control | Variable speed drives | Power metering
- **Electrical Distribution:**  
UPS | Power conditioning protection | Power factor correction and filtering | Electrical distribution equipment | Power monitoring | Application software
- **Process:**  
Variable speed drives | Programmable logic controllers

#### Solutions: in-depth expertise and knowledge of customer businesses, ability to deliver effective energy solutions

- **Building facilities:**  
Integrated business solutions | Performance contracts for institutional buildings | Energy solutions for commercial buildings
- **Electrical installation:**  
Power monitoring and control | Improving existing installations | Critical power solutions | Energy efficiency for electrical installations | Total cost of ownership | WAGES solutions (reducing overall energy costs)
- **Industry:**  
Automation solutions

## Four major contracts with cities around the world

### New York State optimizes energy consumption

Thanks to its energy management and efficiency solutions, our Power Measurement Inc. subsidiary will help the State of New York save more than \$500,000 a year through a 35% reduction in infrastructure energy use between now and 2010.

### Air Liquide

Production of compressed air accounts for 10% of an industrial process' total electricity consumption. To use less energy, Air Liquide has developed an innovative system with Schneider Electric in which a single speed drive successively adjusts the speed of several motors in relation to the air flow.

**Energy savings:**  
20%-25% of the motors' energy consumption.

### Guaranteed energy performance for Carrefour France

The first agreement of its type in France, our guaranteed energy performance contract with Carrefour aims to reduce the energy consumption of the group's stores by 10% to 15% by improving management of lighting, heating, air conditioning and, most importantly, chilling, which represents 40% of a hypermarket's energy consumption. Schneider Electric has guaranteed this target, and in return, Carrefour has committed to making the necessary investments and supporting the deployment of good practices in its stores.

### Predictive maintenance with Lubio

By adapting lighting levels to suit local needs more precisely, Lubio can reduce the power consumption of public lighting systems by 40%. In its latest version, Lubio won a prize for innovation at the *Salon des Maires et des Collectivités Locales*, a gathering of mayors and public authorities in France. Following an initial contract in France's Ain department, northeast of Lyon, Lubio has been adopted by several towns and local communities in Brittany.



#### TAC Xenta™ 511

Complete control via the Internet. The TAC Xenta™ 511 is a multifunctional presentation system with an embedded web server that allows users to monitor LonWorks-based networks via a web browser anywhere in the world, around the clock, delivering unprecedented flexibility and speed.



#### Lubio

The Lubio range is an integrated solution for the operation and maintenance of public lighting systems. It can be used to regulate and vary voltage and turn street lamps on and off.



#### Altivar 71

Particularly well suited to high-performance applications, this new generation of speed drives stands out for its broad range of power ratings and advanced functionalities. What's more, Altivar 71 is 88% recyclable which is 18% better than mandated by European regulations.



#### EGX 100

An innovation in monitoring and controlling energy more economically, Merlin Gerin's EGX 100 Ethernet gateway uses the Modbus TCP/IP protocol to ensure reliable, high-speed communication for even the most demanding applications.



#### PowerLogic®

A power management system that enables customers to reduce energy consumption significantly, PowerLogic was chosen as the Building Services Product of the Year at the Electrical Industry Awards 2005 in the UK.





# Corporate governance and organization

Electricity  
is all around  
you

**The Planet & Society Barometer:  
setting major targets to improve  
around the world.**

Sustainable development is an integral part of Schneider Electric's strategy and organization. Our new<sup>2</sup> Company Program places even more importance on sustainable development improvement targets. All our units around the world are involved in achieving these targets.



## Principles of good governance

### Board of Directors

The Board of Directors defines the Company's business strategy and oversees its implementation. Nine of the twelve Directors are independent Directors, as defined in the Bouton report on corporate governance. Four are non-French, making for significant international membership, and one represents employee shareholders in his capacity as a member of the Supervisory Board of a mutual fund invested in Company stock.

The Board approved a set of operating rules and procedures in March 2003 that include the operating rules and procedures of the Board committees (the Remunerations and Appointments & Corporate Governance Committee and the Audit Committee), as well as the Directors' charter recommended under AFEP-MEDEF corporate governance guidelines. Lastly, James Ross, an independent Director, has been assigned on behalf of the Board to develop specific expertise in the area of sustainable development and environmental and social risks.

In 2005, the Board of Directors performed a self-assessment with the assistance of the Board Secretary. At its meeting of February 15, 2006, the Board of Directors analyzed the conclusions provided in a report prepared by the Remunerations and Appointments & Corporate Governance Committee. The Directors found that the quality of the Board's discussions were a real strength for Schneider Electric. The main areas for improvement involved deeper contacts with corporate management and the units.

The proposed change in the corporate governance system, submitted to shareholders for approval at the Annual Meeting of May 3, 2006, complies with sustainable development guidelines, notably as concerns the separation of powers. The new organization would comprise a Supervisory Board, chaired by Henri Lachmann, and a two-member Management Board, chaired by Jean-Pascal Tricoire.

### Shareholder information

The Shareholders' Relations Committee is made up of eight individual shareholders appointed by Schneider Electric for a three-year term. Members may serve a maximum of two terms. The Committee is designed to relay shareholders' concerns in the area of financial communication to the Company. Three new members joined in 2005 following a call for candidates to replace exiting representatives. The Committee's main discussions during the year concerned improvements to the corporate website (especially the financial section), changes in the Letter to Shareholders, and the organization of the Annual Meeting.



James Ross  
Director  
of Schneider Electric

## “Health, a major theme for 2005

*2005 was placed under the sign of health.*

*Health of the planet, with the help of Schneider Electric products and services to control and reduce its customers' energy spending; health of the Group's employees, with a broad approach that goes beyond the concept of industrial accidents (Schneider Electric is not in a high-risk industry) to take an interest in its employees' psychological health and their general well-being; and finally society's good health with solutions for employment of youth from tough neighborhoods. It is an issue affecting lots of countries that I wanted to see debated by the Board of Directors at the end of 2005. Schneider Electric is active in this area, especially in France where Henri Lachmann strongly supports apprenticeship."*

Corporate Governance: legal obligations, recommendations & expectations			Schneider Electric's performance			
Independence	Directors with regard to Management	At least 30% of Board members and 50% of Remunerations Committee members should be independent Directors <span>●</span>	Percentage of independent Directors	Board of Directors	Audit Committee	Remunerations and Appointment Committee
			Bouton report definition* <span>●</span>	80%	100%	50%
		Average term of 5 years for Directors <span>●</span>	4 years			
	Auditors with regard to Management	No consulting services sold by auditors <span>●</span> <span>▲</span>	NM			
		Meetings between auditors and Directors without senior management <span>▲</span> <span>●</span>	Twice with external auditors Four times with internal auditors			
Directors among themselves	No cross-Directorships, no seats on the same Boards and no shared past (education, career or family) <span>■</span>	46%				
Role in decision-making	Directors	Number of meetings and average attendance rate <span>■</span>	6 three-hour fifteen-minute meetings, 88%			
		Audit, Appointments and Remunerations Committees <span>●</span>	Audit Committee	Appoint. & Rem. Committee		
		Number of meetings <span>●</span>	4 (2 hours 15 minutes)	3		
		Attendance rate <span>●</span>	100%	92%		
		Assessment of Board operations every three years <span>●</span>	Assessed in 2002 and 2005			
	Shareholders	Attendance at Annual Meetings <span>■</span>	45%			
		Percentage of decisions submitted to a vote by shareholders <span>■</span>	0%			
Other stakeholders	Directors representing employees or other non-shareholder stakeholders and percentage of their proposals approved <span>■</span>	0%				

Obligation: ● ▲ ■

Recommendation: ● ▲ ■

● Viénot or Bouton reports ▲ Sarbanes Oxley Act ■ Other issues expressed by stakeholders

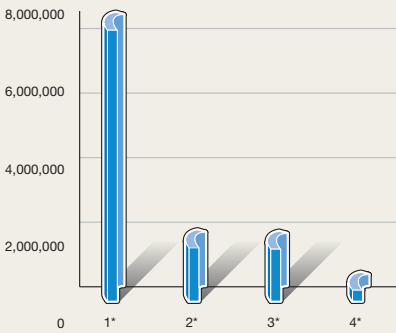
\* For the company or its group, the Director is not an employee or corporate officer (mandataire social) and has not been one during the previous five years; is not a corporate officer of a company in which the company holds, either directly or indirectly, a directorship; is not a customer or supplier (going back five years) that is material for the company or its group; does not have any close family ties with a corporate officer of the company; has not been an auditor of the company over the past five years; and has not been a Director of the company for more than twelve years.





Revenue by risk zone as defined by Transparency International's 2005 Corruption Perceptions Index

Countries rated from 0 (highly corrupt) to 10 (highly clean).



Our Principles of Responsibility, which apply to all Schneider Electric employees around the world, emphasize the obligation to act with integrity in dealings with suppliers and customers. Schneider Electric has also signed the Global Compact.

# Managing risk

## Internal reference documents

Several internal reference documents guide our actions and ensure effective risk management. These include:

- Our Principles of Responsibility, a framework for our dealings with all stakeholders, from shareholders and customers to employees and the community. All new employees commit to these principles when they sign their work contracts.
- A code of ethics that sets out the rules to be followed by management and employees to prevent insider trading.
- International Internal Auditing Standards. Schneider Electric's internal auditors are committed to complying with the international standards published by the Institute of Internal Auditors (I.I.A.) and other bodies.
- Group accounting policies.

\*1: Moderate risk zone (7.5 to 10) | \*2: Average risk zone (5 to 7.5) | \*3: High risk zone (2.5 to 5) | \*4: Very high risk zone (< 2.5)



Principle 10 | **Anti-corruption**  
Businesses should work against all forms of corruption, including extortion and bribery.

## Major challenges and how we are meeting them

Towards a New Electric World	Benchmark
<b>Corporate governance challenges</b>	
Prevent illegal arrangements/corruption	● ● ● ●
Establish balanced relationships with suppliers	● ● ● ● ●
<b>Economic challenges</b>	
Develop the market for energy efficiency and reduced consumption	● ● ● ● ●
Innovate	●
Align base costs with business conditions	●
Innovate, manufacture and sell close to our end markets	● ●
Maximize the local economic impact through our operations	●
Invest in emerging markets while contributing to their economic growth	●
Aim for total product quality	● ● ● ● ●
Promote improvements in safety conditions for product use	● ● ● ● ●
<b>Social challenges</b>	
Commit to our host communities	● ● ● ● ●
Promote diversity and ban discrimination within the Company	● ● ● ● ● ● ● ● ● ●
Ban forced labor/child labor	●
Make management positions available to local people	● ●
Encourage employee participation in local development initiatives	● ● ● ● ●
Respect and promote social dialogue	● ● ● ● ●
Foster workplace health and safety	● ● ● ● ● ●
Increase salary and career opportunity equity	● ● ● ● ●
Develop staff employability	● ● ● ● ●
Ensure supplier compliance with ILO conventions	● ● ● ● ●
<b>Environmental challenges</b>	
Make our products more energy efficient	● ● ● ● ● ● ●
Make our products more compact	● ● ● ● ●
Promote research and development of alternatives to hazardous substances	● ● ● ● ●
Reduce toxic airborne emissions	● ● ● ● ●
Minimize our products' end-of-life impact	● ● ● ● ●
Develop end-of-life treatment solutions	● ● ● ● ●
Reuse and reduce production waste	● ● ● ● ●
Prevent soil pollution at production sites	● ● ● ● ●
Limit the supply chain's environmental impact	● ● ● ● ●

International initiative:  
Global Compact ●

Principles :  
Our Principles of Responsibility ●

Policies:  
Human Resources ● : recruitment | compensation | training | international mobility | leadership skills | diversity | health

Environment ●  
Manufacturing ●  
Quality ●  
Purchasing ●  
Program: new<sup>2</sup> ●

Charter:  
Diversity Charter ●  
Agreements:  
Gender equality (France) ●  
Disabled (France) ●





# Sustainable development management

Three priorities: growth,  
efficiency and people

Sustainable Development Department:

30  
team members

4  
new working groups

Four new working groups were created in 2005:

**The Environmental Council**

The Council is made up of representatives from the corporate departments (Customers & Markets, Products & Technologies, Globalization & Industry and Services) who meet quarterly to discuss cross-functional issues and promote deployment of appropriate measures across the Company. The Council also devotes significant time to monitoring environmental issues at both the eco-design and eco-production levels.

**The Health Committee**

Committee members include representatives from the Customers & Markets, Products & Technologies, Globalization & Industry and Services departments, as well as from the North American, European, International and Iberian and Asia-Pacific Operating Divisions. Each quarter, the Committee meets to guide the Company’s health and safety strategy and validate action plans. It leads our health and safety approach for the corporate departments and operating divisions and manages the network of local health and safety correspondents. An ad hoc committee met during the year to address risks related to a potential pandemic set off by avian flu.

## A dedicated organization

The Company has created a sustainable development council that sets strategic objectives for sustainable development improvement plans, and a sustainable development committee, which brings together representatives from the functional and operating divisions to oversee plan deployment and consistency.

**Sustainable Development Department**

Formed in 2002, the Sustainable Development Department’s dual mission is to **draw attention to and explain** the major transformations affecting the world today. These include environmental protection, energy-related geopolitical issues, economic and societal changes and globalization.

The Department and its thirty team members are responsible for:

- Organizing and executing our sustainable development priorities.
- Responding to stakeholders.
- Deploying resources to raise awareness and promote action.
- Guiding the environmental department’s action plans.
- Managing improvement plans in the areas of healthcare, diversity and community action.
- In France, managing improvement plans in the areas of training and local economic development.

**The Diversity Committee (France)**

Made up of all the Human Resources managers in France, this Committee is responsible for promoting diversity awareness in hiring and employee management. It meets every other month to validate strategy and action plans.

**The Local Development Committee (France)**

This Committee’s mission is to drive and coordinate all responsible measures initiated by the Company in its employment pools. These highly regional yet highly cross-functional initiatives require ongoing dialogue among the various players within the Company—people involved in community outreach, business development, research, training, job opportunities, diversity and other issues—and field workers. The Committee meets three to four times a year, as well as for encounters on special topics.

To find out more: [www.schneider-electric.com](http://www.schneider-electric.com)



### A network-based approach

Schneider Electric set up a corporate Sustainable Development Department in 2002. Numerous culture carriers cascade our sustainable development approach throughout the Company.

As concerns the environment, a network of 160 correspondents oversees environmental management at our production sites. They are supported by an Environmental Director within the Globalization & Industry department. The Scientific & Technical Affairs department coordinates the deployment of our eco-design policy among product environment managers.

In the area of social policy, each Operating Division Executive Vice-President is responsible for ensuring effective human resources management within the Division's units, implementing the new<sup>2</sup> Company Program and deploying *Our Principles of Responsibility*.

As for the Schneider Electric Youth Opportunities Foundation, a network of 200 volunteer team members in 70 countries lead and manage local projects. They are officially appointed for two-year terms. These correspondents are responsible for managing relationships with targeted associations involved in promoting job opportunities and training. This entails selecting the organization, submitting the project to the Foundation for validation and monitoring the partnership.

## Sustainable development management

Sustainable development:

500  
people in all

### Framework: the new<sup>2</sup> Company Program

Our Company Program for 2005-2008 defines three priorities for moving the Company from Good to Great:

- Growth, driven by commercial excellence, stepped-up innovation, new product launches and the expansion of new businesses.
- Efficiency, supported by outstanding customer service, the deployment of a single global IT system and rebalancing of the manufacturing/supply chain base to sustain growth.
- People, with a focus on improving occupational health and safety, developing talent and unleashing entrepreneurial spirit.

As part of new<sup>2</sup>, each unit determines improvement paths aligned with both the program's vision and the unit's local reality. To ensure overall consistency and measure performance effectively, new<sup>2</sup>'s New Reporting system expresses each initiative in terms of strategic goals, target result and tactical means. Ten of its tracking indicators directly concern sustainable development.

To find out more: [www.fondation.schneider-electric.com](http://www.fondation.schneider-electric.com)  
[www.schneider-electric.com](http://www.schneider-electric.com)



## Measuring performance with the Planet & Society Barometer

Schneider Electric created the Planet & Society Barometer in 2005 to measure its corporate social responsibility performance. With criteria covering people, environmental, community and corporate governance issues, the Barometer expresses our commitment to promoting sustainable development to both internal and external audiences. The Barometer tracks ten indicators on a quarterly basis. Our overall rating as of January 1, 2005 was 4.6 out of 10.

Our target for 2008 is 8 out of 10.

The Barometer serves three purposes:

- It provides a resource for training and raising awareness about sustainable development.
- It defines strategic avenues for improvement.
- It informs stakeholders of our results and performance.

Information on the Barometer is available at:

[www.barometer.schneider-electric.com](http://www.barometer.schneider-electric.com)



# The Planet & Society Barometer's ten indicators



## People

- **Reduce** the number of lost days from work accidents by 20% per employee and per year.  
**Performance at Dec. 31, 2005:**  
0.4 days/year  
**Score: 5.6**
- **Ensure** that all employees have basic health insurance.  
**Performance at Dec. 31, 2005: 100%**  
**Score: 10.00**
- **Ensure** that 30% of the Top managers have been in their positions for less than one year  
**Performance at Dec. 31, 2005: 40.93%**  
**Score: 10.00**  
(this indicator is currently being modified)



## Community

- **Donate** €1 million worth of Schneider Electric equipment.  
**Performance at Dec. 31, 2005:**  
€300,000  
**Score: 3.00**
- **Ensure** that 90% of our sites have a lasting commitment with the Schneider Electric Foundations in the area of youth opportunities.  
**Performance at Dec. 31, 2005: 84%**  
**Score: 7.00**



## Environment

- **Ensure** that all manufacturing and logistic sites are certified ISO 14001.  
**Performance at Dec. 31, 2005: 85%**  
**Score: 5.00**
- **Provide** an environmental profile for 120 products representing more than 50% of total product revenue.  
**Performance at Dec. 31, 2005: 27 PEPs**  
**Score: 2.3**
- **Reduce** energy consumption per production site employee by 10% (in MWh/year).  
**Performance at Dec. 31, 2005:**  
16.8 MWh  
**Score: 6.7**



## Corporate governance

- **Make** 60% of total purchases from suppliers who support the Global Compact.  
**Performance at Dec. 31, 2005: 12%**  
**Score: 2.00**
- **Be included** in the four major socially responsible investment index families.  
**Performance at Dec. 31, 2005: 3**  
**Score: 7.50**



4.6/10

Score on January 1, 2005

5.9/10

Score on December 31, 2005

8/10

Target  
for 2008

## “Questions for Gilles Vermot Desroches

### Why did you create the Planet & Society Barometer?

We wanted to be able to inform on the basis of specific results and have a simple, easy-to-understand reference grid for internal and external audiences. The Barometer gives us an overall score based on ten indicators concerning Schneider Electric's environmental, social, community and corporate governance performance. We can see at a glance if we're improving or slipping.

### You put yourself on the line by publishing results.

Yes, especially since all the commitments concern the Company in its global scope. It really is a strategic decision that makes us think about the ten commitments that are the most important for us. As I said earlier, the Barometer is also educational in that it shows how sustainable development pertains to multiple aspects of the Company.

### Which commitments are being extended?

ISO 14001 certification for our sites, and now for our logistics centers as well. In the area of eco-design, we're upping our target for environmental profiles to cover all our products. We already track our employees' health coverage, and we will continue doing so, just as we will continue monitoring our subsidiaries' local commitments to their host communities.

### What are your new commitments?

We still provide people and financial resources, but we're organizing our equipment donations more effectively. We've also committed to reducing energy consumption at our sites. Another major objective is to reduce work accidents and their impact on employees and the Company. Lastly, we ultimately want to source 60% of our purchases from suppliers who support the Global Compact. This is an ambitious target, and we're very far from achieving it as of today. The Barometer also tracks Schneider Electric's presence in the major CSR indices.”



Gilles  
Vermot Desroches  
Vice-President,  
Sustainable Development



# Performance



**Objectively measuring  
economic, social and  
environmental performance**

Our strategy continuously reflects targets for improving our business performance. We also set social and environmental performance goals and deploy indicators to measure how far we've come and how far we still have to go.





## Energy efficiency

- **San Francisco International Airport** chose Schneider Electric's PowerLogic® system to track, monitor, manage and forecast energy consumption.
- **RegionFastigheter**, the office that handles property services for public hospitals in southern Sweden, has signed an Energy Solutions contract with our TAC subsidiary. The goal is to generate savings of more than €1 million a year by optimizing energy expenses at three hospitals.
- Two products that demonstrate our commitment to energy efficiency won awards in 2005: **PowerLogic®** was chosen as the Building Services Product of the Year at the Electrical Industry Awards 2005 in the UK, while the networked **Lubio** voltage regulator won a prize for innovation at the *Salon des Maires et des Collectivités Locales*, a gathering of mayors and public authorities in France.

## Local communities

- The entire Schneider Electric community played an active part in international aid following the December 2004 **tsunami**, financing both emergency response and reconstruction projects. Twelve schools, two medical centers and an orphanage are scheduled for completion in 2006.
- In France, Schneider Electric is one of the original partners of the *Talents des Cités* contest, which supports the creation and development of businesses and associations in disadvantaged neighborhoods. In 2005, we gave a **national "Creation" award** to the two young founders of Lamda, a fashion design and ready-to-wear company in Grenoble.
- The **Schneider Electric Foundation** held its fourth annual **Luli** international fund-raising drive in June 2005. The Foundation was able to support 182 associations in 65 countries thanks to our team members' active commitment.



## Highlights

### Corporate governance

Schneider Electric has created the Planet & Society Barometer to measure and track progress in the area of corporate social responsibility. The indicators are available to all internal and external audiences at the following address: [www.barometer.schneider-electric.com](http://www.barometer.schneider-electric.com)

### Reaching out to customers

In 2005, we launched a new type of private professional trade show for customers called *Initi@tive* that presents our brands and offers a full schedule of conferences. The first *Initi@tive* shows were held in Seville, São Paulo, Mexico City, Santiago, Istanbul and in China.



## Social commitment

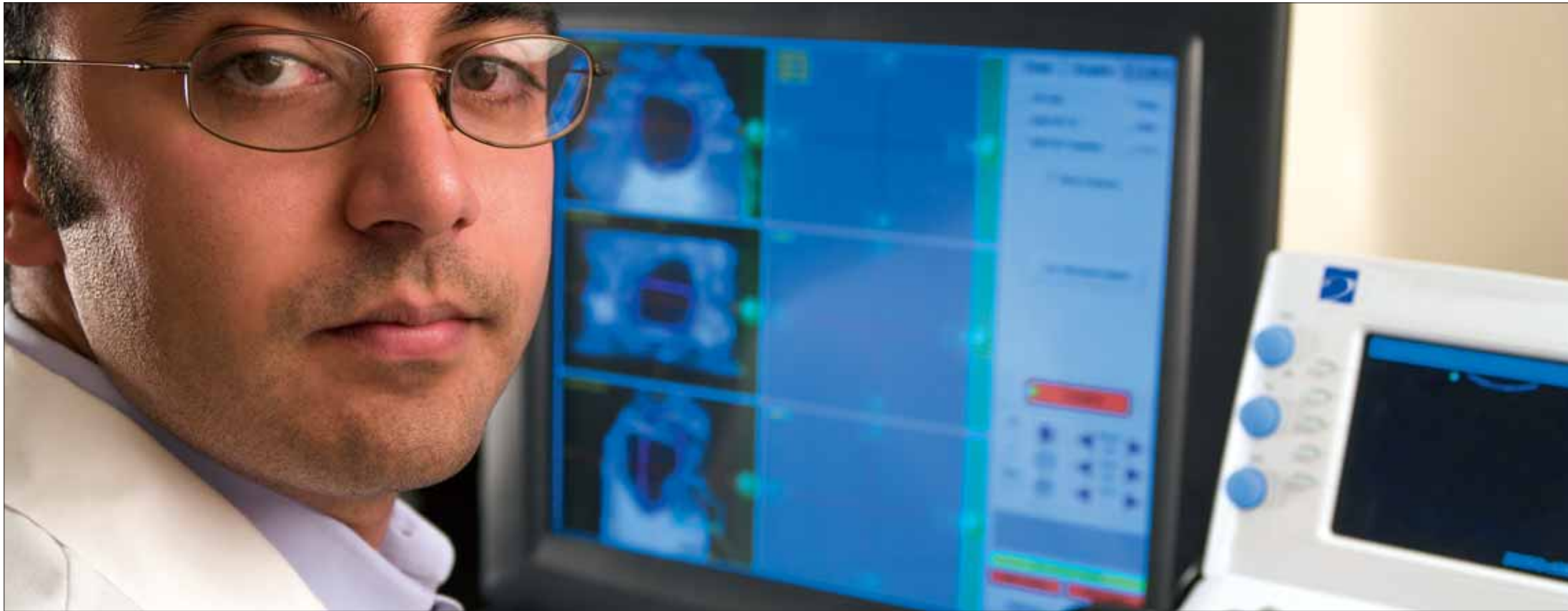
- Employee health, in its broadest meaning, is a core concern at Schneider Electric. We have drafted a **Company-wide health policy** that covers occupational health and safety and provides for monthly tracking in all our host countries.
- In France, we were one of three partners that supported the job-opportunities group *Association pour Favoriser l'Intégration Professionnelle* (AFIP) in the production of a DVD documentary showing the ins and outs of racial discrimination in the workplace.
- Henri Lachmann is coordinating a government-mandated mission to raise awareness about apprenticeship in France. The Company has taken on young apprentices for many years. In 2005, we had 710 young people in training throughout the enterprise. As Mr. Lachmann commented: *"We're not here to add to the pile of reports, but rather to encourage businesses to play their critical role in promoting youth employment."*



## Environment

- In 2005, we continued to improve energy efficiency at our own sites. Schneider Electric India reduced its electricity consumption by 3.4% and water consumption by 50%. And Schneider Electric Thailand initiated a **Six Sigma** program with the goal of cutting energy use by 30%.
- We've gone beyond the requirements of the upcoming European Restriction of Hazardous Substances (**RoHS Directive**), which bans the use of lead, mercury, cadmium, hexavalent chromium and brominated flame retardants, by promising to eliminate these substances in all our low voltage products before 2008.





“Being close to customers is critical in R&D today.

*Schneider Electric has take extensive measures to internationalize its R&D base over the past few years.*

*Although half of our R&D team is still located in France, international skills centers have been created or restructured. We need to have R&D centers close to our most demanding customers, and that's the case in Japan, Germany and the US, where we've got highly effective R&D teams with some 1,500 people. But we also need to be closer to the major customers of tomorrow. That's why we recently opened a research center in Bangalore, India and started a major program to expand our small center in Shanghai, China. In all, we had 500 employees at these two sites at the end of 2005."*

Alain Marbach  
Executive  
Vice-President  
Products & Technology



Performance

Economic  
performance

6,500  
R&D staff  
in 25 countries

5  
acquisitions  
in 2005

New businesses: energy management, building automation and security, sensors and actuators for repetitive machines, etc.

A targeted acquisitions strategy

Our development strategy focuses on new businesses that offer high growth potential, such as energy management, building automation and security, and sensors and actuators for repetitive machines. A natural extension of our traditional core businesses, these activities revolve around the concept of energy efficiency. In 2005, we broadened our lineup in these areas with several acquisitions.

In the Industry market, we added to our semiconductor switching capabilities by bringing in Crydom, whose solid state relay technology delivers remarkable energy savings and operating durability. Crydom technology leads the US market. It is particularly well suited for heating and lighting management and noiseless applications in buildings and for medical equipment. We also acquired BEI Technologies during the year. In the area of energy management, we acquired Power Measurement Inc. (PMI), the world's leading provider of measurement devices, software and services. PMI helps electricity suppliers and consumers manage all aspects of energy production and consumption. We also extended our building automation lineup with the acquisition of ABS EMEA.

Lastly, we acquired US-based Juno Lighting, number one in trac and recessed lighting for residential and commercial buildings. Juno Lighting regularly wins awards for product quality and design and outstanding customer service.

During the year, our TAC brand signed a commercial cooperation agreement in Europe with Philips Lighting that will allow their customers to experience complete open and integrated building automation solutions, including advanced lighting.

Growth through innovation

Innovation is a priority at Schneider Electric. We have 6,500 R&D team members in 25 countries, we devote nearly 5% of our revenue to R&D, and we work with some 50 private university laboratories worldwide.

For historical reasons, nearly half of these resources are located in France, the center of our R&D skills base. In 2006, we inaugurated Electropole in Grenoble, the world's largest global R&D center in power protection and control with 1,000 people.



Aiming for total customer satisfaction and commercial excellence

Customers are one of our key stakeholders. Keeping them satisfied is a clearly identified challenge here at Schneider Electric.

Our dual improvement target calls for a 30% increase in very satisfied customers and a 50% decrease in dissatisfied customers. Although our overall satisfaction rating is good, we know which areas receive the greatest number of complaints. In response, we are focusing our efforts on improving the supply chain, customer information and services.

What's more, every two years, we survey 250 to 800 current and prospective customers in 45 countries with our Image and Satisfaction Barometer (BIS) to collect feedback on brand awareness, customer satisfaction and our strengths and weaknesses.

Lastly and to spur growth, we've made commercial excellence a priority of our new<sup>2</sup> Company Program. As part of this commitment, we've deployed Hermes, a diagnostics tool that helps Country Organizations identify the strengths and weaknesses of their sales organizations and define improvement plans, and Mercure, which analyzes marketing organization efficiency.



Suppliers

Make 60% of total purchases from suppliers who support the Global Compact.



Principle 1 | Human Rights

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2 | Human Rights

Businesses should make sure that they are not complicit in human rights abuses.

Increase the rate of very satisfied customers by

30%

Reduce the rate of dissatisfied customers by

50%

12%

of our suppliers have signed the Global Compact  
Target for end-2008: 60%

More than 2,000

sales and marketing staff took part in specific Schneider Electric University programs during the year

New initiatives were launched in 2005 to help us achieve new<sup>2</sup>s targets. For the first time, we published Commercial Policy Guidelines, which were distributed to all Country Organization managers and to our sales and marketing managers. We also created a Sales & Marketing Institute within Schneider Electric University to train team members and develop their skills. More than 2000 sales and marketing staff took part in the Institute's programs during the year.

Lastly, we launched a new concept of private professional trade shows for customers in 2005 called Initi@tive. The shows feature stands presenting our lineup and our partners' offerings, as well as a schedule of high-level conferences. Initi@tive fairs attracted around 8,000 visitors in 2005 in Seville, São Paulo, Santiago, Istanbul and in China.

Raising awareness among suppliers and subcontractors

As a Global Compact signatory, Schneider Electric takes sustainable development issues into account when selecting suppliers. We encourage them and their subcontractors to join the Global Compact. This criterion is measured in the Planet & Society Barometer, with a target of sourcing 60% of our purchases from Global Contract supporters. In 2005, the percentage rose from 5% in January to 12% in December.

Sustainable development holds companies up to stakeholders' expectations. By asking suppliers to meet our direct requirements and make a public commitment to the UN, we are exposing our partners to the challenges of sustainable development.

We have implemented a sustainable development agreement for suppliers in all our host countries that sets specific commitments for both parties.

We've also set up a uniform certification process called Schneider Supplier Quality Management (SSQM) for our operations around the world. The section on sustainable development evaluates suppliers' performance in the areas of human rights (SA8000), human resources and the environment (ISO 14001). The quality audits include a specific assessment of safety, health and the environment.

Lastly, to comply with the European Restriction of Hazardous Substances (RoHS) Directive, we accept no products with banned substances from suppliers.



Performance

# Environmental performance

85%

of our manufacturing and logistics sites were certified in 2005

PLANET & SOCIETY BAROMETER

Eco-production

Ensure that all manufacturing and logistic sites are certified ISO 14001.

Eco-design

Provide an environmental profile for 120 products representing more than 50% of total product revenue.

GLOBAL COMPACT REFERENCE

Principle 9 | Environment

Businesses should encourage the development and diffusion of environmentally friendly technologies.

We fully assume our environmental responsibility at all levels of our business by participating in the definition of new regulations and applying them early, by making our sites more energy efficient, by promoting eco-design, and by raising our employees' and partners' environmental awareness.

RoHS: an ambitious program

The European Restriction of Hazardous Substances (RoHS) directive, which will come into effect on July 1, 2006, bans lead, mercury, cadmium, hexavalent chromium and brominated flame retardants in certain electrical and electronic equipment—primarily household goods—sold in Europe.

The directive affects only a small portion of our lineup directly, but it impacts a larger share indirectly. This is the case for equipment integrated in finished products covered by RoHS.



In 2005, we published PEPs for the new Masterpact range of power circuit breakers and for Prisma Plus enclosures.

We have gone far beyond the directive's requirements and decided to stop using these substances all together. We intend to:

- Bring into compliance products directly concerned or frequently integrated in targeted equipment by July 2006.
- Help contractors, OEMs and distributors fulfill the directive's obligations.
- Work with suppliers to identify substitute components and materials that meet quality and performance requirements.
- Participate in discussions to promote a shared vision of the directive and offer implementation guides.
- Prepare to eliminate the six substances from our entire low voltage lineup by December 2008, including in products not covered by the directive.
- Stop using cadmium in our products, even though the EU has granted us a time extension.

Eco-design

Eco-design is one of our major environmental projects. With a focus on meeting customer needs as effectively as possible, this improvement process reduces the environmental footprint of our products throughout their lifecycle—from raw materials purchasing to end-of-life recycling.

We have published an internal product development guide based on eco-design principles. In addition, we train designers, marketing staff, and production and purchasing managers in eco-design each year. Since 2004, we have published Product Environmental Profiles (PEPs) for all new range core products. These profiles provide information on environmental performance throughout the product's lifecycle. In 2005, for example, we published PEPs for the new Masterpact range of power circuit breakers and for Prisma Plus enclosures. Our goal is to draw up 120 PEPs offering information on products that represent more than 50% of our sales by end-2008.

Eco-production

We neither generate nor distribute electricity. Our business primarily relies on assembly and control techniques that are far removed from primary manufacturing. As a result, our atmospheric emissions are not significant and below regulatory thresholds. In 2005, we implemented a process to measure our greenhouse gas and volatile organic compound emissions. The data should be published in 2007.

During the year, we conducted our annual review of pollution risks at all our manufacturing sites. None is classified Seveso. However, we continuously track 13 facilities, of which 6 in France, often because of their past manufacturing history.

At the end of 2005, 85% of our manufacturing and logistics sites were certified ISO 14001.



PLANET & SOCIETY BAROMETER

**Energy efficiency**  
Reduce energy consumption per production site employee by 10%.

GLOBAL COMPACT REFERENCE

Principle 8 | **Environment**  
Businesses should undertake initiatives to promote greater environmental responsibility.

Reducing energy consumption at our sites

We are committed to making our own installations more energy efficient. That's why the Planet & Society Barometer challenges us to reduce energy consumption per production site employee by 10% before the end of 2008.

In 2005, several units achieved significant energy savings. Schneider Electric India requested an audit by an independent agency and had all employees undergo environmental and energy management training. It deployed a series of tangible measures, such as equipping production lines with programmable switches to manage lighting and ventilation and preventing water leaks and wastage. In 2005, the unit reduced its electricity consumption by 3.4% and its water consumption by 50% while increasing output by 60% from the year before.

In Thailand, our local subsidiary initiated a Six Sigma program with the goal of cutting energy use by 30% (see interview).



100%

of our employees have undergone environmental and energy management training in India

30%

energy savings targeted in Thailand

Eco-production indicators

Indicators	2003	2004	2005** at 2004 scope	2005*** new scope
Number of units responding	139	159	150	172
Average number of employees at our manufacturing sites	43,944	47,140	48,896	50,644
Amount of waste produced (in metric tons)	93 736	94,821	96,641	100,547
Amount of waste per production site employee (in metric tons per person)	1.9	2	2.1	1.99
Percentage of waste recovered in %	65	73.5	76	75.9
Energy consumption per production site employee (in MWh)	15.3	14.7	16.1	15.7
Equivalent energy consumption* (in MWh)	674,967	692,298	756,482	793,898
Water consumption (in cubic meters)	1,643,483	1,838,221	1,799,702	1,874,329
Water consumption per production site employee (in cubic meters per person)	37.4	39	38.40	37.00

\* The 2005 data include gas and fuel oil consumption in the North American units that was not counted in 2003 and 2004. This added 99,000 MWh to the total and 1.9 MWh to the per employee ratio. | \*\* Like-for-like. | \*\*\* Data collection extended to 172 sites.

“ Reduce the hourly cost of electricity by 30%.

*In 2005, we implemented an energy savings plan in the Bangpoo plant in Thailand with the objective of reducing the plant's hourly electricity cost by 30%.*

*An initial analysis and measurement phase identified the areas of energy inefficiency: for example, we had poor control over power consumption in the offices, and certain plant equipment, including compressors and air conditioning units, could be optimized. To manage energy use better and monitor progress made, we installed Schneider Electric's PowerLogic system and improved equipment efficiency in the plant and the offices.*

*At the same time, the plant launched an internal communication program on energy saving objectives in order to improve employees' behavior and encourage good habits (turn off computers, printers and photocopiers at the end of the day). This effort delivered excellent results: between April and October 2005, the plant saved €17,750.*

*The demonstration was so convincing that we were able to persuade Nestle Thailand to adopt PowerLogic.”*



Alex Khoo  
Southeast Asia  
Zone Director





Performance

# Social performance

10%

of our Top 700 managers are women



**Carole Da Silva**  
Director of “Association pour Favoriser l’Insertion Professionnelle (AFIP)”

## Charter of Diversity

### Diversity is a strength

Promoting pluralism and seeking diversity through recruitment and career development is an opportunity for companies to progress. Such strategies improve efficiency and contribute to a better social climate. They can also have a positive impact on the way a company is viewed by customers, suppliers and consumers, in France and overseas.

The Charter of diversity, adopted by our company, is intended to demonstrate our commitment, in France, to cultural, ethnic and social diversity within our organisation.

In accordance to this Charter, we undertake to:

1. Raise awareness of non discrimination and diversity issues among top management and staff involved in recruitment, training and career development and to educate them in these matters.
2. Respect and promote the application of all aspects of the principle of non-discrimination at every stage of the human resources management, in particular in the recruitment, training, promotion and career development of employees.
3. Endeavour to reflect, the diversity of the French society particularly in its cultural and ethnic dimension at every level of our workforce.
4. Make all our employees aware of our commitment to non-discrimination and diversity, and keep them informed of the practical results of this commitment.
5. Make the development and implementation of the diversity policy a subject of a dialogue with the employees representatives
6. Insert a chapter in the annual report describing our commitment to non-discrimination and diversity including details of the measures implemented, our internal procedures and the results achieved.

To find out more: [www.institutmontaigne.org](http://www.institutmontaigne.org)

PLANET & SOCIETY BAROMETER

### Diversity

Ensure that 30% of the Top managers have been in their positions for less than one year.

GLOBAL COMPACT REFERENCE

**Principle 6 | Labor standards**  
Businesses should uphold the elimination of discrimination in respect of employment and occupation.

### Fostering diversity

A multicultural enterprise and Diversity Charter signatory, Schneider Electric sees diversity as a strength. In *Our Principles of Responsibility*, we clearly state that: “Schneider Electric employees can all express their cultural diversity and are managed without discrimination.”

Diversity is a key focus of our new<sup>2</sup> Company Program. Several initiatives launched in 2005 reflect our commitment in this area.

To start, we created a Diversity Committee in France, as well as a network made up of diversity specialists from such associations as *Association pour Favoriser l’Insertion Professionnelle* (AFIP), *Association pour Faciliter l’Insertion des Jeunes Diplômés* (AFIJ), *Equation Companieros* and *IMS Entreprendre pour la Cité*. We also drafted a white paper on practical diversity commitments in some fifteen countries. Again in France, we carried out a campaign to raise awareness among human resources directors and managers from the Scientific & Technical Affairs Department about the importance of promoting diversity throughout the Company.

At the end of 2005, all of our units had established diversity plans and defined improvement objectives for 2008 in line with host country practices and laws.

## “ Diversity must be planned.

*AFIP helps young graduates network and gives businesses the information they need to understand the difficulties encountered by applicants of non-French background when they try to enter the job market.*

*Diversity must be planned; there’s no room here for improvising. We’ve begun a partnership on hiring with Schneider Electric. There’s a real openness about these issues, and I feel there’s a deep commitment among the Company’s leadership. This is reflected in the existence of a dedicated function, as well as the speed with which our joint initiatives have been carried out, for example the DVD on the barrier of prejudice.”*

To find out more: [www.afip-asso.org](http://www.afip-asso.org)



Health

Ensure that all employees have basic health insurance.

Reduce the number of lost days from work accidents by 20% per employee and per year.

Improving our health performance

Employee health is a key objective in new2’s People priority, as our performance in this area is insufficient. What’s more, the situation has not improved over time. In 2005, we defined an occupational health policy based on an audit performed in 36 countries. This policy is aligned with the World Health Organization’s definition of health (“Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity”). It sets the major outlines of our commitment. The Country Organizations are responsible for deploying local action plans. In 2006, we will focus on broadcasting our policy and creating a health community within the Company to cascade best practices. Already in 2005, operations in all our host countries began tracking the number of days lost due to work accidents on a monthly basis. This important indicator will give us an ongoing view of the progress achieved through our local action plans. Lastly, all Schneider Electric University seminars now cover the topic of health.

Employment  
Redeploying geographically

In 2005, we launched 700 projects to produce closer to customers, reduce the impact of currency fluctuations and locate production and purchasing in the most competitive regions. This global geographic rebalancing led to staff increases in Asia, Australia, Brazil, Eastern Europe and the Middle East and workforce reductions in the United States and France.

Diversifying our hiring pools

To attract and develop talent, we have formed partnerships with twelve top business schools and universities around the world. Through this program, we intend to enhance our image with students, lay the groundwork to recruit high potential candidates and draw from a more diverse pool of nationalities and educational backgrounds.



Rich Widdowson  
Vice-President Safety,  
Real Estate and  
Environment, Schneider  
North America

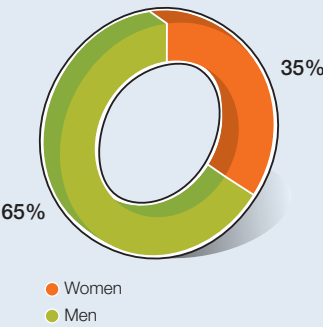
“ Safety: Priority Number 1

*In 2005, Our North America Operating Division set ambitious objectives to improve its health and safety indicators at all of its sites: Reduce by 15% the MIR (Medical Incidence Rate) and accidents resulting in time away from work.*

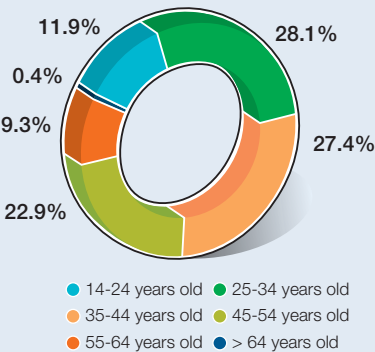
*The mobilization effort was strong at each site, with a clear message from management saying that safety is the number one priority. From then on, our goal has been for all meetings to begin and end with safety. Supervisors and team leaders focus on visible actions to drive safety awareness on a daily basis. Throughout the organization, safe behavior is recognized, and all milestones are celebrated (30 days without an accident, 60 days, etc.).*

*The results have followed: In 2005, North America reduced its MIR 33% and the NDL (Number of Days Lost due to accidents) by 42% vs. 2004. In 2005, the number of employees injured was down to 245 from 629 in 2002.”*

Men/women

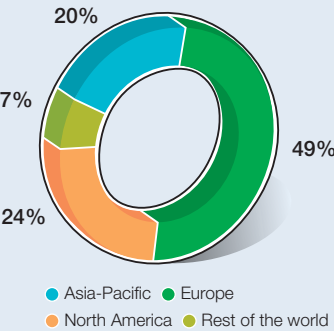


Age

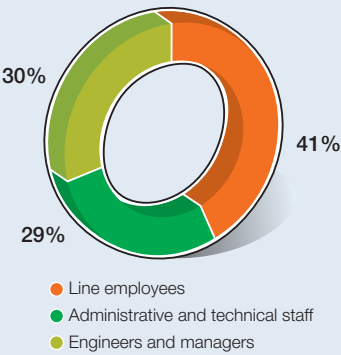


Average workforce	
Average workforce	88,670
Temporary and permanent contracts	84,819
Average production staff	40,792
Average non-production staff	47,878
New hires	16,070
Departures	15,820

Breakdown by region

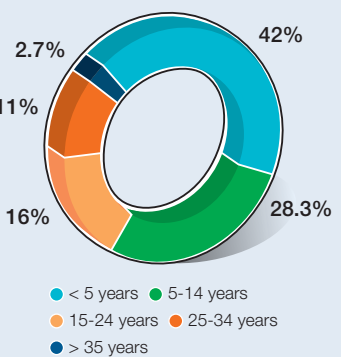


Job category



2005 indicators

Seniority



Additional indicators are available on pages 54, 55 and 56.

Training	
Total cost of training	€27,550,000
Number of days of training	307,388



Principle 3 | **Labor standards**  
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Developing international mobility

We encourage and promote international mobility for our managers. In 2005, 263 people took international assignments. Of these, 19.4% were women compared with 15.9% in 2004. Since 2001, the Marco Polo program has been giving new recruits the opportunity to become familiar with another culture by spending their first two years in a position outside their home country. In 2005, 144 team members (a quarter of them women) representing 47 different nationalities participated in the program.

Professional development  
Enhancing competencies

To meet new<sup>2</sup>'s challenges more effectively, the Schneider Management Institute was transformed and expanded into Schneider Electric University in 2005. The University prepares the Company's future leaders and trains the experts we need to maintain our competitive edge. Specialized institutes have been created for this purpose, covering sales & marketing, manufacturing operations, etc.

The Felix program, designed to develop high potential junior executives, organized its second session in 2005. Two programs were held, bringing together 62 participants from 32 countries, including employees from North America for the first time.

Seven "new<sup>2</sup> Passport" sessions to integrate new managers were also held during the year. They were attended by 193 middle managers from 37 countries, representing all of the Company's functions.

We have offered e-learning courses for several years now to speed skills development, in line with new<sup>2</sup>, while enhancing training efficiency. Some 53,000 employees worldwide have access to our intranet. In 2005, 27% of our team members participated in online training.

Social dialogue / surveys  
A renovated in-house survey

To achieve new<sup>2</sup>'s goal of "improving together", we have defined a new comprehensive process for deploying internal satisfaction surveys called *People Scope*. By the end of 2005, the new-format survey had been administered to 23% of our workforce. All the Operating Divisions have been asked to deploy *People Scope* by June 2006.

Changes in the European Committee

Bulgaria, Lithuania, Romania, Russia, Slovakia and Ukraine all joined Schneider Electric's European Committee in 2005, reflecting changes in our scope. Two training sessions were organized in Paris and Brussels so that employee representatives on the Committee could update their knowledge of Schneider Electric's business environment. Committee members also have access to an online database and a forum on our intranet, as well as a quarterly e-newsletter.



263 19.4%

international assignments in 2005, of which 19.4% were women

“Our role as employee representatives is to anticipate major changes impacting the workforce.

The European Committee helps us play this role by giving us information on the Company's strategy.

In response to extremely fast changes in our markets, which lead to the use of offshore units and rationalizing programs, we try to find principles that are common to all European countries. This isn't an easy task, because it takes time for the Committee members to get to know each other and work together—especially representatives from countries that have just joined. New Committee members were appointed in early 2005. At that time, we signed a new agreement with a greater focus on the effectiveness of our operations. We intend to explain our role to the member countries more precisely and listen more closely to their expectations. To this end, each Committee member will have the opportunity to visit all the Schneider Electric units in his or her country.

Another of our goals is to harmonize the Company's approach across Europe in a number of areas, like safety. We are committed to representing all European employees effectively.”



Domenico Pirola  
Secretary  
of the European Committee





Performance

# Societal performance

## Emergency relief

Schneider Electric participates actively in international solidarity.

2005 saw several large-scale natural disasters, including the tsunami in Southeast Asia, the earthquake in Pakistan and hurricanes and flooding in the United States. The entire corporate community pitched in to help tsunami victims, contributing a total of \$3,662,028, of which \$850,000 collected among employees. We donated emergency funds, as well as equipment and services to restore drinking water and electricity. We also contributed \$424,000 to four emergency aid projects in Indonesia and Sri Lanka led by the UNHCR (The UN Refugee agency) and the Red Cross, among others.

### PLANET & SOCIETY BAROMETER

#### Societal

Donate €1 million worth of Schneider Electric equipment.

Ensure that 90% of our sites have a lasting commitment with the Schneider Electric Foundations in the area of youth opportunities.

### GLOBAL COMPACT REFERENCE

#### Principle 1 | Human Rights

Businesses should support and respect the protection of internationally proclaimed human rights.

A year shaped by several natural disasters

The Foundation in 2005:

€5 million

## And afterwards...

In addition to emergency aid, the Schneider Electric Foundation and local teams in the Country Organizations supported reconstruction projects and programs to donate equipment and services in countries hit by the tsunami. \$1 million in equipment and services was allocated to restoring water and electricity networks in several countries. The Foundation is participating in some fifty reconstruction projects in four countries. Construction work is being completed on a dozen nursery and primary schools and school complexes, as well as on two medical centers and an orphanage.

In Pakistan, teams from the Middle East zone coordinated the use of €100,000 in emergency aid financed by the Schneider Electric Foundation. Employees in this zone were give the opportunity to contribute to a campaign to help earthquake victims in Pakistan. The Foundation pledged to match donations up to \$50,000. Lastly, in the United States, our teams stepped in after Katrina to give the hurricane's victims emergency safety guidelines.



### Long-term commitment to helping young people

We have been involved in programs for disadvantaged youth and high school non-completers for many years.

Our employees play a key role here, supporting and often driving partnerships with schools in France and abroad, involvement in technical and general training programs, grassroots work with job opportunity associations, and more.

Each year in France, 1,500 mentors train young people. With more than 4,000 work-study contracts over the past ten years, our school-to-work system has been a resounding success. Fully 90% of program participants at all levels of study have gone on to earn their diplomas. In many countries, the Schneider Electric Youth Opportunities Foundation relays this long-term commitment to helping young people get off to a successful start.

In 2005, the Foundation supported

in

182  
associations...

65  
...countries

Created in 1998 under the aegis of *Fondation de France*, the Foundation takes direct action and encourages employee involvement in lasting, tangible projects. Projects supported by the Foundation near Schneider Electric sites are always designed to promote youth education, training and job opportunities. Each year, team members around the world participate in the Luli international mobilization campaign. The 2005 campaign, held from May 30 to June 5, was very successful, drawing contributions from 84% of the Company's facilities. Thanks to Luli, the Foundation was able to support 182 associations in 65 countries.

To find out more: [www.foundation.schneider-electric.com](http://www.foundation.schneider-electric.com)

### Volunteer vacations: making a difference and seeing the world differently

Through the Foundation and the Company's works committees, employees have the opportunity to carry out three- to four-week development or environmental protection missions during their vacations in Cameroon, Madagascar, Nepal or Indonesia. To support these missions, we've signed an agreement with *Planète Urgence*, a French NGO that makes it possible for French ordinary citizens to participate directly in humanitarian work.

To find out more: [www.planete-urgence.org](http://www.planete-urgence.org)







Performance

# Ratings and audit

“2005 was the first year in which brokers and businesses really took sustainable development into account.

We recently published a study on the impact of sustainable development criteria on stock prices. In the case of Schneider Electric, this factor would increase the share price by 30%.”

Excerpt of a study by Société Générale's equity research department  
**Daniel Fermon**  
Head of Société Générale Equity Research

This section presents the findings of the leading sustainable development ratings agencies and a number of ethical investment funds. The results allow for comparison with an industry benchmark.

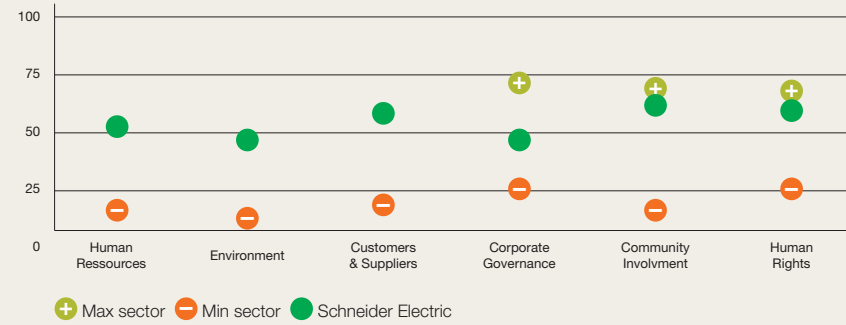
vigeo **ASPI Eurozone® Index**

The Advance Sustainable Performance Indices' Eurozone® listing tracks the financial performance of 120 leading euroland sustainability performers from the DJ Euro Stoxx benchmark financial universe. Schneider Electric has been included since 2001. Vigeo ratings are used to select the listed stocks, in keeping with ASPI Eurozone® guidelines.  
[www.vigeo.com](http://www.vigeo.com)

**Investor-solicited rating – January 2005**  
**Market sector: Electrical components and equipment**  
(Companies in panel sector: 10)

Investor-solicited rating – January 2005			
	Rating 2003/04	Rating 2005/01	Score 2005/01
Human Resources	++	+	52
Environment	+	+	48
Customers & Suppliers	+	++	61
Corporate Governance	=	=	48
Community Involvement	++	+	63
Human Rights	N/A	+	59

**Benchmark: company/industry sector**







Performance

Ensure that Schneider Electric is included in the four major socially responsible investment index families.

“Schneider Electric ranks among the 10 preferred investments in our study on preferred and recovery stocks in 2006, which looks at 320 equities (220 French and 100 foreign).

The shares were selected on the basis of Oddo Securities’ internal scorecard on non-financial criteria. Among Schneider Electric’s strengths were its positioning in energy efficiency, growing use of eco-design, environmental management system, management of restructuring programs, customer relations and R&D.”

Excerpt of a study by Oddo Securities’ SRI research department  
Jean-Philippe Desmartin  
SRI Research – Oddo Securities



Dow Jones Indices

After being selected for the first time in 2002, Schneider Electric was included in 2006 in the Dow Jones Sustainability Index World and the Dow Jones Sustainability Index Stoxx (for Europe). This family of indices bases its decisions on research provided by Sustainable Asset Management (SAM), an independent asset manager headquartered in Switzerland.

SAM Benchmarking Report - Corporate Sustainability Assessment 2005

Schneider Electric SA - Member of DJSI World & DJSI STOXX  
ELQ Electric Components & Equipment  
www.substainability-index.com

ELQ Electric Components & Equipment			
	Schneider Electric (%)	Average Score (%)	Benchmark (%)
Economic Dimension	76	57	79
Environmental Dimension	69	39	70
Social Dimension	57	40	64
Total Score	66	44	66



Ethibel Investment Register

Schneider Electric was included in the Ethibel Investment Register in 2005. This reference for socially responsible investing is used by a growing number of European banks, fund managers and institutional investors.

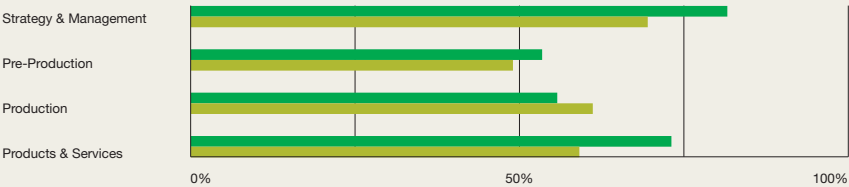
Ethibel offers two products based on its register: the Ethibel Label and the Ethibel Sustainability Index. www.ethibel.com

Bank Sarasin

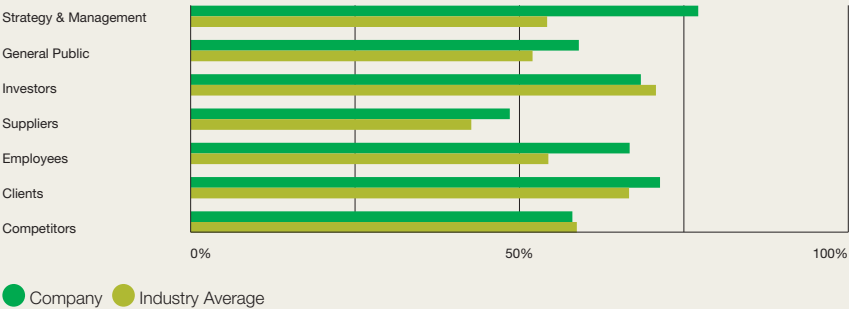
Schneider Electric is included in a number of Bank Sarasin’s ethical investment funds. The Switzerland-based bank rates companies both for its own purposes and for its customers, mainly pension funds.

www.sarasin.com

Environmental Profile



Social Profile



Independent verification statement on Schneider Electric's procedures for collecting human resources and environmental data

Year ended December 31, 2005

To the shareholders,  
At the request of Schneider Electric and in our capacity as the company's Statutory Auditors, we have reviewed the procedures used to collect the environmental and human resources data (employees and lost days) for 2005 published in the Business Review and Registration Document.

Schneider Electric’s senior management was responsible for preparing those procedures, as well as the social and environmental information provided in these reports. Our responsibility is to report our conclusions based on the review described below.

Nature and scope of our work

- We have completed the following agreed-upon procedures:
- We assessed the procedures in respect of their relevance, completeness, reliability, objectivity and understandability with regard to Schneider Electric’s businesses.
  - We interviewed the individuals in charge of the human resources and environmental data collection systems to obtain further information on the procedures and test their application.
  - We toured three sites—Le Vaudreuil (France), Beaumont-Le-Roger (France) and Sant Boi (Spain)—to assess understanding of the procedures and the level to which the reporting system has been integrated on site.

Although such procedures do not include all the verifications specific to an audit providing a high or moderate level of assurance in accordance with the International Standards on Assurance Engagements, they nevertheless allow us to report our findings and observations.

To assist us in performing these procedures, we referred to our firm’s experts on issues related to Sustainable Development.

Findings and observations

- Collection procedures have been formalized for human resources and environmental data.
- We consider these procedures as a suitable criteria, assuming that rules for updating the list of units and sites taken into account in case of an acquisition or divestment are specified.
- The procedures have been distributed to all the businesses and country organizations concerned by data reporting.
  - Continued work to improve reporting reliability will require a more detailed identification of the type of waste produced at the site level and a more specific definition of the recovery rate.

Neuilly-sur-Seine, March 20, 2006

BARBIER FRINAULT & Autres  
ERNST & YOUNG  
Pierre Jouanne

Ernst & Young  
Environment and Sustainability Services  
Eric Duvaud

<sup>(1)</sup> International Standard on Assurance Engagements



# 2005 social indicators

Jan. 1, 2005 – Dec. 31, 2005

## Scope of data consolidation

### Consolidated units

- **Corporate functions**  
Corporate | Globalization & Industry | Products & Technologies | Customers & Markets | Services
- **Operating Divisions**  
North America | Asia-Pacific | International & Iberia | Europe
- **Growth Platforms**  
Secured power | Custom Sensors and Technologies | Building Automation

### Non-consolidated units for compensation data

- **Senior Management**
- **Subsidiaries:**  
Secured Power | Kavlico | Andover

### Non-consolidated units

- **Companies that are less than 51%-owned by Schneider Electric**

## Employees

Total workforce	2004	2005
Average workforce	84,866	88,670
Temporary and permanent contracts	84,184	84,819
Average production staff	40,582	40,792
Average non-production staff	44,284	47,878
New hires	13,726	16,070
Departures	12,342	15,820
Employees of acquired companies as of Dec. 2005 (ABS EMEA, Juno, BEI, Power Measurement, ESI, Install Power, Abaccus, Elau, Dinel and SE Relays)	–	4,178

Comment: The Company had 92,075 employees under temporary and permanent contracts as of December 2005 (up 8.5% from the year before), of whom 4,178 from newly consolidated units: ABS EMA, Juno, BEI Technologies, Power Measurement, ESI, Install Power, Abaccus, Elau, Dinel, and SE Relays.

Excluding temporary workers, the total came to 84,819. During the year, 17,672 people joined the Company, bringing the new hire turnover rate to 19% (up 3 points from 2004), and 16,711 people left. The most significant new hire/departure flows were seen in Mexico, Indonesia, India, Australia and Spain. Large differences among countries reflect local labor requirements and local labor market practices.

## Workforce breakdown

Region	2004	2005
Asia-Pacific	18%	20%
Europe	54%	49%
North America	21%	24%
Rest of the world	7%	7%

Countries with the most employees	2005	including acquisitions
France	24%	-1.7%
USA	17%	+17.4%
Mexico	8%	+13.2%
China	7%	+12.8%*
Spain	4%	–
Australia	4%	–
UK	3%	+19.9%
Italy	3%	+0.2%
Germany	2%	+20.2%
Sweden	2%	–
Indonesia	2%	–
Indeia	2%	+15.3%

\* China and Hong Kong

Men/women	2004	2005
Men	63.70%	65%
Women	36.30%	35%

Gender and category	2004	2005
<b>Engineers and managers</b>	<b>27.60%</b>	<b>30%</b>
Men	84.50%	84.80%
Women	15.50%	15.20%
<b>Administrative and technical staff</b>	<b>29%</b>	<b>29%</b>
Men	66%	64.30%
Women	34%	35.70%
<b>Line employees</b>	<b>43%</b>	<b>41%</b>
Men	50%	51.10%
Women	50%	48.90%

Comment: Overall, the percentage of women in the workforce declined slightly in 2005, with a 0.3% decrease among engineers and managers and a 1.7% increase among administrative and technical staff.

Age and category	2004	2005
14-24	8.10%	11.90%
25-34	29.10%	28.10%
35-44	29%	27.40%
45-54	24%	22.90%
55-64	9.60%	9.30%
> 64	0.20%	0.40%

Comment: Rebalancing of the age pyramid continued, with a 3.6% increase in the number of employees under 35. This was primarily attributable to a large number of line employees in this age group, which accounts for 40% of the total workforce.

Seniority	2004	2005
< 5	37.6%	42%
5-14	29%	28.3%
15-24	17.6%	16%
25-34	13%	11%
> 35	2.8%	2.70%

Comment: Employees who have been with the Company for less than five years represent 42% of the total workforce, up 4.4% from 2004.

Function	2004	2005
Marketing	4%	4.10%
Sales	16%	18.30%
Support	21%	15.70%
Technical	6%	7.50%
Production	10%	10.80%
(Variable direct costs - employees linked directly to production of range core and adapted products)	43%	43.60%

Type of contract	2004	2005
Flexibility rate (temporary staff/total workforce)	17.90%	18.10%

Comment: The ratio of temporary to permanent contracts was stable in 2005, despite the acquisition-driven increase in staff levels. During the year, 9.5% of temporary contracts became permanent and 42% of the temporary contracts in effect in 2004 were renewed.

New hires under temporary and permanent contracts	2004	2005
Permanent	58.3%	65.20%
Temporary	41.70%	34.80%

Comment: New hires under permanent contract rose from 58% of total new hires in 2004 to 65% in 2005. Temporary contracts declined by 2.7%. Employees aged 45 and older represented 7% of new hires. The Company hired 1,221 new graduates in 2005.

## Compensation

Average cost per employee	2004	2005
Gross salary + payroll expenses + individual and collective benefits	€40,200	€40,200

Comment: In 2005, the average cost of labor per person came to €37,400 at the consolidated level, up 2% from 2004.

Variable compensation	2004	2005
Percentage	5%	6.10%

## Training

Training costs	2004	2005
Health, safety, environment	10.60%	8.90%
Technical	38.70%	33.30%
Foreign languages and IT	17.20%	13.10%
Management and leadership	14.80%	24.70%
Other	18.70%	20%

Comment: Spending on health, safety and environment training for line employees was up 2.5 points from 2004.

Average number of days of training per employe	2004	2005
Engineers and managers	4	4.9
Administrative and technical staff	4	4.5
Line employees	2.2	2.1

Comment: The average number of days of training per employee rose to 3.6 from 3.3 in 2004. Engineers and managers and administrative and technical staff benefited the most, with increases of 12% and 22%, respectively.

## International mobility

Comment: In December 2005, 752 employees representing 57 different nationalities were working under expatriate contracts. Of these, 287 were French. The international mobility rate for 2005 was 37.6%.

## Health and safety

Work accidents	2004	2005
Frequency rate	22.8	16.7
Seriousness rate	0.19	0.16

Comment: In 2005, the number of lost days due to work accidents per employee improved by 6% from 0.424 days in 2004 to 0.4 days in 2005.

### Acknowledgements

Among Schneider Electric stakeholders who were asked to express their views and expectations, we would like to thank:

Carole Da Silva, AFIP  
Jean-Philippe Desmartin, Oddo Securities  
Daniel Fermon, Société Générale  
James Wolanin, San Francisco International Airport

We would also like to thank the following Schneider Electric team members for their contribution: Christian Bordignon, Philippe Bougon, Amy Burrel-Tichit, Marianne Carton, Aline Desurmont, Helena Domenech, Stéphanie Dumon, Michel Durand, Dominique Fourt-Payre, Marty Hanna, Michel Hébert, Shirley Jean-Charles, Claude Jollain, Alex Khoo, Makhlof Lebeze, Ronan Lemaire, Alain Marbach, François Milioni, Véronique Moine, Danièle Nguyen, Jean-François Pilliard, Eric Pilaud, Domenico Pirola, Gérard Renault, Jacques Robert, Didier Rochas, James Ross, Stéphanie Ruelle, Mikaël Sacchi, Alejandro Solis, Guy Thiranos, Nancy Tan, Marie-Brigitte Tiers, Bernard Valentin, Matteo Verdoni, Lana Zendeudel, Rich Widdowson.

Most of the people featured in this report are Schneider Electric employees.

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To find out more: [www.schneider-electric.com](http://www.schneider-electric.com) ( >Group > Sustainable Development )  
[fr-developpement-durable@schneider-electric.com](mailto:fr-developpement-durable@schneider-electric.com)

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