

Annual Shareholders' Meeting

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1. Report of the board of directors to the ordinary and extraordinary shareholders' meeting

1. Report of the board of directors to the ordinary and extraordinary shareholders' meeting

1.1: Ordinary meeting

Approval of corporate financial statements – First resolution

We request you to approve the transactions and financial statements for the year 2018, as presented, which show a net profit of EUR4,457,993,619.34.

Approval of consolidated financial statements – Second resolution

We request that you approve the transactions and consolidated financial statements for the year 2018, as presented, which show net income for the Group of EUR2,334 million and an adjusted net income from non-recurring items (impact of business disposals, main integration and acquisition costs net of tax, restructuring charges net of tax, impact of tax reforms) of EUR2,560 million.

Distribution: appropriation of profit and setting of a dividend of EUR2.35 per share – Third resolution

We also recommend a distribution of **EUR2.35 per EUR4 par nominal value share**, which represents a distribution rate 53.2% of the Group's net adjusted income. It will be paid on **May 3, 2019** on the 579,168,769 shares with dividend rights on January 1, 2019 that made up the capital on December 31, 2018. No dividend will be paid on shares held in treasury by the Company on the payment date.

This distribution will be paid out of distributable earnings consisting of:

- (i) retained earnings of EUR84,171,289.40;
- (ii) the net profit for the year amounting to EUR4,457,993,619.34;

Amounting to EUR4,542,164,908.74.

The total distribution will amount to EUR1,361,046,607.15 and the remaining profit available for distribution will be allocated to profit earnings.

The distribution will be paid on May 3, 2019, according to the following schedule:

Dividend ex-date	Tuesday, April 30, 2019
Record date	Thursday, May 02, 2019
Dividend payment date	Friday, May 03, 2019

For individual shareholders resident for tax purposes in France, the distribution of EUR2.35 per share constitutes distributed income. As such, a social security tax of 17.2% will be charged on the gross amount when paid. The gross amount of French-source dividends received by resident individuals will also be subject to a mandatory non-definitive withholding tax of 12.8%.

Nevertheless, individuals belonging to a tax household whose taxable income for the penultimate year is less than EUR50,000 with the status of single, divorced or widowed taxpayer, and EUR75,000 for couples who file a joint tax return, can request exemption from this withholding tax. To this end, under their responsibility, they should submit their application for exemption to the paying entity, in the form of a sworn statement indicating that their reference taxable income listed on their tax form established under income for the penultimate year preceding the payment of the income, shows income lower than the thresholds indicated above. This application must be filed no later than November 30 of the year preceding that of the payment.

In 2020, dividends will in principle be subject to a flat tax ("Prélèvement Forfaitaire Unique" – "PFU") at the rate of 12.8%. However, taxpayers may opt for dividends to be subject to income tax at ordinary progressive rates. In such case, after applying a 40% (uncapped) allowance, only 60% of the dividends will be included in the taxable income, less any deductible charges and expenses. The option for taxation at the ordinary progressive tax rates is irrevocable and applies to all investment income received by the taxpayer. It is made in the income tax return filed every year following the one when the dividends are received.

The above-mentioned levy at source of 12.8% will be offset against the income tax that will be due in 2020 for income earned in 2019. If it exceeds the income tax due, the surplus will be paid back.

Shareholders are invited to contact their usual advisors for further information about the applicable tax regime.

Dividends/coupons paid by Schneider Electric SE in respect of the 3 most recent financial years are as follows:

	2015	2016	2017
Net dividend paid per share in EUR	2.00	2.04	2.20

Agreements regulated by Articles L.225-38 and L.225-42-1 – Fourth resolution

Under the **fourth resolution** regarding the implementation during the financial year of agreements and commitments already approved by the Annual Shareholders' Meeting, we request that you take note of the Statutory Auditors' special report on regulated agreements and commitments prepared in accordance with Article L.225-40 of the French Commercial Code. These agreements and commitments concern the status of Messrs. Jean-Pascal Tricoire and Emmanuel Babeau.

Approval on components of the compensation and benefits of all types paid, due or awarded in respect of the 2018 financial year to Messrs. Jean-Pascal Tricoire et Emmanuel Babeau – Fifth and sixth resolutions

In pursuance of articles L.225-37-2 and L.225-100 of the French commercial code, you are requested to approve fixed, variable and exceptional components of the total compensation and benefits of all types due or granted in respect of the past financial year to the corporate officers of your Company as summarized in the following tables.

These components are presented, detailed and quantified in section 4.7 of the registration document. This section dedicated to the compensation of the group senior managers is part of the corporate governance report prescribed by Article L.225-37 of the French Commercial Code.

For easy reference, you will find in this section a reminder of the principles and criteria governing the allocation of the corporate officers' compensation that you approved at the Shareholders' Meeting of April 24, 2018 and pursuant to which the compensation and benefits of all types due for 2018 to the Chairman and CEO, Mr. Tricoire, and to the Deputy CEO, Mr. Babeau, were calculated and set by the board of directors at its meeting of February 13, 2019.

The achievement rates of the performance conditions are presented and commented therein.

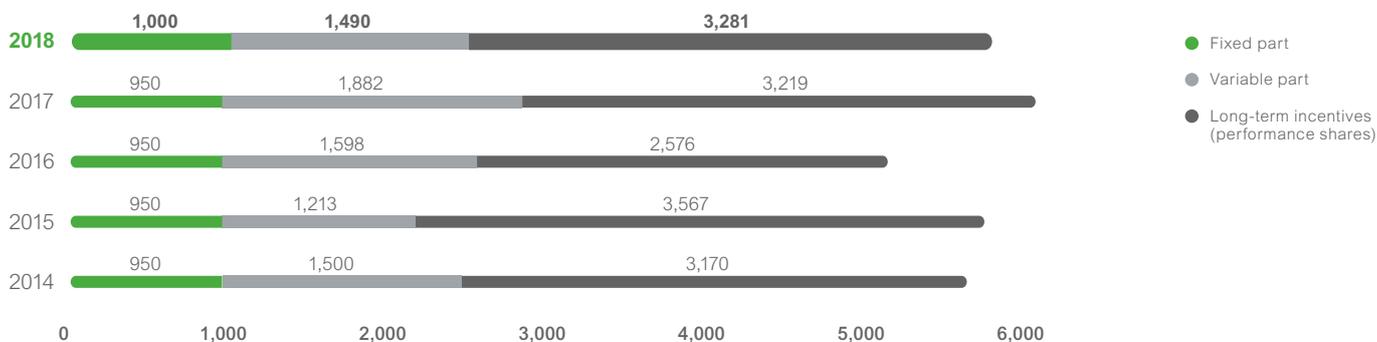
A reminder is also given that cash variable components (annual incentive and complementary variable portion for building pensions) will be only paid subject to approval of the compensation of the concerned corporate officer by a majority of the shareholders.

By the **fifth resolution** you are requested to approve the elements of Mr. Jean-Pascal Tricoire's 2018 compensation and by the **sixth resolution** that of Mr. Emmanuel Babeau.

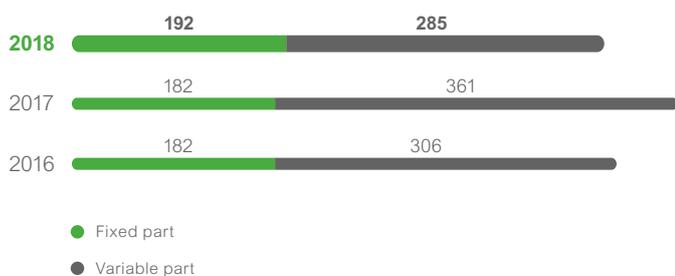
1. Report of the board of directors to the ordinary and extraordinary shareholders' meeting

The evolution of the annual compensation and additional payments for pension building for Jean-Pascal Tricoire and Emmanuel Babeau are summarized in the graphs below.

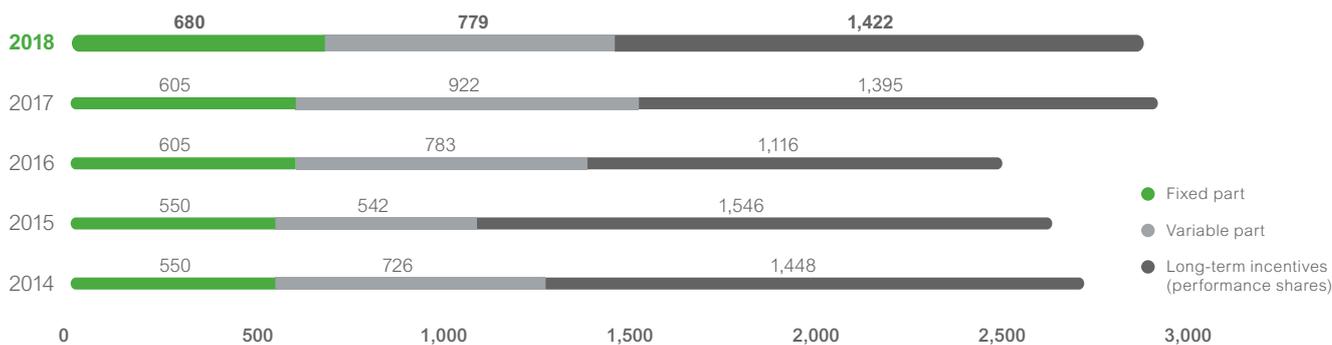
Annual fixed and variable compensation plus long-term incentives of Mr. Tricoire (in thousands of euros) for the years 2014 to 2018



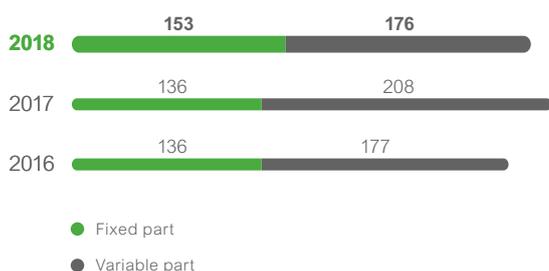
Complementary payments (fixed and variable parts) for retirement of Mr. Tricoire (in thousands of euros) for the years 2016 to 2018



Annual fixed and variable compensation plus long-term incentives of Mr. Babeau (in thousands of euros) for the years 2014 to 2018



Complementary payments (fixed and variable parts) for retirement of Mr. Babeau (in thousands of euros) for the years 2016 to 2018



Mr. Jean Pascal Tricoire, Chairman and CEO

I – Elements of compensation payed, due or awarded for the past FY

	Amounts submitted to the vote	Description
1) Base salary	EUR1,000,000	Gross annual fixed compensation of EUR1,000,000 from January 1, 2018 to December 31, 2018 approved by the shareholders' meeting of April 24, 2018.
2) Annual incentive	EUR1,489,800	<p>The annual incentive portion amounts to 130% of fixed compensation. The annual incentive may vary from 0 to 260% depending on the level of achievement of pre-set objectives. Its structure is unchanged since 2015.</p> <p>At the board meeting held on February 13, 2019, annual incentives for 2018 due to be paid after the annual shareholders' meeting if the latter approves it, were set at 149% of the fixed portion, which represents an achievement rate of 114.6% on a base 100.</p> <p>This calculation is broken down as follows:</p> <p>1) Economic criteria component (84%) based on:</p> <ul style="list-style-type: none"> Group financial indicators (60%), which are organic sales growth (30%), adjusted EBITA margin (org.) improvement (20%) and cash generation targets (10%), Company program economic priorities (24%), which are the growth of field services sales-process automation excluded – (8%) and systems commercial margin improvement (projects and equipment) (8%) as well as a criterion measuring the digital performance as per parameters non disclosed due to business secrecy (8%). <p>The achievement rate in connection with these criteria was 133.6% (base 100).</p> <p>2) Company program non-economic component (6%) based on the indicator Schneider Sustainability Impact (6%), for which achievement rate was set at 173.3% (base 100).</p> <p>3) Individual objectives (10%), which are specific objectives and, wherever possible, quantified, for which the board set the achievement rate at 100% (base 100).</p> <p>4) Board reduction: The Board has considered the objectives communicated to investors in the course of the year and the business environment, and decided to decrease the formulaic outcome for the achievement rate on Group criteria by 20 pts, representing a 18 pts reduction on the total achievement rate, from 132.6% to 114.6%.</p> <p>The achievement rates for each objective are detailed in the section of the Corporate Governance report dedicated to the compensation of the Corporate Officer.</p>
3) Complementary payments for retirement		<p>Complementary payments intended to take account of the fact that, following the decision of the board of directors on February 18, 2015 to remove the benefit of the defined-benefit pension scheme (article 39) for corporate executive officers, Mr. Tricoire is personally responsible for building up his pension. To determine this authorized complementary compensation, the board of directors sought the recommendation of an independent expert, namely the firm WILLIS TOWERS WATSON.</p> <p>The board of directors ensured that the mechanism implemented therefore, was in line with shareholders' interests.</p>
Annual complementary fixed portion	EUR191,600	Accordingly, Mr. Tricoire receives annually a complementary component, split into a fixed part and a variable part dependent on performance criteria. This variable part is aligned in terms of criteria and rate (target rate of 130% of the fixed complementary part and variable part varying from 0 to 260%) of the annual incentive (see above).
Annual complementary variable portion	EUR285,446	<p>At the meeting held on February 13, 2019 the annual complementary variable portion for 2018 due to be paid after the annual shareholders' meeting if the latter approves it, was set by the board of directors at 149% of the annual complementary fixed portion, <i>i.e.</i> an achievement rate of 114.6% on a base 100.</p> <p>The calculation was broken down in the same way as that of the annual incentive presented in 2) above.</p> <p>These complementary payments are intended to enable Mr. Tricoire to build up his pension. He undertook to redirect these complementary payments, net of taxes, to investment vehicles devoted to financing his additional pension.</p>

1. Report of the board of directors to the ordinary and extraordinary shareholders' meeting

	Amounts submitted to the vote	Description
4) Long-term incentive (Performance shares)	EUR982,620 for 18,000 performance shares according to IFRS valuation EUR2,298,660 for 42,000 performance shares according to IFRS valuation	<p>18,000 performance shares were granted under plan no. 30 to Mr. Tricoire in his capacity as Chairman and CEO of Schneider Electric SE.</p> <p>42,000 performance shares were granted under plan no. 31 to Mr. Tricoire in his capacity as Schneider Electric Asia Pacific CEO.</p> <p>100% of these 60,000 performance shares are subject to performance criteria measured over a period of 3 years:</p> <ul style="list-style-type: none"> • 40% of the shares are contingent on the level of achievement of an adjusted EBITA operating margin objective for 2018 to 2020 FY as follows: the Adjusted operational margin criterion is defined as the average of the annual rates of achievement under the criterion of Adjusted EBITA margin for financial years 2018 to 2020 set by the board of directors of Schneider Electric SE, and is in line with the objectives announced to investors at the beginning of the year. For 2018, the board had decided that, if the Adjusted EBITA margin (organic) increased by at least +10 basis points before foreign exchange impact compared with 2017, the achievement rate for the year would be 0% and if it increased by at least +40 basis points before foreign exchange impact, then the achievement rate for this criteria for 2018 would be 100% with a linear distribution between the 2 points; • 25% of the shares are conditional on Group Cash conversion rate for 2018 to 2020 FY. The target average rate ranges between 80% and 100% according to the following scale: 0% if the average rate is below or equal to 80%, 100% if the average rate is equal to or higher than 100% with a linear distribution between the 2 points; • 20% of the shares are contingent on the average of the performance rate of the new Schneider Sustainability Impact (2018-2020) against predefined targets at the end of each of the three years. For 2018, if this index is lower than or equal to 3.5, no shares will vest. If this index is equal to or higher than 5, 100% of the shares will vest. Distribution is linear between the 2 points; • 15% of the shares are conditional to relative Total Shareholder Return (TSR) objectives from 01.01.18 to 31.12.20. The TSR objective is set based on Schneider Electric's TSR ranking within the following panel of companies: ABB, Legrand, Siemens, Schneider Electric, Eaton, Emerson, Honeywell, Johnson Controls, Rockwell Automation, Fuji Electric, Mitsubishi Electric and Yokogawa, according to following scale: a ranking in first quartile (1st, 2nd, 3rd place) enables an achievement rate of up to 150%, with an average rate of 135% (this achievement rate will, on the one hand, enable 100% achievement of the TSR criterion and, on the other hand, can offset, within the limit of 50% of the TSR criterion, non-achievement of the Adjusted EBITA target on rate of cash conversion target over the three-year period. However, final acquisition of shares at the end of the three-year period will nevertheless be capped at 100% of number of shares originally subject to Adjusted EBITA margin and rate of cash conversion criteria); in second quartile (4th, 5th, 6th place), an average achievement of 87% of the criterion; in the third quarter (7th, 8th, 9th place), an average achievement rate of 13% of the criterion; in last quartile (10th, 11th, 12th place), a zero achievement rate). However, in the event that the gap between the Schneider Electric TSR and that of the peers above is less than 3% in TSR value, Schneider Electric will be deemed to have the same ranking as the latter; <p>25% of the shares vested are subject to a holding requirement until such time as Mr. Tricoire ceases his duties. Furthermore, in the event of vested shares being sold, Mr. Tricoire is required to reinvest 10% of the price of sale in Schneider Electric shares (net of taxes and contributions).</p> <p>These obligations are suspended insofar as Mr. Tricoire holds Schneider Electric shares with a value representing 3 times his annual fixed compensation.</p> <p>The percentage of capital represented by Mr. Tricoire's share allocation is 0.01%.</p> <p>Date of authorization by the Annual Shareholders' Meeting: April 25, 2016</p> <p>Resolution number: 19th.</p> <p>Date of the award decision by the board of directors: March 26, 2018.</p> <p>30% of Mr. Tricoire's compensation described above (items 1) to 4)) is granted to him in consideration for his duties as a Corporate Officer (Chairman and CEO) of Schneider Electric SE.</p>
5) Attendance fees	EUR0	Mr. Tricoire has waived his attendance fees.

	Amounts submitted to the vote	Description
6) Other benefits	EUR2,204	This concerns: <ul style="list-style-type: none"> the employer matching contribution paid to subscribers to the capital increase reserved for employees, in an amount of EUR1,404. Date of approval by the board: February 14, 2018. the employer matching contribution paid to subscribers to the collective saving pension fund (Perco) in France, in an amount of EUR800. Date of approval by the board: February 14, 2018.
	EUR8,815	Mr. Tricoire benefited from profit-sharing. Date of approval by the board: February 14, 2018.
	EUR11,772	Mr. Tricoire benefited from company car. Date of approval by the board: February 14, 2018.

II – Other elements of compensation, which were subject to the approval of the annual shareholders' meeting pursuant to regulated agreements

	Amounts submitted to the vote	Description
Termination benefit	EUR0	Mr. Tricoire is entitled to involuntary termination benefits in case of change of control or strategy and taking into account the non-compete compensation described below, capped at twice the arithmetical average of his annual fixed and variable compensation (<i>i.e.</i> inclusive of compensation and complementary payments) paid over the last 3 years. (See Section 4-7 of the 2018 Registration Document). Board decision of June 18-19, 2013, reiterated on April 25, 2017 and February 14, 2018. Date of approval by the Annual Shareholders' Meeting: April 24, 2018 (4 th resolution).
Non-compete compensation	EUR0	Mr. Tricoire may receive non-compete compensation for a period of one year capped at 6/10th of his average gross compensation – <i>i.e.</i> including annual complementary payments – fixed and target variable – over the last 12 months of service). (See Section 4-7 of the 2018 Registration Document). Board decisions of 2009, 2012, and 2013, reiterated and amended on April 25, 2015 and February 14, 2018. Date of approval by the Annual Shareholders' Meeting: April 24, 2018 (4 th resolution).
Supplementary pension scheme	N/A	
Supplementary Life & Disability scheme	EUR0	Mr. Tricoire benefits from rights to (i) a life-time annuity to the benefit of his surviving spouse in the event of his death before retirement or if he leaves the company after the age of 55 without taking up any other employment. This life-time annuity shall be equal to 60% of 25% of the average compensation paid (<i>i.e.</i> including annual complementary payments) over the 3 years preceding the date of his death, less any theoretical income that may have been obtained under insurance conditions as a result of complementary payments already made (see above) (ii) a disability pension, payable to the surviving spouse at a rate of 60%, in cases of disability leading to the cessation of any professional activity as from the date of his retirement, equal to 25% of the average compensation paid (<i>i.e.</i> including annual complementary payments) over the 3 years prior to his disability, minus 1.25% per missing quarter required for obtaining a full-rate pension and less the theoretical income that may have been obtained through insurance schemes at the time of disability resulting from any complementary payments already made. (See Section 4-7 of the 2018 Registration Document). Board decision of February 18, 2015, reiterated on April 25, 2017 and February 14, 2018. Date of approval by the Annual Shareholders' Meeting: April 24, 2018 (4 th resolution). Moreover, in addition to the benefits of the collective welfare scheme applicable to Schneider Electric SE and Schneider Electric Industries SAS employees covering risks of illness, incapacity, disability and death, Mr. Tricoire also benefits from the complementary cover granted to French executives in the Group against risks of illness, incapacity, disability, death and accident. Welfare compensation and complementary cover are subject to performance conditions. Board decisions of 2009, 2012 and June 18-19, 2013 and 2015, reiterated on April 25, 2017 and February 14, 2018. Date of approval by the Annual Shareholders' Meeting: April 24, 2018 (4 th resolution).

1. Report of the board of directors to the ordinary and extraordinary shareholders' meeting

Mr. Emmanuel BABEAU, Deputy CEO

I – Elements of compensation payed, due or awarded for the past FY

	Amounts submitted to the vote	Description
1) Base salary	EUR680,000	Gross annual fixed compensation of EUR680,000 from January 1, 2018 to December 31, 2018 approved by the shareholders' meeting of April 24, 2018.
2) Annual incentive	EUR779,280	<p>The annual incentive portion amounts to 100% of fixed compensation. The annual incentive may vary from 0 to 200% depending on the level of achievement of pre-set objectives. Its structure is unchanged since 2015.</p> <p>At the board meeting held on February 13, 2019, annual incentives for 2018 due to be paid after the annual shareholders' meeting if the latter approves it, were set at 114.6% of the fixed portion, which represents an achievement rate of 114.6% on a base 100.</p> <p>This calculation is broken down as follows:</p> <p>1) Economic criteria component (84%) based on:</p> <ul style="list-style-type: none"> Group financial indicators (60%), which are organic sales growth (30%), adjusted EBITA margin (org.) improvement (20%) and cash generation targets (10%), Company program economic priorities (24%), which are the growth of field services sales – process automation excluded – (8%) and systems commercial margin improvement (projects and equipment) (8%) as well as a criterion measuring the digital performance as per parameters non disclosed due to business secrecy (8%). <p>The achievement rate in connection with these criteria was 133.6% (base 100).</p> <p>2) Company program non-economic component (6%) based on the indicator Schneider Sustainability Impact (6%), for which achievement rate was set at 173.3% (base 100).</p> <p>3) Individual objectives (10%), which are specific objectives and, wherever possible, quantified, for which the board set the achievement rate at 100% (base 100).</p> <p>4) Board reduction: The Board has considered the objectives communicated to investors in the course of the year and the business environment, and decided to decrease the formulaic outcome for the achievement rate on Group criteria by 20 pts, representing a 18 pts reduction on the total achievement rate, from 132.6% to 114.6%.</p> <p>The achievement rates for each objective are detailed in the section of the Corporate Governance report dedicated to the compensation of the Corporate Officer.</p>
3) Complementary payments for retirement		<p>Complementary payments intended to take account of the fact that, following the decision of the board of directors on February 18, 2015 to remove the benefit of the defined-benefit pension scheme (article 39) for corporate executive officers, Mr. Babeau is personally responsible for building up his additional pension. To determine the amount of this authorized complementary compensation, the board of directors relied on the work of an independent expert, namely the firm WILLIS TOWERS WATSON.</p> <p>The board of directors ensured that the mechanism implemented was in line with shareholders' interests.</p>
Annual complementary fixed portion	EUR153,300	Accordingly, Mr. Babeau receives annually a complementary component, split into a fixed part and a variable part dependent on performance criteria. This variable part is aligned in terms of criteria and of rate (target rate of 100% of the fixed complementary part and variable part varying from 0 to 200%) of the annual variable part (see above).
Annual complementary variable portion	EUR175,682	<p>At the meeting held on February 13, 2019 the annual complementary variable portion for 2018 due to be paid after the annual shareholders' meeting if the latter approves it, was set by the board of directors at 114.6% of the annual complementary fixed portion, <i>i.e.</i> an achievement rate of 114.6% on a base 100.</p> <p>This calculation was broken down in the same way as that of the annual incentive presented in 2) above.</p> <p>These complementary payments are intended to enable Mr. Babeau to build up his pension. He undertook to redirect these complementary payments, net of taxes, to investment vehicles devoted to financing his additional pension.</p>
4) Long-term incentive (Performance shares)	EUR425,802 for 7,800 performance shares according to IFRS valuation	7,800 performance shares were granted under plan no. 30 to Mr. Babeau in his capacity as Deputy CEO of Schneider Electric SE.

	Amounts submitted to the vote	Description
	EUR996,086 for 18,200 performance shares according to IFRS valuation	<p>18,200 performance shares were granted under plan no.31 to Mr. Babeau consideration for his specific technical and operational functions as head of the Group's Finance & Legal Affairs.</p> <p>100% of these 26,000 performance shares are subject to performance criteria measured over a period of 3 years:</p> <ul style="list-style-type: none"> • 40% of the shares are contingent on the level of achievement of an adjusted EBITA operating margin objective for 2018 to 2020 FY as follows: the Adjusted operational margin criterion is defined as the average of the annual rates of achievement under the criterion of Adjusted EBITA margin for financial years 2018 to 2020 set by the board of directors of Schneider Electric SE, and is in line with the objectives announced to investors at the beginning of the year. For 2018, the board had decided that, if the Adjusted EBITA margin (organic) increased by at least +10 basis points before foreign exchange impact compared with 2017, the achievement rate for the year would be 0% and if it increased by at least +40 basis points before foreign exchange impact, then the achievement rate for this criteria for 2018 would be 100% with a linear distribution between the 2 points; • 25% of the shares are conditional on Group Cash conversion rate for 2018 to 2020 FY. The target average rate ranges between 80% and 100% according to the following scale: 0% if the average rate is below or equal to 80%, 100% if the average rate is equal to or higher than 100% with a linear distribution between the 2 points; • 20% of the shares are contingent on the average of the performance rate of the new Schneider Sustainability Impact (2018-2020) against predefined targets at the end of each of the three years. For 2018, if this index is lower than or equal to 3.5, no shares will vest. If this index is equal to or higher than 5, 100% of the shares will vest. Distribution is linear between the 2 points; • 15% of the shares are conditional to relative Total Shareholder Return (TSR) objectives between 01.01.18 to 31.12.20. The TSR objective is set based on Schneider Electric's TSR ranking within the following panel of companies: ABB, Legrand, Siemens, Schneider Electric, Eaton, Emerson, Honeywell, Johnson Controls, Rockwell Automation, Fuji Electric, Mitsubishi Electric and Yokogawa, according to following scale: a ranking in first quartile (1st, 2nd, 3rd place) enables an achievement rate of up to 150%, with an average rate of 135% (this achievement rate will, on the one hand, enable 100 % achievement of the TSR criterion and, on the other hand, can offset, within the limit of 50% of the TSR criterion, non-achievement of the Adjusted EBITA target on rate of cash conversion target over the three-year period. However, final acquisition of shares at the end of the three-year period will nevertheless be capped at 100% of number of shares originally subject to Adjusted EBITA margin and rate of cash conversion criteria); in second quartile (4th, 5th, 6th place), an average achievement of 87% of the criterion; in the third quarter (7th, 8th, 9th place), an average achievement rate of 13% of the criterion: in last quartile (10th, 11th, 12th place), a zero achievement rate). However, in the event that the gap between the Schneider Electric TSR and that of the peers above is less than 3% in TSR value, Schneider Electric will be deemed to have the same ranking as the latter. <p>15% of the shares vested are subject to a holding requirement until such time as Mr. Babeau ceases his duties. Furthermore, in the event of vested shares being sold, Mr. Babeau is required to reinvest 10% of the price of sale in Schneider Electric shares (net of taxes and contributions).</p> <p>These obligations are suspended insofar as Mr. Babeau holds Schneider Electric shares with a value representing twice his annual fixed compensation.</p> <p>The percentage of capital represented by Mr. Babeau's share allocation is 0.004%.</p> <p>Date of authorization by the Annual Shareholders' Meeting: April 25, 2016. Resolution number: 19th. Date of the award decision by the board of directors: March 26, 2018.</p>
5) Attendance fees	EUR0	Mr. Babeau has waived the attendance fees he would have been entitled to receive from directorships held in Group companies.
6) Other benefits	EUR8,815 EUR1,404 EUR8,598	<p>Mr. Babeau benefited from profit-sharing.</p> <p>Board authorization: February 14, 2018</p> <p>Mr. Babeau benefited from the employer matching contribution paid to subscribers to the Group collective saving plan (PEG) in France. Date of approval by the board: February 14, 2018.</p> <p>Mr. Babeau benefited from a company car.</p> <p>Board authorization: February 14, 2018</p>

1. Report of the board of directors to the ordinary and extraordinary shareholders' meeting

II – Other elements of compensation, which were subject to the approval of the annual shareholders' meeting pursuant to regulated agreements

	Amounts submitted to the vote	Description
Termination benefit	EUR0	<p>Mr. Babeau is entitled to involuntary termination benefits in case of change of control or strategy and taking into account the non-compete compensation described below, amounting to twice the arithmetical average of his annual fixed and variable compensation (<i>i.e.</i> inclusive of compensation and complementary payments) paid over the last 3 years and authorized by the board of directors. (See Section 4-7 of the 2018 Registration Document).</p> <p>Board decisions of June 18-19, 2013 and February 18, 2015, reiterated on April 25, 2017 and February 14, 2018.</p> <p>Date of approval by the Annual Shareholders' Meeting: April 24, 2018 (5th resolution).</p>
Non-compete compensation	EUR0	<p>Mr. Babeau may receive non-compete compensation for a period of one year capped at 6/10th of his average gross compensation (monthly average of total gross compensation, <i>i.e.</i> including annual complementary payments – fixed and target variable – over the last 12 months of service). (See Section 4-7 of the 2018 Registration Document).</p> <p>Board decisions of June 18-19, 2013 amended in October 24, 2013 and February 18, 2015, reiterated and amended on April 25, 2017 and February 14, 2018.</p> <p>Date of approval by the Annual Shareholders' Meeting: April 24, 2018 (5th resolution).</p>
Supplementary pension scheme	N/A	
Supplementary Life & Disability scheme	EUR0	<p>Mr. Babeau benefits from rights to (i) a life-time annuity to the benefit of his surviving spouse in the event of his death before retirement or if he has left the company after the age of 55 without taking up any other employment. This life-time annuity shall be equal to 60% of 25% of the average compensation paid (<i>i.e.</i> including annual complementary payments) over the 3 years preceding the date of his death, less any theoretical income that may have been obtained under insurance conditions as a result of complementary payments already made (see above) ii) a disability pension, payable to the surviving spouse, at a rate of 60%, in cases of disability leading to the cessation of any professional activity as from the date of his retirement, equal to 25% of the average compensation paid <i>i.e.</i> including annual complementary payments) over the 3 years prior to his disability, minus 1.25% per missing quarter required for obtaining a full-rate pension and less the theoretical income that may have been obtained through insurance schemes at the time of disability resulting from any complementary payments already made.</p> <p>(See Section 4-7 of the 2018 Registration Document).</p> <p>Board decision of February 18, 2015, reiterated on April 25, 2017 and February 14, 2018.</p> <p>Date of approval by the Annual Shareholders' Meeting: April 24, 2018 (5th resolution).</p> <p>Moreover, in addition to the benefits of the collective welfare scheme applicable to Schneider Electric SE and Schneider Electric Industries SAS employees covering risks of illness, incapacity, disability and decease, Mr. Babeau also benefits from the complementary cover granted to French executives in the Group against risks of illness, incapacity, disability, decease and accident. Welfare compensation and complementary cover are subject to performance conditions.</p> <p>Board decisions of 2009, 2012, 2013 and 2015, reiterated on April 25, 2017 and February 14, 2018.</p> <p>Date of approval by the Annual Shareholders' Meeting: April 24, 2018 (5th resolution).</p>

Approval of principles and criteria for determining, allocating or granting the components of the compensation and benefits of all types that may be granted to the Chairman and CEO and to the Deputy-CEO for the year 2019 – Seventh and eighth resolutions

In pursuance of article L.225-37-2 of the French Commercial Code, you are requested to approve the principles and criteria governing the determination, allocation and granting of the remuneration and benefits of all types that may be granted to the corporate officers of the company on account of their mandates, i.e. the Chairman and CEO – currently Mr. Jean-Pascal Tricoire – and Deputy-CEO – currently Mr. Emmanuel Babeau – for the year 2019.

The scope of the approval covers all components of remuneration in cash, fixed and variable, benefits of all types, including the long-term incentive in the form of performance shares, fringe benefits, the pension cash allowance and other benefits forming part of the status of the Corporate Officers and separately approved under the regime of the regulated agreements.

In this respect, the remuneration submitted to your approval covers all the payments and benefits granted to corporate officers on account of their mandates in the company as well as of the other functions they may perform within the Group.

These components are presented, detailed and quantified in section 4.7 of the registration document. This section dedicated to the compensation of the group senior managers is part of the corporate governance report prescribed by article L. 225-37 of the French commercial code.

Based on the principles and criteria for determining, allocating and granting the components of the compensation and benefits of all types that may be awarded to the Chairman and CEO and to the Deputy-CEO for 2018 approved by the shareholders at the 2018 annual general meeting with more than 70% support, the board of directors decided on February 13, 2019, based on the works and recommendations of the Governance and remuneration committee, which as a reminder is composed of 80% of independent members as per AFEF/MEDEF Code:

- to continue to apply in 2019 the fundamental pillars which command the principles governing the compensation of the corporate officers. These pillars are: pay-for-performance, alignment with shareholders' interests, and competitiveness. The structure of the corporate officers' compensation results from these pillars, notably the overweight of variable components (75 to 80% of the total target compensation) and the proportion of approximately 50% of the target compensation granted in the form of performance shares;
- to maintain the base salaries of Messrs. Tricoire and Babeau at the levels set and approved for 2018;
- to maintain the maximum payable Annual Incentive in proportion of the base salary at, respectively, 260% for Mr. Tricoire and 200% for Mr. Babeau;
- to reduce from 8 to 4 the number of performance criteria which determine the amount of Annual Cash Incentive, out of which 80% are Financial and 20% Sustainability based, and exclusively use Group criteria (to the exclusion of individual criteria) that are measurable and communicated to the market, namely: Adj. EBITA margin (organic) improvement, Group Cash Conversion rate, Group Organic Sales Growth, Schneider Sustainability Impact;
- to maintain the conditions, modalities and volume of the performance share grants with no change, while amending the acquisition scale for shares based on the achievement of the Relative TSR performance in a manner that disallows acquisition of shares in case Schneider Electric is ranked 8th or below;
- to maintain the rule according to which no compensation which is not provided by the compensation policy already approved by the shareholders be paid to corporate officers.

The board also intends to remain transparent with respect to such compensation, within limits safeguarding the interests of the company with respect to business secrets and confidentiality of certain aspects of its strategy.

The board reflected upon the principle of keeping the compensation proposed for the roles of CEO and Deputy CEO in the event of a change and their replacement by a candidate not promoted within the Group. Whilst acknowledging that the proposed compensation structure is market competitive and in line with the principles set forth by the board, the board may have to review the criteria to drive the new corporate officer's performance, depending upon his/her profile, or to consider an exceptional allowance in cash or in shares in order to compensate for loss of benefits that a candidate may experience.

In accordance with applicable law, the payment of any variable or exceptional cash component in relation to the exercise of their office by the Corporate Officers year in 2019 will be subject to your approval at the Annual Shareholders' Meeting following year-end 2019.

Under the **seventh resolution** you are requested to approve these principles and criteria for 2019 with respect to the Chairman and CEO, and under the **eighth resolution** those with respect to the Deputy-CEO.

Composition of the board of directors – Ninth to twelfth resolutions

We remind you that the terms of office of Ms. Betsy Atkins and Mr. Greg Spierkel are due to expire after the 2019 Annual Shareholders' Meeting.

At its meeting of February 13, 2019, the board of directors took note of the decision of:

- Ms. Betsy Atkins's decision not to present herself as a candidate for the renewal of her term of office,
- Mr. Antoine Gosset-Grainville's wish to put an end to his role as a director at the end of the next Annual Shareholders' Meeting.

The board of directors was keen to highlight the thanks that the Company owes these individuals who have actively contributed to the quality of the discussions held by the board during a period of strong development.

1. Report of the board of directors to the ordinary and extraordinary shareholders' meeting

The board of directors has unanimously decided, upon recommendation of its Governance and remunerations committee, to propose:

- the renewal of Mr. Greg Spierkel; and
- the appointments of Ms. Carolina Dybeck Happe, Ms. Xuezheng Ma and Mr. Lip-Bu Tan.

These recommendations are in line with the on-going refreshment plan of the board which aims at reinforcing the geographical diversity of its members, adding strong skills in the field of strategic challenges such as digital and at strengthening the deep knowledge of the Group's key markets.

Ms. Carolina Dybeck Happe, 46 years old, a Swedish citizen, joined A.P. Moller-Maersk A/S in January 2019 as Chief Financial Officer and Executive committee member. She has previously been pursuing her career with Assa Abloy AB, a company listed in Sweden, where she was appointed Executive Vice-president and Chief Financial Officer in 2012 after holding several positions as Chief Financial Officer of various geographical zones including Germany and the United Kingdom. Ms. Dybeck Happe has also served as a member of the supervisory board of E.ON since June 2016. She will bring to the board her finance and industry skills in sectors adjacent to that of Schneider Electric and her deep knowledge of the constraints and specificities of listed companies.

Ms. Carolina Dybeck Happe will qualify as an independent director with regard to all the criteria set by Article 8.5 of the AFEP/MEDEF corporate governance Code and will join the Audit & risks committee and the Investment committee.

Ms. Xuezheng Ma, also known as Mary, 66 years old, a Hong Kong Chinese citizen, co-founded Boyu Capital Advisory Co. Ltd. in 2011 and has been its Managing Partner since then. Prior to Boyu Capital, she was a Partner of TPG Capital and Co-Chairman of TPG China, a global private equity investment firm. She joined Lenovo Group in 1990 and was appointed Chief Financial Officer, Senior Vice President and Executive Director of the board, positions that she held from 1997 to 2007 before serving as non-Executive Vice-Chairman until 2013. She has been re-designated to be an Independent Non-Executive Director since 2013. Prior to Lenovo, she was Department Director of the Chinese Academy of Sciences for 12 years. She will bring to the board her extremely rich experience in financial and executive management, strong skills in the field of digital and an acute sense of how to tackle opportunities in Asian markets. Her presence will also contribute to the geographical diversity of the board.

Ms. Xuezheng Ma will qualify as an independent director with regard to all the criteria set by Article 8.5 of the AFEP/MEDEF corporate governance Code and will join the Audit & risks committee and the Digital committee.

Mr. Lip-Bu Tan joined the Schneider Electric board of directors as a non-voting member on October 24, 2018. Mr. Tan is currently CEO and board member of Cadence Design Systems, as well as Chairman of Walden International, a venture capital firm he founded in 1987. Prior to founding Walden, he was Vice-president of Chappell & Co. and held management positions at EDS Nuclear and ECHO Energy. He is bringing to the board a valuable contribution in terms of IT/Software and Technology expertise, notably in the field of energy, as well as strong venture capital & investment experience and a deep knowledge of Asian and US markets. In order to give to his new mandate as a board member of Schneider Electric the appropriate amount of time, Mr. Lip-Bu Tan decided to put an end to his board membership with Aquantia as of May 2019.

Mr. Lip-Bu Tan will qualify as an independent director with regard to all the criteria set by Article 8.5 of the AFEP/MEDEF corporate governance Code and will join the Investment committee and the Digital committee.

Mr. Greg Spierkel's and Mr. Lip-Bu Tan's biographies and their terms of office are provided on pages 216 and 217. Mr. Greg Spierkel is an independent director under AFEP/MEDEF corporate governance Code.

If you approve the proposals made in **ninth to twelfth resolutions**, the board of directors will comprise 14 members, 46% of women (directors representing employees excluded pursuant to the provisions of the French Commercial Code), 71.5% of foreign directors and 83% of independent directors (in accordance with AFEP/MEDEF corporate governance Code).

The board of directors considers that in addition to Mr. Jean-Pascal Tricoire, to Ms. Xiaoyun Ma, representing employee shareholders, and to Mr. Patrick Montier, representing employees, Mr. Willy Kissling does not have that status due to his long years of service on the board. The other directors are independent.

Determination of the amount of the directors' fee to be allocated to the board of directors – Thirteenth resolution

In the **thirteenth resolution**, the board recommends increasing the maximum budget of directors' fee allocated to members of the board from EUR2,000,000 to EUR2,500,000.

This proposal to increase the amount of directors' fee aims at maintaining the compensation granted to board members at the current level, with no change in the allocation rules.

The increase of the number of meetings (board and committees) per person that resulted from the creation of one additional committee (*i.e.* the Digital committee), added to the fact that each member of the board (excluding the Chairman and CEO) is member of at least one committee, that almost 67% of them are members of 2 committees and that nearly one third are member of 3 committees, and also given that one additional board meeting was held in 2018, *i.e.* 9 meetings (vs. 8 in 2017), has led to a total paid directors' fee close to the maximum amount approved by the 2017 Annual General Meeting even though the amount paid by committee meeting had been reduced.

The current level of attendance fees cannot be reduced as long as Schneider Electric wishes to secure board members recognized for their most relevant and cutting-edge expertise worldwide.

The increase of the number of members in 2019 with one additional member should the proposals made in ninth to twelfth resolutions be approved, as well as the reinforcement of the geographic diversity leading to an increase of the compensation for intra-continental or inter-continental travel, make it necessary to increase the global authorization.

The proposed increase would allow the coverage of these factors and the potential appointment of a second director representing employees, with no modification of the allocation rules applicable to directors' fees.

Share buybacks – Fourteenth resolution

We request that you renew the authorization given to the Company by the Annual Shareholders' Meeting of April 24, 2018, to buy back its shares by any appropriate method, pursuant to the provisions of Article L.225-209 of the French Commercial Code and European Regulation (EU) no. 596/2014 of April 16, 2014 on market abuse (regulation concerning market abuse) which came into force on July 3, 2016.

The Company buyback programs may have various objectives: to reduce share capital, cover stock purchase option plans or other share allocations to employees or corporate officers, fulfill obligations related to convertible bonds, and engage in market making as part of a liquidity contract, as well as engage in external acquisitions, as may be permitted under the regulations in force.

Shares bought back may be canceled under the authorization adopted by this Annual Shareholders' Meeting (twenty-fourth resolution).

We remind you that Schneider Electric, in accordance with the announcement made in 2017, targeted a cumulative buyback amount of EUR1 billion for the June 2017 – June 2019 period. These buybacks were part of a policy to neutralize the dilution resulting from capital increases reserved for employees or resulting from performance action plans and the exercise of options.

As part of the authorization granted at the Annual Shareholders' Meeting on April 24, 2018, and through implementation of the announced projects, Schneider Electric proceeded from April 25, 2018 to February 13, 2019 to a buyback of 10.7 million shares, for a total sum of EUR712.8 million. Since the beginning of the program, June 1, 2017, the Company bought back 14.8 million shares for Euro 1 billion and has completed the program.

Further information on the Company's share buyback programs can be found on page 361.

In the **fourteenth resolution**, you are requested to authorize the Company to buy back shares representing a maximum of 10% of the issued capital as of the date of the shareholders' meeting (for reference purposes, based on the issued capital on December 31, 2018: 57,916,876 shares). The maximum purchase price is set at EUR90. We remind you that this authorization may not be used during public offer periods.

1.2: Extraordinary meeting

Delegations of authority to the board of directors to increase the capital with or without shareholders' preferential subscription rights – Fifteenth to twentieth resolutions

We submit to you the resolutions regarding the renewal of the existing delegations to increase capital.

We remind you that the board of directors has been granted delegations of authority to issue, with or without shareholders' preferential subscription rights, shares and securities granting access to capital, in other words shares with subscription warrants, convertible bonds, share subscription warrants, etc.

The board of directors has not made use of these delegations which expire in June 2019 irrespective of the capital increases arising from use of the delegations relating to capital increases reserved for employees. The board of directors also recommends you, in accordance with the provisions of the French Commercial Code (Article L.225-129-2), to renew these delegations to increase capital, with or without preferential subscription rights, for the same amounts and duration of 26 months. The total amount of the issues authorized remains unchanged, at EUR200 million shares, i.e. 34.53% of capital.

The board of directors may not, without the prior authorization of the Annual Shareholders' Meeting, make use of any of these delegations during a public offer period.

Under the **fifteenth resolution**, you are requested to delegate to the board of directors the authority to issue, in France and abroad, with shareholders' preferential subscription rights, ordinary shares, and all other securities granting access to capital, such as convertible bonds or those reimbursable in shares, bonds with share subscription warrants, etc. Under the **sixteenth resolution**, you are also requested to grant the board of directors authorization to increase capital by capitalizing reserves, earnings or additional issue premiums.

The maximum par value of capital increases with preferential subscription rights is limited, excluding capitalization of reserves, earnings or additional issue premiums, to EUR800 million, i.e. 200 million shares or, for indicative purposes, 34.53% of the capital. This amount is set, where applicable, subject to the rights of certain holders of equity securities in the case of issuance of new securities. The maximum par value of the capital increases arising from the capitalization of reserves, earnings or additional issue premiums shall be deducted from the overall capital increase ceiling of EUR800 million.

Under the **seventeenth resolution**, you are requested to authorize the board of directors to issue, on both the French and international markets, and without preferential subscription rights, the same securities as those referred to in the fifteenth resolution. In addition, pursuant to the fifteenth and seventeenth resolutions, the board of directors may issue shares entitling the holder to securities which may grant access to capital which would be issued, in agreement with the board of directors, by direct or indirect subsidiaries of Schneider Electric SE.

1. Report of the board of directors to the ordinary and extraordinary shareholders' meeting

The maximum par value of capital increases without preferential subscription rights is limited to EUR230 million, *i.e.* 57.5 million shares or, for indicative purposes, 9.93% of capital. This amount is deducted from the ceiling with a par value of EUR800 million established in the fifteenth resolution. However, it is set, where applicable, subject to the rights of certain holders of equity securities in the case of issuance of new securities.

The authority to issue without preferential subscription rights will therefore offer the board of directors the option of carrying out operations in which speed is a key success factor and which have the added benefit of applying for new public savings by issuing on foreign or international financial markets.

However, in such operations, shareholders' rights will be maintained by:

- establishment of a mandatory priority subscription right for shareholders of 3 days minimum;
- the fact that the share issue price must be, pursuant to the provisions of the French Commercial Code, at least equal to the weighted average share price for the last 3 trading sessions prior to the day on which this price is set, potentially less a maximum discount of 5%.

The board of directors may also use this delegation for the purposes of paying for securities tendered in a public exchange offer initiated by the Company, within the limits and under the conditions provided for in Article L.225-148 of the French Commercial Code.

The **eighteenth resolution** is intended to enable the board of directors to increase, where applicable, the size of an issue which it has resolved to undertake under the fifteenth and seventeenth resolutions in the case of oversubscription. The additional capital increase, which may be undertaken within 30 days of closure of the initial subscription, may not exceed 15% of the initial issue and must be performed at the same price. However, it may not cause the maximum ceilings in place for capital increases to be exceeded.

The **nineteenth** authorizes the board of directors to issue ordinary shares or securities granting access to capital, up to the limit of 9.93% of the share capital, *i.e.* 57.5 million shares set in the seventeenth resolution, to pay for contributions in kind consisting of equity securities or securities granting access to the capital of third-party companies when the provisions of Article L.225-148 of the French Commercial Code are not applicable.

The **twentieth resolution** gives the board of directors the option, up to a limit with a par value of EUR115 million, *i.e.* 28.75 million shares with a par value of EUR4, or, for indicative purposes, 4.96% of capital, to undertake issues without preferential subscription rights on the markets in France and/or abroad of shares and/or securities granting access to the Company's capital or that of one of its subsidiaries, through private placement. We remind you that to enable companies to optimize their access to capital markets and to benefit from the best market conditions, the French Monetary and Financial Code offers this option to undertake capital increases through private placement. Private placements are operations without preferential subscription rights, which are intended exclusively for (i) individuals providing a portfolio management investment service on behalf of third parties or (ii) qualified investors or a limited group of investors, provided that they are acting on their own behalf. Under the terms of the twentieth resolution, it is provided that in the case of issue through private placement, the issue price of new shares must be at least equal, at the discretion of the board of directors, to:

- (i) the weighted average share price on the regulated Euronext Paris market of the share over a maximum period of 6 months prior to the date on which the issue price is set; or
- (ii) the volume-weighted average price on the Euronext Paris regulated market on the trading day prior to the setting of the issue price, potentially less, in both cases, a maximum discount of 5%.

This derogation from the provisions of Article R.225-119 of the French Commercial Code allows the board of directors to set the share price according to a minimum stock-exchange price representative of the intrinsic value as assessed by the board of directors and to neutralize, during the period of setting the share price, effects of speculation or excessive price volatility.

Operations carried out under this delegation shall be deducted from the maximum budget of EUR230 million set in the seventeenth resolution.

With all of these financial authorizations, the board of directors shall have the required flexibility in its selection of possible issues and may adapt the type of the securities to be issued based on demand and the conditions of French, foreign or international financial markets.

Authorization to the board of directors to allocate free shares (issued or to be issued) to corporate officers and employees of the Company or of companies affiliated therewith, subject to performance conditions, as applicable, within the limit of 2% of the share capital, with waiver by shareholders of their subscription rights – Twenty-first resolution

Background to the authorization:

The authorization to allocate free/performance shares was granted by the Combined Annual and Extraordinary Shareholders' Meeting of April 25, 2016 for a period of 38 months. It expires on June 24, 2019. This authorization enabled the free allocation, to date, of a total of 7.2 million shares (including the 2019 LTIP yet to be issued), representing potentially 1.2% of the share capital at December 31, 2018. Detailed information on the plans for free/performance shares allocated to date under this authorization can be found on pages 371 *et seq* of this registration document.

Given the importance of this deferred compensation mechanism (see page 249), you are requested to renew this authorization.

Structure of the authorization:

(i) Dilution

- the total amount of shares allocated may not represent more than **2% of capital** over three years, subject to potential adjustments which may be applied in the event of a transaction involving the Company's share capital;
- the annual number of shares granted to the Company's corporate officers (the Chairman and CEO and the Deputy CEO) pursuant to this authorization may not exceed 0.03% of capital per year.

(ii) Characteristics

- **beneficiaries:** shares may be allocated to senior corporate officers, members of the Executive Committee, key managers of the Group in all countries, and to high-potential employees or to those whose performance is deemed remarkable;
- **vesting/holding period:** under long-term incentive plans, the vesting period may be no shorter than three years. It may be accompanied, or not, by a holding period;
- under long-term incentive plans, all shares allocated annually to corporate officers of the Company and to members of the Executive Committee will be subject to performance conditions. For other beneficiaries, the performance criteria will be applied to at least 70% of the shares granted. Due to the performance conditions, all or part of the performance shares granted may be canceled. For instance, 29% of shares subject to performance criteria of the 2015 long-term incentive plan were canceled due to the failure to meet these conditions and 8.54% for the 2016 long term incentive plan (see below).

Under the previous authorization approved by the shareholders on April 25, 2016 and currently in force, the performance criteria governing the benefit of shares subject to performance conditions are as follows:

- for 40% of the shares, a criterion depending upon the level of adjusted EBITA margin;
- for 25% of the shares, a criterion based upon the level of cash conversion by the Group;
- for 15% of the shares, a criterion measuring the relative performance of Schneider Electric in terms of TSR, based on Schneider Electric ranking within a panel composed of eleven peers from the same industry (ABB, Legrand and Siemens for Europe, Eaton, Emerson, Honeywell, Johnson Controls and Rockwell Automation for the United States and Fuji Electric, Mitsubishi Electric and Yokogawa for Asia);
- for 20%, an objective of increasing the "Planet & Society barometer" (now, the Schneider Sustainability Impact) which measures the progress of the Group with regard to environmental sustainability and social responsibility.

Since 2016, performance conditions are assessed over a period of three years instead of two years.

Detailed information on the plans for free/performance shares allocated to date under this authorization can be found on pages 371 *et seq* of this registration document.

New performance criteria

Based on the report of the Human Resources & CSR and Governance & remunerations Committees, the board of directors decided to review the assessment of the long-term performance and to further strengthen the alignment with shareholders' long term interests. Accordingly, if you approve this resolution, the board will introduce six major changes:

- For all plans to be launched under this authorization, there shall be no overlapping with the criteria already used for the determination of the Annual Cash Incentive. As a result, the criteria based on Adjusted EBITA margin, cash conversion and Planet and Society barometer (now Schneider Sustainability Impact), would be replaced with new criteria;
- Among these new criteria, the board decided to introduce the use of the Adjusted EPS as performance indicator. The Adjusted EPS is already one of the KPIs communicated to the market and reflects the focus made on the creation of shareholder value;
- The number of criteria shall be reduced to 3;
- The weight of the shares allocated under the criterion of Relative TSR shall be multiplied by two and the TSR acquisition scale be made more stringent, with no vesting at ranks 8 and below in the bespoke peer group (with an anticipated application of this change in the 2019 LTIP to be issued);
- The TSR relative performance of Schneider Electric shall also be measured as compared to the performance of the companies in its own national reference index – the CAC40 – to reflect the macro-economic and stock-market specific trends which influence the performance of the share and in turn, the return to the shareholders;
- The long-term sustainability performance of the Group shall also be measured in terms of relative performance, through a combination of external indices which cover a range of environmental, social and governance indicators wider than and different from the Schneider Sustainability Impact. Using external indices will also ensure that the sustainability priorities governing the assessment of the long-term sustainability performance of the Group are at all times those which matter the most to the stakeholders.

The board will select 4 external indices, all widely recognized as objective, challenging, trustworthy and meaningful, such as DJSI World, Euronext Vigeo, FTSE4GOOD and CDP Carbon List. This combination is referred to herein as Relative Sustainability Index and shall determine 30% of the acquisition of the shares subject to performance conditions.

1. Report of the board of directors to the ordinary and extraordinary shareholders' meeting

As a result, if you support this resolution, the structure of the future long-term incentive plans issued under this authorization will be as follows:

- Structure and weighting of the performance criteria:
 - for 40%, the Adjusted EPS improvement, based on the Adjusted EPS communicated to the market;
 - for 30%, Relative TSR, split equally in two lots corresponding to two panels, both subject to stringent acquisition scales:
 - (i) 15% based on Schneider Electric's ranking compared to the bespoke competitors' peer group (ABB, Legrand, Siemens and Schneider Electric for Europe, Eaton, Emerson, Honeywell, Johnson Controls, Rockwell Automation for the United States and Fuji Electric, Mitsubishi Electric and Yokogawa for Asia), with an acquisition scale as follows: 150% for ranks 1 to 3, 100% at rank 4, 0% at rank 8 and below, linear between ranks 4 to 8. In order to limit impacts of short-term price volatility, TSR will be measured in euros for all companies in the panel;
 - (ii) 15% based on Schneider Electric's ranking compared to CAC40 companies, with an acquisition scale disallowing acquisition of shares below median: 0% below median, 50% at median (rank 20), 100% at rank 10, 120% in ranks 1 to 4, linear between these two points;
 - for 30%, the Relative Sustainability Index. Only leadership positions in the selected indices will entitle to 100% acquisition of shares.
- Offsetting for extra-performance: exceptional performance under the Relative TSR criteria may compensate for under-performance under the Adjusted EPS criterion up to the same number of shares. Cases of exceptional performance occur when Schneider Electric is ranked in the first quartile of the bespoke peer group (ranks 1 to 3) or the Top 10% of the CAC40 (ranks 1 to 4). This mechanism is used as a driver to deliver more long-term performance and returns to the shareholders;
- Target setting: whenever applicable, the targets will be in line with the objectives communicated at the beginning of the year to the market.
- Acquisition period: Performance will be measured over three years and shares will be acquired definitely at the end of a three-year period starting from the date of allocation (usually end of March). Shares won't be subject to an additional holding period, except for the plan reserved to the shares granted to the Corporate officers in consideration for their corporate office.

(iii) Other characteristics

- The corporate officers are bound by obligations to retain their shares, which are presented on pages 365 *et seq.*
- In accordance with the provisions of the French Commercial Code, it is the responsibility of the board of directors to determine the identity of beneficiaries of the allocations, as well as the conditions and, where appropriate, the criteria for allocation of shares.
- Since the shares that may be so allocated may be shares to be issued, the authorization involves the waiver by shareholders of their preferential subscription right to free shares to be issued.
- All other modalities relating to the acquisition and keeping of the performance shares shall be defined by the board and reported in the Rules of the plans.
- Authorization is granted for a period of 38 months.

Capital increases reserved for employees with cancellation of preferential subscription rights of shareholders – Twenty-second and twenty-third resolutions

Schneider Electric is convinced of the importance of developing the Company's employee shareholder base and issues new shares to employees each year. As of December 31, 2018, employees were holding 4.3% of the capital.

We remind you that the sixteenth and the seventeenth resolutions of the Annual Shareholders' Meeting of April 24, 2018, authorized the board of directors to issue shares reserved for employees participating in the Company Savings Plan within the limit of 2% of the share capital, and to issue shares reserved for employees of foreign Group companies or entities set up on their behalf, within the limit of 1% of the share capital.

As part of these authorizations, at its meetings of December 12, 2018, the board of directors decided to renew the annual employee shareholder plan in 2019, within a limit of 3.7 million shares (approximately 0.64% of the capital). This plan, which will not include a leveraged offer, will be offered in 39 countries representing more than 80% of the Group's employees. The shares will be offered with a discount on the share price of 15% (*i.e.* within the prescribed limit of 20% or 30% if permitted by law) to all subscribers and a maximum employer contribution of EUR1,400.

The Company carried out capital increases reserved for Group employees in 2018 (WESOP 2018). These transactions are presented on page 363 of this registration document.

To allow for the implementation of a new global employee share ownership plan in 2020, you are requested to renew these authorizations under the same conditions.

Such is the purpose of the twenty-second and twenty-third resolutions.

Under the **twenty-second resolution**, you are requested to grant the board of directors the authority to carry out capital increases reserved for employees participating in the Company Savings Plan within the limit of 2% of the Company's capital, with the provision that the maximum discount at which the shares could be offered is set at 20% (or 30% if permitted by law).

This authority requires shareholders to waive their preferential subscription right in favor of members of the Company Savings Plan. It is valid for a period of 26 months; the authority in force as voted by the Annual Shareholders' Meeting of April 24, 2018 in its sixteenth resolution shall cease to be effective as from June 30, 2019.

The maximum nominal amount of capital increases carried out on the basis of the twenty-second resolution will be deducted from the ceilings outlined in the fifteenth and seventeenth resolutions of this Annual Shareholders' Meeting.

Under the **twenty-third resolution**, we request that you renew the authorization to carry out capital increases reserved for employees and Corporate Officers of non-French Group companies or to entities set up on their behalf. We remind you that the authorization will not exceed 1% of the capital. The issues to be carried out will be deducted from the ceiling of 2% of the capital set for the issuance of shares to employees who are members of the Company Savings Plan. At the discretion of the board of directors, the issue price will be based on either (i) the opening or closing price of the Company's shares quoted on the trading day on which the decision of the board or its delegate setting the issue price is made, or (ii) the average of the opening or closing prices quoted for the Company's shares over the 20 trading days preceding the decision of the board or its delegate setting the issue price under the twenty-second resolution of this Annual Shareholders' Meeting. A maximum discount of 20% (or 30% if permitted by a change in law as part of the twenty-second resolution of this Annual Shareholding Meeting) may be applied in relation to the benchmark stock price. The application of such a discount will be assessed by the board of directors in consideration, in particular, of the legal, regulatory and tax regulations of the foreign legal system applicable to beneficiaries of the issue. Issues performed will be deducted from the ceiling of 2% provided for by the twenty-second resolution.

This authorization is valid for a period of 18 months and may only be used on or after August 1, 2019. As from August 1, 2019, it shall supersede the existing authorization granted in the seventeenth resolution adopted by the Annual Shareholders' Meeting of April 24, 2018 for the amounts remaining unused at July 31, 2019.

Authorization granted to the board of directors to cancel, as required, Company shares purchased under conditions established by the Annual Shareholders' Meeting, up to a maximum equal to 10% of the share capital – Twenty-fourth resolution

Under the **twenty-fourth resolution**, we request that you grant the board of directors authority to undertake share cancellations up to a limit of 10% of the capital, over a period of 24 months from the date of the Annual Shareholders' Meeting, to reduce the dilutive effect of capital increases undertaken or to be undertaken due mainly to the exercise of subscription options or capital increases reserved for employees, and to put in place, where applicable, share buyback programs for own shares with the aim of reducing the capital.

We remind you that this authorization, which is to expire on April 24, 2019, has been used by the board of directors, at its meeting of February 14, 2018, to proceed with the cancellation of 22,000,000 treasury shares, representing 3.69% of the share capital as of December 31, 2017. Further to this cancellation, the Company held 17,349,507 of treasury shares, representing 3.02% of the share capital as of December 31, 2017 after capital reduction.

Finally, under the **twenty-fifth resolution** we request that you grant us the powers necessary to carry out the formalities.

2. Report of the Vice-Chairman independent lead director of the board of directors (for the period January-December 2018)

2. Report of the Vice-Chairman independent lead director of the board of directors

Mr. Leo Apotheker hereby reports on the work he carried out in 2018 as part of his administrative functions as Vice-Chairman independent lead director.

At the Annual Shareholders' Meeting of April 25, 2016 where Mr. Leo Apotheker was re-elected as director, the board of directors appointed him as Vice-Chairman independent lead director for the term of his office.

1. Powers of the Vice-Chairman independent lead director

The Vice-Chairman independent lead director is appointed by the board of directors in pursuance of article 12 of the Articles of Association, which provide for the appointment of a Vice-Chairman with the function of a Senior Independent Director if the roles of Chairman and CEO are combined.

In compliance with article 12 of the Articles of Association, the duties of the Vice-Chairman lead director are defined by the internal regulations of the board of directors. Those internal regulations and the charter for the Vice-Chairman independent lead director can be found on pages 397 to 405 of the Registration Document. They are also published on the Company's website, www.schneider-electric.com.

2. Activities of the Vice-Chairman independent lead director

Information of the Vice-Chairman independent lead director

To be able to carry out his duties, the Vice-Chairman lead director must have excellent knowledge of the Group and be particularly well informed about its business performance.

As such, the Vice-Chairman is apprised of current events and the performance of the Group through weekly exchanges with the Chairman and CEO. He meets regularly all members of the Group Executive Committee.

The Vice-Chairman has also pursued his regular interactions with managers and other employees of the Group as well as visits to various entities. He is continuously kept informed of the evolution of the competitive environment, technological breakthroughs and business opportunities. Besides being the Chairman of the Governance and remunerations committee, he is also present at the meetings of the Investment committee.

Participation in the preparation of the meetings of the board

The Vice-Chairman lead director participated in the preparation for meetings of the board of directors. As a result, he has participated in all the "pre-Board" meetings. As a matter of fact, each meeting of the board of directors is preceded by two pre-Board meetings, in which the Chairman, the Vice-Chairman lead director, the Deputy Chief Executive Officer and the Secretary of the board of directors review the topics and issues addressed by the committees, and establish the agenda prepared by the Chairman and the content of the meeting file.

Executive sessions

The Vice-Chairman lead director chairs the executive sessions (ie. the meetings where Board members meet without the presence of the two executive Corporate Officers), now convened at the end of each Board meeting. The employee directors have attended all executive sessions following meetings of the Board at which they were present.

The board of directors held four executive sessions in 2018 during which its members expressed their views and observations on the unification of the functions of Chairman and Chief Executive Officer, on the proposed strategic options and on the Corporate Officers' compensation. They also discussed about the succession plan for Corporate Officers.

The Vice-Chairman lead director reported the conclusions thereof to the Chairman.

Interaction with shareholders

The Vice-Chairman lead director is the designated contact for the shareholders on matters pertaining to corporate governance. He carried out two shareholder engagement campaigns in 2018: one before the shareholders' meeting to present to those who so wished, the resolutions submitted to the shareholders' approval on April 24, 2018; the other one, in the fall semester, to freely exchange views on topical themes of corporate governance that do not materialize in resolutions submitted to the shareholders' approval and thus, are excluded from the usual dialog.

Overall, these two campaigns comprised 29 face-to-face or phone meetings with analysts from a wide range of corporate governance cultures and covered around 36% of the share capital. The conclusions of these discussions have been reported in detail to the Governance and remunerations Committee and contributed to its on-going thought process on governance matters. Report thereon was subsequently made to the board.

Other duties

The Vice-Chairman independent lead director conducted the annual deliberation of the board on its composition, organization and operations as well as those of its committees, with the assistance of the secretary of the board of directors. In 2018, this self-assessment was carried out in the form through an anonymous on-line survey. The conclusions of this assessment, which highlighted the quest for continuous improvement, are presented on page 226 of this Registration Document.

The Vice-Chairman lead director has also had frequent contacts with each of the directors. He ensured that there was no conflict of interest within the board of directors, which he would have been responsible for bringing to the attention of the Chairman.

3. Exhibits to the board of directors' report: internal regulations of the board and charter of the Vice-Chairman independent lead director

3. Exhibits to the board of directors' report: internal regulations of the board and charter of the Vice-Chairman independent lead director

3.1: Internal regulations of the board of directors of Schneider Electric SE

Schneider Electric refers to the AFEP/MEDEF corporate governance code.

The present internal regulations have been drawn up in application of Article 13.7 of the company's articles of association.

These regulations were adopted by the board of directors on April 25, 2013 and last amended on December 12, 2018.

Article 1 – Method of exercising general management – chairmanship and vice-chairmanship of the board of directors

A. Method of exercising general management

1. General management of the company is under the responsibility of either the chairperson of the board of directors, who will then go by the title of Chairman and Chief Executive Officer, or of another natural person appointed by the board of directors going by the title of Chief Executive Officer.
2. The board of directors decides between these two methods of exercising general management at the time when the chairman of the board of directors or the chief executive officer is appointed or when renewing their terms of office. If the board of directors has decided to combine the functions of chairman and chief executive officer, it will deliberate on this choice every year.
3. In order to maintain continuity in the company's operation if the chairman serving as CEO leaves his role or is prevented from doing so, the deputy CEO(s) shall take the interim responsibility for general management functions in the company, unless otherwise decided by the board, until such time as a new CEO is appointed. The vice-chairman shall temporarily take the Chair of the board of directors.

B. Chairperson of the board of directors

1. The board of directors shall elect a chairperson amongst its members ("chairman"). The chairman shall be appointed for a period that can be no longer than his/her term of office as a director. The chairman is eligible for re-election. He/she may be removed from office by the board of directors at any time.
2. The chairman of the board of directors organizes and manages the board's activities, and reports thereon at the annual general shareholders meeting.
3. The chairman of the board of directors sets the agenda and the schedule for board meetings with assistance from the vice-chairman lead director.
4. The chairman of the board of directors ensures that the different corporate bodies operate correctly and especially that the directors are in a position to fulfill their mission. The chairman may request any document or item of information useful to enlighten the board of directors when preparing its meetings.

C. Vice-Chairman of the board of directors – lead independent director

1. The board of directors may appoint a vice-chairman. The vice-chairman shall be appointed for a period that may not be any longer than his term of office as a director. The vice-chairman is eligible for re-election. The vice-chairman may be removed from office by the board of directors at any time.
2. The vice-chairman shall preside over board meetings in the absence of the chairman.
The vice-chairman shall be called upon to replace the chairman of the board of directors in the event of any temporary inability of the latter to fulfill his/her functions or in the event of death. In the event of the chairman's inability to fulfill his/her functions, he/she will be replaced by the vice-chairman as long as his/her inability may last and, in the case of death, until the election of a new chairman.
3. In exception to 1 above, and in compliance with Article 12.2 of the articles of association, the appointment of a vice-chairman is compulsory if the roles of chairman and CEO are combined. In this case, the vice-chairman also takes on the role of lead independent director. In this respect:
 - The vice-chairman is kept informed of major events in Group life through regular contacts and monthly meetings with the chairman serving as CEO;
 - The vice-chairman is consulted by the chairman serving as CEO on the agenda and the sequence of events for every board meeting as well as on the schedule for board meetings;

3. Exhibits to the board of directors' report: internal regulations of the board and charter of the Vice-Chairman independent lead director

- At the end of every board meeting, the vice-chairman convenes executive sessions with non-executive members of the board of directors, over which he will preside. It is the vice-chairman's responsibility to appreciate for each topic discussed whether the employee directors should leave the meeting till the topic is closed. In addition, the vice-chairman may convene an executive session between two board meetings. Any director may ask the vice-chairman to convene additional executive sessions;
 - The vice-chairman shall promptly report to the chairman serving as CEO on the conclusions of executive sessions;
 - The vice-chairman shall draw the attention of the chairman and of the board of directors to any possible conflicts of interest that he may have identified or which may be reported to him;
 - The vice-chairman is the chairperson of the Governance and remuneration committee;
 - Like any other member of the board, the vice-chairman may attend any meetings of committees of which he is not a member;
 - In order to complement his knowledge, the vice-chairman may meet the Group's leading managers and visit company sites;
 - The vice-chairman carries out annual assessments of the board of directors and, in this context, assesses the actual contribution of every member of the board to the board's activities;
 - The vice-chairman shall report on his actions at annual general shareholders meetings;
 - The vice-chairman shall meet any shareholder who wishes so and inform the board of their concerns on governance matters.
4. The vice-chairman lead director must be an independent member of the board, as defined in accordance with the criteria published by the company.

Article 2 – Roles and powers of the board of directors

1. The board of directors shall determine company business policies in accordance with its social interest and while considering its social and environmental aspects, and ensure that they are implemented. Subject to the powers expressly conferred to annual general shareholders meetings and within the limit of the corporate purpose, it shall deal with any issue affecting the company's efficient operation and take business decisions within its remit.

The board regularly reviews, in relation to the strategy it has defined, the opportunities and risks, such as financial, legal, operational, social and environmental risks, as well as the measures taken accordingly. To this end, the board of directors receives all of the information needed to carry out its task, notably from the executive corporate officers (Chief Executive Officer, deputy Chief Executive Officers).

The board ascertains the implementation of a process aimed at preventing and detecting corruption and influence peddling. It receives all of the information required for this purpose.

The board also checks that the executive corporate officers implement a policy of non-discrimination and diversity, notably with regard to the balanced representation of men and women on the governing bodies.

2. In accordance with legal or statutory provisions, it is the board of directors' responsibility to:
- Determine the method of exercising general management of the company;
 - Appoint executive corporate officers and also remove them from office as well as to set their remuneration and the benefits granted to them;
 - Co-opt directors whenever necessary;
 - Convene annual general shareholders meetings;
 - Approve corporate and consolidated accounts;
 - Draw up management reports and reports for annual general shareholders meetings;
 - Draw up management planning documents and the corresponding reports;
 - Draw up the corporate governance report as provided for in Article L.225-37 of the French Commercial Code;
 - Decide on the use of the delegations of authority granted at annual general shareholders meetings, more particularly for increasing company capital, redeeming the company's own shares, carrying out employee shareholding operations and cancelling shares;
 - Authorize the issue of bonds;
 - Decide on the handing out of options or restricted/performance shares within the limits of authorizations given at annual general shareholders meetings;
 - Authorize statutory conventions (conventions covered by Article L.225-38 and following of the Commercial Code);
 - Authorize the issue of sureties, endorsements and guarantees;
 - Decide on the constitution of study committees and designate their members;
 - Decide on the dates for the payment of dividends and any possible down-payments on dividends;
 - Distribute directors' fees allocated at the annual general shareholders meeting amongst members of the board of directors.

In compliance with the provisions set forth in the Commercial Code, the board of directors delegates all powers to the chairman serving as CEO (or the CEO if appropriate):

- For issuing, with the possibility of sub-delegating, sureties, endorsements or guarantees within a maximum annual sum of 500 million euros, limited per surety, endorsement or guarantee to:
 - (i) EUR150 million for commitment guarantees made by Group subsidiaries for Group financial optimization operations,
 - (ii) EUR250 million for commitment guarantees made by Group subsidiaries, for taking over the company's commitments whenever acquisition operations are made on companies or business activities,
 - (iii) EUR100 million for other guarantees.

The above limits are not applicable to any sureties, endorsements and guarantees that may be issued with regard to tax or customs authorities;

- For formally recording any increases in capital following conversions of convertible bonds, exercising warrants and stock options, as well as subscribing to capital securities or shares giving access to company capital in the context of increases in capital reserved for employees and carrying out all prior and subsequent formalities related to any such changes in capital and to any modifications to the articles of association.
- 3.** To enable the board to exercise its duties as defined in 1 and beyond its specific powers summarized in 2, the board of directors:
- Shall be informed by its chairman or by its committees of any significant event concerning the company's efficient operation as well as the successful conclusions of any significant projects;
 - Shall give prior authorization for:
 - All disposals or acquisitions of holdings or assets by the company or by a Group company for a sum of more than 250 million euros,
 - Concluding any strategic partnership agreement;
 - Shall review every year its composition, its organization and its mode of operation;
 - Shall be consulted prior to acceptance by the chief executive officer or deputy chief executive officers of any corporate appointment in a listed company outside the Group;
 - Shall be informed about market developments, competitive environment and the most important challenges the company has to face, including in the area of social and environmental responsibility.
- 4.** The activities of the board of directors and its committees shall be described in the corporate governance report.

Article 3 – Membership of the board of directors

In the proposals it makes and the decisions it takes, the board of directors shall ensure:

- That it reflects the international nature of the Group's activities and of its shareholders by having a significant number of members of non-French nationality;
- That it protects the independence of the board through the competence, availability and courage of its members;
- That it pursues its objective of diversifying the board of directors in compliance with the legal principle of attaining balanced representation between men and women on the board;
- That it appoints persons with the expertise required for developing and implementing the Group strategy while considering the objectives of diversity based on criteria such as age, professional skills and experiences;
- That employee shareholders and employees shall continue to be represented on the board in compliance with the provisions set forth in Articles 11.3 and 11.4 of the articles of association;
- That it preserves the continuity of the board by changing some of its members at regular intervals, if necessary by anticipating the expiry of members' terms of office.

Article 4 – Meetings of the board of directors

- 1.** The board of directors shall meet whenever the interests of the company so require and at the least six times a year, including one meeting for examining strategy in detail.

Notices to attend shall be issued by all means, including verbally. They shall be sent via the secretary of the board.

- 2.** Board meetings shall be convened by the chairman or, if such person is unable to do so, by the vice-chairman.

Moreover, if no board meeting takes place for over two months, the chairman must convene a meeting of the board at a date no later than fifteen days after at least one-third of the members of the board have made a justified request for this purpose. If the request goes unheeded, the person or persons requesting the meeting may convene a meeting himself or themselves, stating the agenda of the proposed meeting.

Similarly, the chief executive officer, if he is not chairman of the board of directors may also address a request to the chairman to convene a meeting on any given agenda.

The person responsible for convening the meeting shall set its agenda. The agenda may be modified or completed at the time of the meeting.

Board meetings shall be held at the company's registered offices or at any other place specified in the notice of the meeting, whether in France or abroad.

- 3.** Any member of the board may appoint another member to represent him at a board meeting by means of a proxy form.

During the same meeting, each member of the board may only use one proxy form that he has received further to the foregoing paragraph.

Members of the board may attend board meetings by videoconference or telecommunication links, which allow them to be identified and which guarantee their effective participation. In such a case, they are counted among the members present to the meeting. However, in accordance with applicable laws, for the purposes of checking and controlling annual accounts, consolidated accounts and the management report, the members of the board of directors who attend the meeting by videoconference or telecommunication links shall not be taken into account for the purposes of determining the quorum or the majority.

3. Exhibits to the board of directors' report: internal regulations of the board and charter of the Vice-Chairman independent lead director

Deliberations of the board of directors shall only be valid if at least half of the directors are present. However, in application of Article 15 of the articles of association, the board of directors may only deliberate validly on the methods for exercising general management if two-thirds of the directors are present or represented.

Decisions shall be taken on a majority vote by the directors present or represented. In the event of equality of votes, the chairman of the meeting shall have the casting vote.

4. Besides the secretary of the board, the deputy CEO in charge of finance shall attend board meetings.

The board of directors shall hear operational managers concerned by major issues submitted to examination by the board.

The board of directors may authorize persons who are not members of the board to attend board meetings including by videoconference or by telecommunication links.

5. An attendance register shall be kept at the registered office.

The proceedings of the board of directors shall be recorded in minutes.

The secretary of the board shall be authorized to certify copies or excerpts from the minutes of the board's proceedings.

Article 5 – Information for the board of directors

Members of the board of directors shall be provided with all the information necessary to enable them to carry out their duties and this within time limits that enable them to familiarize themselves with this information in a meaningful way. They may procure any documents they require for this purpose prior to meetings.

Any request for information made by members of the board on specific subjects shall be addressed to the chairman serving as CEO (and, if appropriate, to the CEO), who will reply thereto as promptly as possible.

In order to provide members of the board of directors with complete information, visits to sites and customers shall be organized for them. Members of the board of directors shall have the right to meet the main company executives. They shall inform the chairman serving as CEO (and, if appropriate, the CEO) thereof.

The chairman serving as CEO shall meet each member of the board individually once a year.

Article 6 – The status of members of the board of directors

1. Members of the board of directors shall represent all the shareholders and shall act in the interests of the company in all circumstances.

2. Members of the board of directors shall attend board meetings and meetings of the committees of which they are members.

Any member, who has not attended at least half of the meetings held during the year, unless there are exceptional reasons, shall be deemed to wish to terminate his term of office and shall be invited to resign from the board of directors or the committee concerned, as appropriate.

3. Members of the board of directors shall be bound by a general confidentiality obligation with respect to the deliberations of the board and the committees and with respect to information which is not in the public domain, which they receive further to performing their duties.

4. Directors may not exercise more than 4 other terms of office in listed companies outside the Group.

5. Members of the board of directors shall have a duty to inform the board of directors of any office they may hold or no longer hold in other companies.

6. Members of the board of directors have a permanent duty to ensure that their personal situation shall not give rise to a conflict of interest with the company. In this respect, they shall disclose:

- the existence of any conflict of interest, even a potential one, upon assuming their duties and then each year in response to a request made by the company at the time of preparation of its Registration Document;
- upon occurrence of any event which would render the statement above mentioned totally or partially inaccurate.

Any member of the board of directors having a conflict of interest, even a potential one, has a duty to notify it to the vice-chairman lead director who shall in turn inform the board of directors. The board of directors shall rule upon the conflict of interest and may request to the member(s) of the board of directors concerned to correct his/her situation. The member of the board of directors having a conflict of interest, even a potential one, shall not take part to the discussions nor to the vote of the corresponding decision and shall leave the meeting of the board of directors when the decision is debated.

7. During their term of office, members of the board of directors, to the exclusion of the directors representing employees, shall possess at least 1,000 shares in Schneider Electric SE. For applying this obligation, except for the 250 shares which must be held to comply with Article 11.1 of the articles of association, shares held via a company mutual fund essentially invested in the company shares can be taken into account. The Schneider Electric shares that they hold shall either be in purely registered (*nominatif pur*) or in managed registered (*administré*) form.

8. Members of the board of directors shall inform the French financial market authority within three business days from the completion of the operation, by e-mail at the following address: <https://onde.amf-france.org/RemiseInformationEmetteur/Client/PTRemiseInformationEmetteur.aspx>, as well as the secretary of the board, of any acquisition, sale, subscription or exchange concerning shares issued by Schneider Electric SE or any operation on financial instruments linked thereto, conducted on their own account or on their behalf.
- 8A. Members of the board of directors shall provide the secretary of the board with the list of the persons closely associated with them as defined by the European Regulation n°596/2014 ("Market Abuse Regulation"), whom they shall notify of their individual duties to inform the French financial market authority and Schneider Electric SE (to the attention of the secretary of the board), similar to those applicable to themselves pursuant to paragraph 8 above.
9. Members of the board of directors undertake to abide by the compliance code governing stock-market ethics, of which they have received a copy, with respect to their personal financial transactions. In consequence, members of the board of directors may not acquire or dispose of options or any other derivative relating to Schneider Electric SE shares, except authorized hedging of stock-options plans in order to hedge stock option plans (eg: hedging of shares subscribed upon exercise of options).

Members of the board of directors shall refrain from carrying out any transaction involving company's listed shares during the 31 days before the day following publication of annual or half-yearly accounts, and during the 16-day period before the day following publication of quarterly information. The same principle applies when they hold insider information, i.e. precise information concerning the company, which has not been made public and which, if it were made public, could have a marked impact on share price or on any financial instrument related to them.

10. Members of the board of directors shall attend annual general shareholders meetings.
11. Members of the board of directors shall be remunerated by the payment of directors' fees allocated at annual general shareholders meetings. The said amount will be distributed by the board of directors to its members.

Missions entrusted to the vice-chairman shall give rise to exceptional remuneration under the regime of the regulated agreements.

12. Traveling expenses, notably including hotel and restaurant expenses, incurred by the members of the board of directors in relation to the performance of their duties, shall be borne by the company on presentation of supporting documents.
13. Members of the board of directors shall complete the on-boarding programme offered to them at the beginning of their first term.

Article 7 – Non-voting directors

The non-voting directors shall attend board meetings in a consultative capacity.

They shall receive the same information as the other members of the board. They may be appointed as members of committees, except for the Audit committee.

They shall act in the interest of the company under all circumstances.

They shall be bound by the same general confidentiality obligation as the members of the board of directors and shall be subject to the same limitations regarding transactions involving the company's shares. Their remuneration shall be determined by the board of directors.

Article 8 – The committees of the board of directors

1. The committees created by the board of directors shall be as follows:
- Governance and remuneration committee,
 - Audit and risks committee,
 - Human Resources and Corporate Social Responsibility committee,
 - Investment committee,
 - Digital committee.
2. The role of these committees shall be to research and prepare certain matters to be considered by the board of directors. They shall make proposals, give recommendations and issue opinions, as appropriate, in their area of competence.

Created by virtue of Article 13 of the articles of association, they shall only have a consultative role and shall act under the authority of the board of directors.

3. The chairpersons and members of the committees shall be appointed by the board of directors. However, the vice-chairman lead director shall preside over the Governance and remuneration committee. They shall be appointed in a personal capacity and may not be represented.

The terms of office of committee members shall coincide with their terms of office as members of the board of directors. The terms of office of committee members may be renewed.

3. Exhibits to the board of directors' report: internal regulations of the board and charter of the Vice-Chairman independent lead director

As a matter of good governance and to the exclusion of the Governance and remuneration committee chaired by the vice-chairman lead director, committee chairs should be rotated and not exceed four years for a given committee. The board of directors shall deliberate annually on the chairmanship of the concerned committee whenever such four-year limit is reached or exceeded.

4. Committees shall meet on the initiative of their chairperson or on request from the chairman of the board of directors or the CEO.
5. The chairman serving as CEO or the CEO shall be kept informed of committee meetings. He/she shall be in regular contact with committee chairmen.
6. Committee meetings shall be held at the company's registered offices or any other place decided upon by the chairperson of the committee with an agenda prepared by the latter. If necessary they may be held by audio or video conference.

Members of the board of directors may attend meetings of committees of which they are not a member. Only the members of the committee shall take part in the committee's discussions.

A secretary will prepare the minutes of the meetings, which shall be recorded in an ad hoc register specific to each committee by the secretary of the board.

A report on each committee's activities shall be given by the committee's chairperson or one of its members at the next board meeting. Minutes of committee meetings shall be provided for the members of the board of directors.

After referring the matter to the chairman of the board, every committee may request studies from external consultants. Every committee may invite any person of its choice to its meetings, as and when required.

7. Other than the permanent specialist committees that it has created, the board of directors may also decide to set up any *ad hoc* committees for specific operations or assignments.

Article 9 – The Audit and Risks committee

1. Membership and operation of the Audit committee

The committee shall be comprised of at least three members, two-thirds of whom must be independent members of the board of directors. At least one of the members must possess special skills concerning matters of finance and accountancy and be independent with regard to specified, published criteria.

The deputy CEO in charge of finance shall act as the Audit committee's contact.

The head of internal audit shall act as secretary to the Audit committee.

The committee shall meet at least five times a year. The chairperson of the committee shall draw up agendas for meetings.

The meetings shall be attended by members of the finance department and of the company's internal audit department and, with respect to meetings devoted to examining accounts, by the statutory auditors. The committee may invite any person it wishes to hear to its meetings. It may also require the CEO to provide any documents it deems to be useful.

Outside the presence of company representatives, the committee shall regularly hear the statutory auditors and the head of the internal audit.

2. The duties of the Audit committee

The Audit Committee monitors questions on drawing up and controlling accounting, financial and extra-financial information. It prepares the board of directors' decisions in these domains. It issues recommendations to the board for the purpose of ensuring the integrity of the financial and extra-financial information and gives advices. For this purpose:

- It shall prepare for annual and half-yearly accounts to be approved by the board and therefore, more particularly:
 - Checks the appropriateness and consistency of the accounting methods used for drawing up consolidated and corporate accounts, as well as checking that significant operations on Group level have been dealt with appropriately and that rules relating to the consolidation perimeter have been complied with;
 - Examines off-balance-sheet risks, including those of a social and environmental nature, and commitments as well as the cash situation;
 - Examines the process for drawing up financial and extra-financial information.
- It examines the draft annual report, which bears the status of registration document and contains the information on internal control, the draft half-yearly report and, where applicable, any remarks made by the French Financial Market Authority (AMF) concerning these reports, as well as the other key financial information documents.
- It handles follow-up on legal control of annual and consolidated accounts made by statutory auditors, notably by examining the external audit plan and results of controls made by statutory auditors.
- After a consultation process, it shall suggest reappointing the existing statutory auditors or appointing new statutory auditors.
- It shall check the independence of statutory auditors, especially at the time of examining fees paid by the Group to their firm or their network, and by giving prior approval to any missions that are not strictly included in the scope of the statutory audit.
- It monitors the efficiency of internal control and risk management systems. For this purpose:
 - It shall examine the organization and resources used for internal audit, as well as its annual work program. It shall receive summaries of reports produced on audits on a quarterly basis. However, the chairperson of the committee shall receive these reports in full;

- The committee shall examine operational risk-mapping and make sure that measures exist for preventing or minimizing risks;
- It shall examine how to optimize risk coverage on the basis of reports requested from internal audit;
- It shall examine Group internal control measures and look into the results of entities' self-assessments with respect to internal control. It shall ensure that a relevant process exists for identifying and processing incidents and anomalies;
- It shall ascertain the existence of Group compliance policies notably concerning competition, anti-bribery, ethics and data protection and the measures implemented to ensure that these policies are circulated and applied.

The Audit committee shall examine proposals for distribution as well as the amount of financial authorizations submitted for approval at annual general shareholders meetings.

The Audit committee shall examine all financial and accounting questions and questions related to risk-management submitted to it by the board of directors.

The Audit committee reports to the board on the findings of its works and how they contributed to the integrity of the financial and extra-financial information. It informs the board of the follow-up actions that it proposes to take. The chairperson of the Audit Committee shall keep the chairman and the vice-chairman lead director promptly informed of any difficulties encountered by the committee.

Article 10 – Governance and remuneration committee

1. Membership and operation of the Governance and remuneration committee

The committee shall be comprised of at least three members.

The Governance and remuneration committee shall be presided by the vice-chairman lead director. Failing this, the board shall appoint the chairperson of the committee.

The secretary of the board shall be the secretary of the Governance and remuneration committee.

The committee shall meet at the initiative of its chairperson. The agenda shall be drawn up by the chairperson of the committee after consultation with the chairman of the board of directors. The committee shall meet at least three times a year.

In order to carry out its assignments, the committee may hear any person it wishes.

2. The Governance and remuneration committee's duties:

The committee will formulate proposals to the board of directors in view of any appointment made:

(i) To the board of directors:

- Directors or non-voting directors,
- Chairman of the board of directors, vice-chairman and vice-chairman- lead director,
- Chairpersons and members of committees;

(ii) For general management of the company. The committee will also give its opinion to the board on nominations for any deputy CEO's.

The committee shall formulate proposals to the board of directors on the principles and criteria governing the compensation attributable to executive corporate officers (chairman of the board of directors and/or CEO, deputy CEO), on the compensation granted to them in accordance with these principles, on the amount of any options or shares attributed to them, and on the benefits of any kind granted to them. To this end, it uses the works of the Human Resources and CSR committee. The committee prepares annual assessments of the persons concerned.

The committee shall propose measures to the board of directors that will reassure both shareholders and the market that the board of directors carries out its duties with all necessary independence and objectivity. For this purpose, it will organize for yearly assessments to be made of the board of directors. It shall make proposals to the board of directors on:

- Determining and reviewing directors' independence criteria and directors' qualifications with regard to these criteria;
- Missions carried out by the committees of the board of directors;
- The evolution, organization and operation of the board of directors;
- The company's use of national and international corporate governance practices;
- The total value of directors' fees proposed at annual general shareholders meetings together with their allocation amongst members of the board of directors.

Article 11 – Human Resources and Corporate Social Responsibility committee

1. Membership and operation of the Human Resources and Corporate Social Responsibility Committee

The committee shall be comprised of at least three members.

The director of Human Resources for the Group shall be the secretary to the Human Resources and Corporate Social Responsibility committee.

The committee shall meet at the initiative of its chairperson. The agenda shall be drawn up by the chairperson of the committee after consultation with the chairman serving as CEO. The committee shall meet at least three times a year.

In order to carry out its assignments, the committee may hear any person it wishes.

3. Exhibits to the board of directors' report: internal regulations of the board and charter of the Vice-Chairman independent lead director

2. The committee's duties:

The committee shall formulate proposals to the board of directors on setting up share subscription / purchase options plans and free/performance shares plans.

The committee shall formulate projects on proposals made by general management on:

- Compensation of the members of the executive committee.
- Principles and criteria for determining the compensation of Group executives.

The committee shall be informed of any nomination of members of the executive committee and of the main Group executives.

It shall examine succession plans for key Group executives.

The committee shall prepare the board of directors' deliberations on (i) expansion of employee shareholding, (ii) review by the board on social and financial impacts of major re-organization projects and major human resource policies, (iii) monitoring risks management in relation to human resources and (iv) examining the different aspects of the "CSR" Group policy.

Article 12 – Investment Committee

1. Membership and operation of the Investment committee

The committee shall be comprised of at least three members.

The director of Group Strategy will be secretary to the Investment committee.

The committee shall meet at the initiative of its chairperson. The agenda shall be drawn up by the chairperson of the committee after consultation with the chairman serving as CEO. The committee shall meet at least three times a year.

In order to carry out its assignments, the committee may hear any person it wishes and call upon the Group M&A director.

2. The Investment committee's duties:

The committee prepares the board of directors' deliberations on investment policy.

To this purpose, the committee:

- Shall elaborate recommendations for the board on major capital deployment decisions;
- Shall advise the management team on capital deployment strategies;
- May launch, at the board's request, or suggest research projects leading to material investments for the company, typically for capital deployment decisions of €250million or above;
- May investigate matters of smaller scale, if the strategic significance warrants it or the board/chairman of the board specifically requires it;
- Shall provide recommendations on major merger, alliances and acquisition projects;
- Shall pay special attention to reconfiguration or consolidation scenarios happening in the sectors the company is operating in or likely to operate in;
- Shall examine portfolio optimizations and divestment projects of financial or strategic significance;
- Shall support the management in the elaboration of investment policies linked to the long-term positioning of Schneider Electric, such as innovation and R&D strategies or any major organic growth investments;
- Shall present to the board social and environmental aspects of the strategic projects submitted to it such as M&A projects.

Article 13 – Digital Committee

1. Membership and operation of the Digital committee

The committee shall be comprised of at least 3 members.

The Chief Digital Officer or the Chief Information Officer will be secretary to the Digital committee.

The committee shall meet at the initiative of its chairperson. The agenda shall be drawn up by the chairperson of the committee after consulting with the chairman & CEO. The committee shall meet at least three times a year, including a joint review on Cyber-security risks with the Audit and risk committee.

In order to carry out its assignments, the committee may hear any person it wishes.

2. The Digital committee's duties

The purpose of the Digital committee is to assist the board in digital matters in order to guide, support and control the Group in its digitization efforts. The Digital committee prepares the board of directors' deliberations on digital matters.

For this purpose, the Digital Committee will review, appraise and follow-up projects and, generally, advise, inter alia on 7 areas:

1. Development and growth of the EcoStruxure digital business, including (i) enhancing Core Businesses with Connectivity & Analytics, (ii) building new digital offers & business models, (iii) establishing its contribution to and consistency with the overall strategy;
2. Improvement and transformation of the Group's Digital Customers & Partners Experience;
3. Improvement of Schneider Electric's Operational Efficiency through the effective use of Information Technology and digital automation capabilities;
4. Assessment of Cyber Risks and enhancement of the Group's Cyber Security posture (jointly with the audit committee);
5. Assessment of the contribution of potential M&A operations to the Group's Digital strategy;
6. Monitoring and analysis of the Digital landscape (competitors and disrupters, threats and opportunities);
7. Checking that the company is equipped with the right pool of talents for digital transformation.

Article 14 – Perimeter of internal regulations

The present internal regulations have been unanimously approved by the board of directors. A purely internal act, their objective is to complete the articles of association by stipulating the main conditions of organization and operation of the board of directors. Their purpose is not to replace the articles of association. They may not be relied upon by shareholders or third parties for use against members of the board of directors, the company, or any company in the Schneider Electric Group. They may be modified at any time solely by deliberation of the board of directors.

3.2: Charter of the Vice-Chairman independent lead director

1. The board of directors may appoint a Vice-Chairman. The Vice-Chairman shall be appointed for a period that may not be any longer than his term of office as a director. The Vice-Chairman is eligible for re-election. The Vice-Chairman may be removed from office by the board of directors at any time.
2. The Vice-Chairman shall preside over Board meetings in the absence of the Chairman.

The Vice-Chairman shall be called upon to replace the Chairman of the board of directors in the event of any temporary inability of the latter to fulfill his functions or his death. In the event of the Chairman's inability to fulfill his functions, he will be replaced by the Vice-Chairman as long as his inability may last and, in the case of his death, until the election of a new Chairman.

3. In exception to 1 above, and in compliance with article 12.2 of the articles of association, the appointment of a Vice-Chairman is compulsory if the roles of Chairman and CEO are combined. In this case, the Vice-Chairman also takes on the role of independent lead director. In this respect:
 - the Vice-Chairman is kept informed of major events in Group life through regular contacts and monthly meetings with the Chairman serving as CEO;
 - the Vice-Chairman is consulted by the Chairman serving as CEO on the agenda and the sequence of events for every Board meeting as well as on the schedule for Board meetings;
 - the Vice-Chairman may convene executive sessions with non-executive members of the board of directors, over which he will preside. An executive session shall be included on the agenda of every Board meeting. It is the Vice-Chairman's responsibility to decide whether it should be held or not. It is therefore held as decided by the Vice-Chairman, either directly before or after each Board meeting. In addition, the Vice-Chairman may convene an executive session between 2 Board meetings. Any director may ask the Vice-Chairman to convene an executive session;
 - the Vice-Chairman shall promptly report to the Chairman serving as CEO on the conclusions of executive sessions;
 - the Vice-Chairman shall draw the attention of the Chairman and of the board of directors to any possible conflicts of interest that he may have identified;
 - the Vice-Chairman is Chairman of the Governance committee;
 - like any other member of the board, the Vice-Chairman may attend any meetings of committees of which he is not a member;
 - in order to complement his knowledge, the Vice-Chairman may meet the Group's leading managers and visit company sites;
 - the Vice-Chairman carries out annual and biennial assessments of the board of directors and, in this context, assesses the actual contribution of every member of the board to the board's works;
 - the Vice-Chairman shall report on his actions at Annual General Shareholders' Meetings;
 - the Vice-Chairman shall meet any shareholder who wishes so and inform the board of their concerns on governance matters.
4. The Vice-Chairman lead director must be an independent member of the board, as defined in the criteria published by the company.

As a transitional measure, article 12.2 of the articles of association provides for the first Vice-Chairman lead director to be the former Chairman of the supervisory board for the remaining duration of his term of office.

4. Special reports from the Statutory Auditors

4. Special reports from the Statutory Auditors

4.1: Statutory Auditors' report on regulated agreements and commitments

To the Shareholders of Schneider Electric SE,

In our capacity as your company's statutory auditors, we hereby report to you on regulated agreements and commitments.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms, conditions and reasons underlying company's interest of agreements and commitments that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments. Under the provisions of article R. 225-31 of the French commercial code, it is the responsibility of the shareholders to determine whether the agreements and commitments are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by article R. 225-31 of the French commercial code in relation to the implementation during the year of agreements and commitments already approved by the Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with the guidance issued by the French Institute of statutory auditors (*Compagnie nationale des Commissaires aux Comptes*) for this type of engagement. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

Agreements and commitments submitted to the approval of the shareholders' meeting

Agreements and commitments authorized and concluded during the financial year

We have been informed of no agreements and commitments authorized during the last year and requiring the approval of the Shareholders' Meeting by virtue of article L. 225-38 of the French commercial code.

Agreements and commitments previously approved by the shareholders' meeting

We have been informed of the implementation, during the last year, of the following agreements and commitments, previously approved by the Shareholders' Meeting of April 24, 2018, as indicated in the statutory auditors' special report of March 12, 2018.

With Mr. Jean-Pascal TRICOIRE (Chairman & Chief Executive Officer)

Your Board of Directors, pursuant to the renewal of Mr. Jean-Pascal TRICOIRE's position of director and his reappointment as Chairman & Chief Executive Officer, both approved by the shareholders at the Shareholders' Meeting on April 25, 2017, authorized the renewal of the commitments, as described hereunder, in his favor, on February 14, 2018 and approved by the shareholders' meeting on April 24, 2018. These commitments had been previously authorized by your Board of Directors on February 18, 2015 and approved by your Shareholders' Meeting on April 21, 2015:

1) Contingency and supplementary cover or insurance compensation plans

Mr. Jean-Pascal TRICOIRE benefits from the collective pension plan applicable to employees of Schneider Electric SE and Schneider Electric Industries SAS covering the supplementary sickness, incapacity, disability, death and dependence.

Mr. Jean-Pascal TRICOIRE benefits from the supplementary health, incapacity, disability, death and dependence cover available to the Group's French senior executives as well as from coverage under the Group personal accident insurance policies.

Additionally, contingency and supplementary cover compensation for health, incapacity, disability, death and dependence inuring to the benefit of Mr. Jean-Pascal TRICOIRE shall be calculated on the basis of his overall remuneration (fixed/variable and additional payments for retirement).

In conformity with the French Commercial Code, these rights relating to contingency, supplementary cover or insurance compensation are conditioned on one of the following two criteria being present:

- Positive average of Group net profit for the five years preceding the event; or
- Positive average free cash flow for the five years preceding the event.

2) Involuntary Severance Pay Scheme

Mr. Jean-Pascal TRICOIRE benefits from an Involuntary Severance Pay scheme (hereinafter "Compensation"). Compensation is capped, taking into account the non-compete compensation stipulated below, at twice the mathematical average of the effective annual remuneration for the last three years as authorized by the Board of Directors (hereinafter "Maximum Amount"). The right to Compensation shall be granted in the following cases:

- (i) Dismissal, non-renewal or resignation as Chairman & Chief Executive Officer in the six months following a material change in Schneider Electric's shareholder structure that could change the membership of the Board of Directors;
- (ii) Dismissal, non-renewal or resignation as Chairman & Chief Executive Officer in the event of a reorientation of the strategy pursued and promoted by him until his departure, whether or not in connection with a change in shareholder structure as described above;
- (iii) Requested dismissal, non-renewal or resignation as Chairman & Chief Executive Officer when the average rate of achievement of performance objectives used to calculate the variable bonus in the four full financial years preceding his departure was 66 percent.

The right to Compensation is subject to and shall depend on the rate of achievement of Group performance objectives used to determine part of the variable portion of Mr. TRICOIRE's compensation for the three financial years preceding the date of the Board meeting at which the decision is made.

Hence, if the Group's performance rate is:

- (i) Less than 66 percent; no Compensation shall be awarded;
- (ii) 66 percent; the interested party shall receive 75 percent of the Maximum Amount;
- (iii) Between 66 percent and 100 percent; he shall receive Compensation calculated on a straight-line basis at a rate of 75 to 100 percent of the Maximum Amount;
- (iv) At least 100 percent; he shall receive 100 percent of the Maximum Amount.

It is hereby stipulated that compensation of any kind whatsoever which should be awarded by companies of the Group in which Mr. Jean-Pascal TRICOIRE exercises duties and responsibilities shall be deducted from the amount due by Schneider Electric, it being expressly specified that i) such compensation shall be recognized exclusively as Involuntary Severance Pay due to Mr. Jean-Pascal TRICOIRE and that ii) in each and every case, such compensation may not exceed the amount of Involuntary Severance Pay defined above.

Involuntary Severance Pay shall not be due in the event that termination occurs as a result of serious or gross misconduct.

3) Non-Compete Agreement

Mr. Jean-Pascal TRICOIRE benefits from the non-compete agreement which shall not exceed one year and shall be remunerated in an amount not exceeding 60 percent of authorized target gross remuneration (fixed and targeted variable, including additional payments for retirement).

Should Mr. TRICOIRE leave involuntarily, the Board of Directors shall rule on the application or the non-application of the agreement, within a period to not exceed fifteen days from the date of departure.

4) Stock Options, Free Shares or Performance Shares

Mr. Jean-Pascal TRICOIRE retains forthwith, subject to performance criteria and only in the event of his Involuntary Departure, the benefit of all his stock options, free shares or performance shares or any other shares attributed to him:

- Mr. TRICOIRE will retain the benefit all his stock options, free shares or performance shares or any other shares attributed to him on February 14, 2018, subject to the mathematical average of the rate of achievement of Group performance objectives, used to determine part of Mr. Jean-Pascal TRICOIRE's bonus, equaling at least two thirds of the target of the three completed financial years preceding his departure.
- Mr. TRICOIRE will retain the benefit all his stock options, free shares or performance shares or any other shares attributed to him after February 14, 2018, based on the prorata temporis of his time of presence within the Group, regardless of his position, unless the Board, in a justified decision and only in the case of an involuntary severance, grants the benefit of all stock options, free shares or performance shares, under the same conditions as those applied for stock options, free shares or performance shares attributed before February 14, 2018. These conditions include the changes decided by your Board of Directors on February 14, 2018, to align with best practices in terms of governance and to offer the necessary flexibility to retain high performing managers, and hence have been considered to be in your company's interest.

5) Surviving spouse's pension

Mr. Jean-Pascal TRICOIRE benefits from a spouse's pension in the event that he should die before his retirement or before the end of his term of office, after 55 years of age without restarting work, following dismissal, or for reasons of a disability. The pension will equal 60 percent of 25 percent of average salaries paid over the three years preceding the date of death (or the date of departure if death should occur once he has left Schneider Electric) minus the amount of additional remuneration authorized by the Board of Directors, converted into a theoretical annuity equivalent that may be purchased upon death in conformity with insurance conditions (technical rate, mortality rate).

Mr. Jean-Pascal TRICOIRE benefits in the event of disability giving rise to the termination of all professional activity, the right to pension payments (payable to the surviving spouse at a rate of 60 percent) beginning from retirement equal to 25 percent of average salaries paid over the three years preceding the date of disability minus 1.25 percent per quarter of absence so as to obtain a full rate of pension and minus the amount of additional remuneration authorized by the Board of Directors, converted into a theoretical annuity equivalent that may be purchased upon disability in conformity with insurance conditions (technical rate, mortality rate).

With Mr. Emmanuel BABEAU (Deputy Chief Executive Officer)

Your Board of Directors, pursuant to the reappointment of Mr. Emmanuel BABEAU as Deputy Chief Executive Officer approved by the shareholders at the Shareholders' Meeting on April 25, 2017, authorized the renewal of the commitments, as described hereunder, in his favor, on February 14, 2018 and approved by the shareholders' meeting on April 24, 2018. These commitments had been previously authorized by your Board of Directors on February 18, 2015 and approved by your Shareholders' Meeting on April 21, 2015:

1) Contingency and supplementary cover or insurance compensation plans

Mr. Emmanuel BABEAU benefits from the collective pension plan applicable to employees of Schneider Electric SE and Schneider Electric Industries SAS covering the supplementary sickness, incapacity, disability, death and dependence.

Mr. Emmanuel BABEAU benefits from the supplementary health, incapacity, disability, death and dependence cover available to the Group's French senior executives as well as from coverage under the Group personal accident insurance policies.

Additionally, contingency and supplementary cover compensation for health, incapacity, disability, death and dependence inuring to the benefit of Mr. Emmanuel BABEAU shall be calculated on the basis of his overall remuneration (fixed/variable and additional payments for retirement).

In conformity with the French Commercial Code, these rights relating to contingency, supplementary cover or insurance compensation are conditioned on one of the following two criteria being present:

- Positive average of Group net profit for the five years preceding the event; or
- Positive average free cash flow for the five years preceding the event.

4. Special reports from the Statutory Auditors

2) Involuntary Severance Pay Scheme

Mr. Emmanuel BABEAU benefits from an Involuntary Severance Pay scheme (hereinafter "Compensation"). Compensation is capped, taking into account the non-compete compensation stipulated below, at twice the mathematical average of the effective annual remuneration for the last three years as authorized by the Board of Directors (hereinafter "Maximum Amount"). The right to Compensation shall be granted in the following cases:

- (i) Dismissal, non-renewal or resignation as Deputy Chief Executive Officer in the six months following a material change in Schneider Electric's shareholder structure that could change the membership of the Board of Directors;
- (ii) Dismissal, non-renewal or resignation as Deputy Chief Executive Officer in the event of a reorientation of the strategy pursued and promoted by him until his departure, whether or not in connection with a change in shareholder structure as described above;
- (iii) Requested dismissal, non-renewal or resignation as Deputy Chief Executive Officer when the average rate of achievement of performance objectives used to calculate the variable bonus in the four full financial years preceding his departure was 66 percent.

The right to Compensation is subject to and shall depend on the rate of achievement of Group performance objectives used to determine part of the variable portion of Mr. BABEAU's compensation for the three financial years preceding the date of the Board meeting at which the decision is made.

Hence, if the Group's performance rate is:

- (i) Less than 66 percent; no Compensation shall be awarded;
- (ii) 66 percent; the interested party shall receive 75 percent of the Maximum Amount;
- (iii) Between 66 percent and 100 percent; he shall receive Compensation calculated on a straight-line basis at a rate of 75 to 100 percent of the Maximum Amount;
- (iv) At least 100 percent; he shall receive 100 percent of the Maximum Amount.

It is hereby stipulated that compensation of any kind whatsoever which should be awarded by companies of the Group in which Mr. Emmanuel BABEAU exercises duties and responsibilities shall be deducted from the amount due by Schneider Electric, it being expressly specified that i) such compensation shall be recognized exclusively as Involuntary Severance Pay due to Mr. Emmanuel BABEAU and that ii) in each and every case, such compensation may not exceed the amount of Involuntary Severance Pay defined above.

Involuntary Severance Pay shall not be due in the event that termination occurs as a result of serious or gross misconduct.

3) Non-Compete Agreement

Mr. Emmanuel BABEAU benefits from the non-compete agreement which shall not exceed one year and shall be remunerated in an amount not exceeding 60 percent of authorized target gross remuneration (fixed and targeted variable, including additional payments for retirement).

Should Mr. BABEAU leave involuntarily, the Board of Directors shall rule on the application or the non-application of the agreement, within a period to not exceed fifteen days from the date of departure.

4) Stock Options, Free Shares or Performance Shares

Mr. Emmanuel BABEAU retains forthwith, subject to performance criteria and only in the event of his Involuntary Departure, the benefit of all his stock options, free shares or performance shares or any other shares attributed to him:

- Mr. Emmanuel BABEAU will retain the benefit all his stock options, free shares or performance shares or any other shares attributed to him on February 14, 2018, subject to the mathematical average of the rate of achievement of Group performance objectives, used to determine part of Mr. Jean-Pascal TRICOIRE's bonus, equaling at least two thirds of the target of the three completed financial years preceding his departure.
- Mr. Emmanuel BABEAU will retain the benefit all his stock options, free shares or performance shares or any other shares attributed to him after February 14, 2018, based on the prorata temporis of his time of presence within the Group, regardless of his position, unless the Board, in a justified decision and only in the case of an involuntary severance, grants the benefit of all stock options, free shares or performance shares, under the same conditions as those applied for stock options, free shares or performance shares attributed before February 14, 2018. These conditions include the changes decided by your Board of Directors on February 14, 2018, to align with best practices in terms of governance and to offer the necessary flexibility to retain high performing managers, and hence have been considered to be in your company's interest.

5) Surviving spouse's pension

Mr. Emmanuel BABEAU benefits from a spouse's pension in the event that he should die before his retirement or before the end of his term of office, after 55 years of age without restarting work, following dismissal, or for reasons of a disability. The pension will equal 60 percent of 25 percent of average salaries paid over the three years preceding the date of death (or the date of departure if death should occur once he has left Schneider Electric) minus the amount of additional remuneration authorized by the Board of Directors, converted into a theoretical annuity equivalent that may be purchased upon death in conformity with insurance conditions (technical rate, mortality rate).

Mr. Emmanuel BABEAU benefits in the event of disability giving rise to the termination of all professional activity, the right to pension payments (payable to the surviving spouse at a rate of 60 percent) beginning from retirement equal to 25 percent of average salaries paid over the three years preceding the date of disability minus 1.25 percent per quarter of absence so as to obtain a full rate of pension and minus the amount of additional remuneration authorized by the Board of Directors, converted into a theoretical annuity equivalent that may be purchased upon disability in conformity with insurance conditions (technical rate, mortality rate).

Signed in Paris-La Défense and in Courbevoie, on March 8, 2019

The Statutory Auditors

ERNST & YOUNG et Autres

Jean-Yves JEGOUREL
Alexandre RESTEN

MAZARS

Loïc WALLAERT

4.2: Statutory Auditors' report on the issuance of shares and various securities with or without preferential subscription rights

To the Shareholders,

In our capacity as Statutory Auditors of your company and in compliance with articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby present our report on the proposals for delegation to the board of directors of various issues of ordinary shares and/or securities upon which you are called to vote. On the basis of its report, your board of directors proposes:

- To delegate to the board, with the right of subdelegation, for a period of 26 months from the date of this shareholders' meeting, the competence to decide on the following transactions and to set the definitive terms and conditions for these issues and proposes, where relevant, to cancel your preferential subscription right:
 - an issue of ordinary shares and/or securities giving access to the ordinary shares of the company or, of any company in which it owns directly or indirectly more than half the share capital, with preferential subscription rights (15th resolution);
 - an issue of ordinary shares or securities giving access to the ordinary shares of the company or, of any company in which it owns directly or indirectly more than half the share capital, without preferential subscription rights by means of a public offering (17th resolution); it being specified that these securities may be issued as payment for securities tendered to the company in the context of a takeover bid for securities meeting the conditions laid down by article L. 225-148 of the French Commercial Code and that, moreover, in accordance with article L. 228-93 of the French Commercial Code, the shares may be issued as a result of the issuance, by companies in which it owns directly or indirectly more than half the share capital, of securities giving access to the company's ordinary shares;
 - an issue of ordinary shares or securities giving access to the ordinary shares of the company or, in accordance with article L. 228-93 of the French Commercial Code, of any company in which it owns directly or indirectly more than half the share capital, without preferential subscription rights by way of tenders referred to in Section II of article L. 411-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and within the annual limit of 20 percent of the share capital (20th resolution);
- to authorize the board, within the framework of the implementation of the delegation referred to in the 20th resolution, to fix the issue price within the annual legal limit of 10 percent of share capital;
- to delegate to the board, with the right of subdelegation, for a period of 26 months from the date of this shareholders' meeting, the authority to carry out one or several capital increases, in order to remunerate contributions in kind granted to the company in the form of shares or securities giving access to capital (19th resolution), within the limit of 9.93 percent of the share capital.

The total nominal amount of the increases in capital likely to be carried out immediately or in the future may not exceed EUR 800 million by virtue of the 15th, 16th, 17th, 19th and 20th resolutions, of the current Shareholders' Meeting and for the 16th resolution of the Shareholders' Meeting of April 24, 2018, it being specified that:

- the total nominal amount of the increase in capital may not exceed EUR 230 million by virtue of 17th, 19th and 20th resolutions;
- the total nominal amount of the increase in capital may not exceed EUR 155 million by virtue of 20th resolution.

These ceilings take into account the additional number of shares to be created within the framework of the implementation of the delegations referred to in the 15th and 17th resolutions, in accordance with article L. 225-135-1 of the French Commercial Code, if you adopt the 18th resolution. It is the responsibility of the board of directors to prepare a report in accordance with articles R. 225-113 *et seq.* of the French Commercial Code. It is our responsibility to give our opinion on the accuracy of the numerical information taken from the financial statements, on the proposed cancellation of preferential subscription rights, and on certain other information concerning these transactions, presented in this report.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) for this type of engagement. These procedures consisted in verifying the contents of the board of directors' report on these transactions and the method of determining the issue price of the equity securities to be issued. Subject to further examination of the terms and conditions of the issues that may be decided, we have no observation to make on the method of determining the issue price of the securities to be issued, set out in the board's report by virtue of the 17th resolution.

In addition, we have the following observation to make on the board's report. It justifies the first dispensation for determining the price of the equity securities to be issued, referred to in the 20th resolution and corresponding to the weighted average of the share price on the Euronext Paris stock exchange over a maximum 6-month period prior to determining the issue price, as a way to neutralize speculation or excessive volatility. We are not able to give our opinion on the computation of this issue price.

Furthermore, since this report does not specify the method of determining the issue price of the equity securities to be issued as part of the implementation of the 15th and 19th resolutions, we are not able to give our opinion on the choice of computational elements of this issue price.

Since the definitive terms and conditions under which the issues may be made have not been set, we do not express an opinion on them nor, consequently, on the cancellation of the preferential subscription right which is proposed to you in the 17th and 20th resolutions.

In accordance with article R. 225-116 of the French Commercial Code, we will issue a supplementary report, if necessary, on the use of these delegations by the board of directors in the case of issues of securities giving access to other securities, in the case of issues of securities giving access to securities to be issued and in the case of issues of shares without preferential subscription rights.

Signed in Paris-La Défense and in Courbevoie, on March 8, 2019

The Statutory Auditors

ERNST & YOUNG et Autres
Jean-Yves JEGOUREL
Alexandre RESTEN

MAZARS
Loïc WALLAERT

4. Special reports from the Statutory Auditors

4.3: Statutory Auditors' report on the authorization to make grants of free shares, existing or to be issued

To the Shareholders,

In our capacity as statutory auditors of your company and in compliance with Articles L. 225-197-1 of the French Commercial Code (*Code de commerce*), we hereby report on the proposed authorization to make grants of free shares, existing or to be issued, to members of the staff or certain categories determined from among the employees of the Company or of companies affiliated therewith for purposes of Article L. 225-197-2, as well as to officers who meet the conditions set forth in Article L. 225-197-1 of the French Commercial Code, upon which you are called to vote.

In its report, the Board of Directors states that in the context of the annual long-term incentive plans, all the shares allocated to the company's executive officers and members of the Executive Committee will be subject to performance conditions. For other beneficiaries, the performance conditions will cover at least 70% of the awarded shares. Due to the performance conditions, all or part of the performance shares may be canceled.

The aggregate number of shares that may thus be granted shall not amount to more than 2% of the Company's share capital at the date of this Shareholders' Meeting, it being specified that the number of shares that may be granted annually to corporate officers of the Company under and pursuant to this authorization shall not account for a percentage greater than 0.03% of the Company's share capital at the date of this Shareholders' Meeting.

Your board of directors proposes that, on the basis of its report, it be authorized, for a period of 38 months from the date of this Shareholders' Meeting, to make grants of free shares, existing or to be issued.

It is the responsibility of the board of directors to prepare a report on these transactions with which it wishes to proceed. It is our responsibility to give you our comments, if we have any, on the information that you have thus been given about the proposed transactions.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) for this type of engagement. These procedures consisted, in particular, in verifying that the methods planned and set out in the board of directors' report comply with the provisions of the law.

We have no comments to make on the information set out in the board of director's report on the proposed authorization to make grants of free shares.

Signed in Paris-La-Défense and in Courbevoie, on March 8, 2019

The Statutory Auditors

ERNST & YOUNG et Autres

Jean-Yves JEGOUREL
Alexandre RESTEN

MAZARS

Loïc WALLAERT

4.4: Statutory Auditors' report on the issuance of shares or securities giving access to capital reserved for members of a Company Savings Plan

To the Shareholders,

In our capacity as statutory auditors of your company and in compliance with Articles L. 228-92 and L. 225-135 et seq. of the French Commercial Code (*Code de commerce*), we hereby report on the proposal to authorize your board of directors to decide whether to proceed with an issue of shares or securities giving access to the share capital of the company with cancellation of preferential subscription rights, reserved for participants in a Company Savings Plan of the company and of the French or non-French companies affiliated with the company in accordance with article L. 225-180 of the French Commercial code (*Code de commerce*) and article L. 3344-1 of the French Labor code (*Code du travail*), an operation upon which you are called to vote.

The maximum nominal amount of the increase in capital that may result from this issue is 2 percent of the share capital on the date of implementation of this delegation, it being specified that this amount shall be deducted from the ceilings referred to in the 15th and 17th resolutions of this shareholders' meeting.

This operation is submitted for your approval in accordance with articles L. 225-129-6 of the French Commercial code (*Code de commerce*) and L. 3332-18 et seq. of the French Labor code (*Code du travail*).

Your board of directors proposes that, on the basis of its report, it be authorized, with the right of sub-delegation, for a period of twenty-six months from the date of this shareholders' meeting, to decide on whether to proceed with an issue and proposes to cancel your preferential subscription rights to the equity securities to be issued. If applicable, it shall determine the final conditions of this operation. This delegation may only be used from June 30, 2019.

It is the responsibility of the board of directors to prepare a report in accordance with articles R. 225-113 et seq. of the French Commercial code (*Code de commerce*). Our role is to report on the fairness of the financial information taken from the accounts, on the proposed cancellation of preferential subscription rights, and on other information relating to the share issue provided in this report.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the board of director's report relating to this operation and the methods used to determine the issue price of the equity securities to be issued.

Subject to a subsequent examination of the conditions for the issue that would be decided, we have no matters to report as to the methods used to determine the issue price of the equity securities to be issued provided in the board of director's report.

As the final conditions for the issue have not yet been determined, we cannot report on these conditions and, consequently, on the proposed cancellation of preferential subscription rights.

In accordance with article R. 225-116 of the French Commercial Code (*Code de commerce*), we will issue a supplementary report, if necessary, when your board of directors has exercised this authorization.

Signed in Paris-La-Défense and in Courbevoie, on March 8, 2019

The Statutory Auditors

ERNST & YOUNG et Autres
Jean-Yves JEGOUREL
Alexandre RESTEN

MAZARS
Loïc WALLAERT

4. Special reports from the Statutory Auditors

4.5: Statutory Auditors' report on the issuance of shares or securities reserved for a category of beneficiaries

To the Shareholders,

In our capacity as Statutory Auditors of your company and in compliance with articles L. 228-92 and 225-135 et seq. of the French Commercial Code (*Code de commerce*), we hereby report on the proposal to issue ordinary shares or securities giving access to the share capital of the company, with cancellation of preferential subscription right reserved for (i) employees and officers of companies of the Schneider Electric Group affiliated with the company under the terms and conditions set forth in article L. 225-180 of the French Commercial code and article L. 3344-1 of the French Labor code (*Code du travail*) and the head office of which is located outside France; (ii) and/or OPCVM mutual investment funds or other entities, with or without legal personality, of employee shareholders invested in equity securities of the company, the unit holders or shareholders of which consist of persons described in (i) of this paragraph; (iii) and/or any banking institution or affiliate or subsidiary of such institution acting at the company's request for purposes of implementing and giving effect to a shareholder incentive or investment or savings plan for the benefit of the persons described in (i) of this paragraph, an operation upon which you are called to vote.

The maximum nominal amount of the increase in capital that may result from this issue is 1 percent of the share capital on the date of this shareholders' meeting, it being specified that this amount shall be deducted from the ceiling of 2 percent referred to in the 22nd resolution of this shareholders' meeting, but is autonomous and distinct from the ceiling referred to in the 15th and 17th resolutions of this shareholders' meeting.

Your board of directors proposes that, on the basis of its report, it be authorized, with the right of sub-delegation, for a period of eighteen months from the date of this shareholders' meeting, to decide on whether to proceed with an issue and proposes to cancel your preferential subscription rights to the equity securities to be issued. This delegation may only be used from August 1, 2019.

It is the responsibility of the board of directors to prepare a report in accordance with articles R. 225-113 et seq. of the French Commercial code (*Code de commerce*). Our role is to report on the fairness of the financial information taken from the accounts, on the proposed cancellation of preferential subscription rights, and on other information relating to the share issue provided in this report.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the board of director's report relating to this operation and the methods used to determine the issue price of the equity securities to be issued.

Subject to a subsequent examination of the conditions for the issue that would be decided, we have no matters to report as to the methods used to determine the issue price of the equity securities to be issued provided in the board of director's report.

As the final conditions for the issue have not yet been determined, we cannot report on these conditions and, consequently, on the proposed cancellation of preferential subscription rights.

In accordance with article R. 225-116 of the French Commercial Code (*Code de commerce*), we will issue a supplementary report, if necessary, when your board of directors has exercised this authorization.

Signed in Paris-La-Défense and in Courbevoie, on March 8, 2019

The Statutory Auditors

ERNST & YOUNG et Autres
Jean-Yves JEGOUREL
Alexandre RESTEN

MAZARS
Loïc WALLAERT

4.6: Statutory Auditors' report on the reduction of capital

To the Shareholders,

In our capacity as statutory auditors of your company and in compliance with article L. 225-209 of the French Commercial Code (*Code de commerce*) in the event of a capital reduction by cancellation of acquired shares, we have prepared this report in order to inform you of our opinion on the causes for and the terms and conditions of the proposed capital reduction.

Your board of directors proposes that you delegate to the board, for a period of 24 months from the date of this shareholders' meeting, all powers to cancel, up to 10% of company capital per 24-month period, the shares purchased under the implementation of an authorization of purchase by your company of its own shares under the provisions of the aforesaid article.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) for this type of engagement. These procedures consisted in examining whether the causes for and the terms and conditions of the proposed capital reduction, which is not likely adversely to affect the equality of shareholders, are in order.

We have no comment to make on the causes for and the terms and conditions of the proposed capital reduction.

Signed in Paris-La Défense and in Courbevoie, on March 8, 2019

The Statutory Auditors

ERNST & YOUNG et Autres

Jean-Yves JEGOUREL
Alexandre RESTEN

MAZARS

Loïc WALLAERT

5. Draft resolutions

5. Draft resolutions

Ordinary meeting

FIRST RESOLUTION**(Approval of corporate financial statements for the 2018 financial year)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, having heard the board of directors' report on the Company financial statements and the Statutory Auditors' report, approves the corporate financial statements for the 2018 financial year as presented, as well as the transactions reflected in these statements or summarized in such reports showing a net profit of EUR4,457,993,619.34.

SECOND RESOLUTION**(Approval of consolidated financial statements for the 2018 financial year)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, having heard the board of directors' report on the Company consolidated statements and the Statutory Auditors' report, approves the consolidated statements for the 2018 financial year as presented, as well as the transactions reflected in these statements or summarized in such reports.

THIRD RESOLUTION**(Appropriation of profit for the financial year and setting the dividend)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, upon proposal of the board of directors:

- (i) after taking into account that the retained earnings amount to EUR84,171,289.40 and the total distributable earnings to EUR4,542,164,908.74;
- (ii) decides on the distribution to the 579,168,769 shares with a par value of EUR4 comprising the share capital on December 31, 2018, and dividend rights on January 1, 2019, at EUR2.35 per share, and as a result sets at EUR1,361,046,607.15 the amount to withhold on distributable earnings to carry out this distribution.

Net profit	EUR4,457,993,619.34
Retained earnings	EUR84,171,289.40
Distributable earnings	EUR4,542,164,908.74
Total amount of the distribution	EUR1,361,046,607.15
Amount of the retained earnings after withholding from the distribution	EUR3,181,118,301.59

With regard to taxation, it is specified that this distribution of EUR2.35 per share constitutes distributed income subject to a social security tax of 17.2% charged on the gross amount when paid. The gross amount of French-source dividends received by resident individuals will also be subject to a mandatory non-definitive levy at source of 12.8%, but exemption from this levy. In 2020, dividends will in principle be subject to a flat tax ("Prélèvement Forfaitaire Unique" – "PFU") at the rate of 12.8% unless option for dividends to be subject to income tax at ordinary progressive rates. In such case, after applying a 40% (uncapped) allowance, only 60% of the dividends will be included in the taxable income, less any deductible charges and expenses. The above-mentioned levy at source of 12.8% will be imputed on the income tax that will be due in 2020 for income earned in 2019.

Dividends/coupons paid by Schneider Electric SE for the 3 most recent financial years are as follows, in EUR:

	2015	2016	2017
Net dividend paid per share in EUR	2.00	2.04	2.20

FOURTH RESOLUTION**(Information regarding regulated agreements and commitments undertaken during previous financial years)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, takes due note of the information set forth in the Statutory Auditors' special report relating to the agreements and the commitments undertaken in previous financial years and approved by the Annual Shareholders' Meeting.

FIFTH RESOLUTION**(Approval of elements of the compensation paid, due or awarded in respect of the 2018 financial year to Mr. Jean-Pascal Tricoire)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, in accordance with Article L.225-100 of the French Commercial Code, approves the components of the compensation due or awarded for the 2018 financial year to Mr. Jean-Pascal Tricoire as presented in the governance report of the Company referred to in Article L.225-37 of said Code.

SIXTH RESOLUTION**(Approval of elements of the compensation paid, due or awarded in respect of the 2018 financial year to Mr. Emmanuel Babeau)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, in accordance with Article L.225-100 of the French Commercial Code, approves the components of the compensation due or awarded for the 2018 financial year to Mr. Emmanuel Babeau as presented in the Company's governance report referred to in Article L.225-37 of said Code.

SEVENTH RESOLUTION**(Approval of principles and criteria for determining, allocating and granting the elements of the compensation and benefits of all types that may be granted to the Chairman and Chief Executive Officer in respect of 2019 financial year)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, in accordance with Article L.225-37-2 of the French Commercial Code, approves the principles and criteria for determination, distribution and allocation of the fixed, variable and exceptional elements which make up the total compensation and benefits of any type that may be granted, on account of his role, to the Chairman and CEO, as specified in the Company's governance report referred to in Article L.225-37 of said Code.

EIGHTH RESOLUTION**(Approval of principles and criteria for determining, allocating and granting the elements of the compensation and benefits of all types that may be granted to the Deputy Chief Executive Officer in respect of 2019 financial year)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, in accordance with Article L.225-37-2 of the French Commercial Code, approves the principles and criteria for determination, distribution and allocation of the fixed, variable and exceptional elements which make up the total compensation and benefits of any type that may be granted, on account of his role, to the Deputy CEO, as specified in the Company's governance report referred to in Article L.225-37 of said Code.

NINTH RESOLUTION**(Renewal of a directorship: Mr. Greg Spierkel)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, having heard the board of directors' report, hereby resolves to re-elect Mr. Greg Spierkel as a director for a 4-year term expiring at the close of the Annual Shareholders' Meeting to be held in 2023 to approve the financial statements for the financial year ending December 31, 2022.

TENTH RESOLUTION**(Appointment of a director: Ms. Carolina Dybeck Happe)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, having heard the board of directors' report, hereby appoints Ms. Carolina Dybeck Happe as a director for a 4-year term expiring at the close of the Annual Shareholders' Meeting to be held in 2023 to approve the financial statements for the financial year ending December 31, 2022.

ELEVENTH RESOLUTION**(Appointment of a director: Ms. Xuezheng Ma)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, having heard the board of directors' report, hereby appoints Ms. Xuezheng Ma as a director for a 4-year term expiring at the close of the Annual Shareholders' Meeting to be held in 2023 to approve the financial statements for the financial year ending December 31, 2022.

TWELFTH RESOLUTION**(Appointment of a director: Mr. Lip-Bu Tan)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, having heard the board of directors' report, hereby appoints Mr. Lip-Bu Tan as a director for a 4-year term expiring at the close of the Annual Shareholders' Meeting to be held in 2023 to approve the financial statements for the financial year ending December 31, 2022.

THIRTEENTH RESOLUTION**(Determination of the amount of directors' fees to be allocated to the board of directors)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, having heard the board of directors' report, hereby resolves to set at EUR2,500,000 the maximum annual amount of directors' fees to be paid to the board of directors.

5. Draft resolutions

FOURTEENTH RESOLUTION

(Authority granted to the board of directors to buy back Company shares – maximum purchase price per share EUR90)

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, having heard the board of directors' report, hereby authorizes the board of directors, pursuant to the provisions of Article L.225-209 of the French Commercial Code and of Regulation (EU) no. 596/2014 of April 16, 2014 on market abuse (market abuse regulation), to acquire or have acquired the Company's shares for the purpose of:

- reducing the share capital within the maximum legal limit;
- covering stock purchase option plans or other share allocations to employees or officers of the Company or an associated company;
- fulfilling obligations related debt securities convertible into shares of the Company;
- undertaking (for exchange, payment or other purposes) external growth transactions, mergers, spin-offs or contributions (up to a limit of 5% of the share capital);
- engage in market making under and pursuant to a liquidity agreement consistent with the *Autorité des Marchés Financiers* accepted market practices; or
- implementing and carrying out any other market practice that may be recognized by law or the AMF.

The maximum number of shares that may be acquired under and pursuant to this authority shall not exceed 10% of the aggregate number of shares constituting the share capital on the date of the Annual Shareholders' Meeting (*i.e.* for information purposes, 57,916,876 shares on the basis of the share capital as of December 31, 2018).

The maximum share purchase price is set at EUR90 per share without exceeding the maximum price set by applicable laws and regulations. However, if all or some of the shares acquired pursuant to these conditions are intended to grant stock options, pursuant to Articles L.225-177 *et seq.* of the French Commercial Code, the selling price of the shares in question will be determined in accordance with the legal provisions governing stock purchase options.

As a result of the aforesaid limits, the maximum aggregate amount of share buy-backs shall not exceed EUR5,212,518,840.

The acquisition, sale or transfer of such shares may be made on one or more occasions by any means, in the market, on a multilateral trading facility (MTF), via a systemic internalizer, or by individual, person-to-person (over-the-counter) trade in compliance with applicable law and regulations. Such means and methods may include acquisition or sale of blocks on a regulated exchange or directly between individuals (over-the-counter), to the extent compliant with applicable law and regulations.

These transactions may be carried out at any time, in accordance with current regulations, except during public offerings on the Company's share capital.

Shares acquired may also be canceled, subject to compliance with the provisions of Articles L.225-204 and L.225-205 of the French Commercial Code and in accordance with the twenty-fourth resolution of this Annual Shareholders' Meeting.

The board of directors may adjust the prices set forth above in the event of the capitalization of reserves or earnings giving rise either to an increase in the par value of the shares, or to the issuance and free awards of shares, in the event of a division of the par value of the shares (stock split) or amalgamation of shares (reverse split), and, more generally, in the event of a transaction involving shareholders' equity, to account for the impact of the consequences of such transactions on the value of the shares, such price then to be adjusted by a multiplier coefficient equal to the ratio between the number of shares constituting the share capital prior to the transaction and such number following such transaction.

Any and all authority is hereby granted to the board of directors with power to grant delegations of authority to implement and carry out this resolution.

This authority shall be valid for a maximum of 18 months from the date of this Annual Shareholders' Meeting.

Extraordinary meeting

FIFTEENTH RESOLUTION

(Delegation of authority to the board of directors to increase the nominal share capital within the limit of EUR800 million, *i.e.* approximately 34.53% of the capital on December 31, 2018, by issuing ordinary shares or securities giving access to share capital of the Company or any of its subsidiaries with shareholders' preferential subscription right)

The Annual Shareholders' Meeting, acting in accordance with the quorum and majority requirements for extraordinary shareholders' meetings, having heard the board of directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L.225-129 to L.225-129-6, L.225-132, L.225-134 and L.228-91 to L.228-93 of the French Commercial Code:

- delegates to the board of directors the authority, with the right to subdelegate in accordance with applicable law and regulations, to decide on one or several capital increases through the issue, in the proportions and at the times it deems appropriate, in France and/or abroad, of ordinary Company shares and of all other securities issued in return for payment or free of charge granting access by any means, immediately and/or in the future, to ordinary shares of the Company, or of a company in which it directly or indirectly owns more than half the capital. These securities may also be denominated in Euros or any other currency or unit of account determined by reference to several currencies, it being specified that (i) the subscription of shares and other securities may be performed, either in cash, or by offsetting receivables, and (ii) the shares to be issued shall grant the same rights as the old shares subject to their dividend date;
- resolves that the full amount of the capital increases which may be undertaken immediately and/or in the future on the basis of this resolution may not exceed a par value of EUR800 million (*i.e.* for information purposes, 34.53% of the capital at December 31, 2018). Added to this amount, as applicable, will be the additional amount of shares to be issued to preserve, in accordance with the law and, where applicable, the contractual stipulations providing for other adjustment cases, the rights of holders of securities granting access to the share capital, share subscription or purchase options or those relating to bonus or performance shares. Capital increases undertaken on the basis of the sixteenth, seventeenth, eighteenth and twentieth resolutions of this Annual Shareholders' Meeting, in addition to those undertaken, as applicable, on the basis of the sixteenth resolution of the Extraordinary Shareholders' Meeting of April 24, 2018, will be deducted from this amount, without taking account of the necessary adjustments to preserve, in accordance with the law and, as applicable, the contractual stipulations providing for other adjustment cases, the rights of holders of securities granting access to the Company's capital, share subscription or purchase options, or those relating to free or performance shares. This limit with a par value of EUR800 million shall not apply to capital increases reserved for employees or corporate officers pursuant to the twenty-first and twenty-third resolutions of this Annual Shareholders' Meeting;
- hereby resolves that securities granting access to the Company's shares may, in particular, consist of debt securities or be associated to the issuance of such securities, enable their issuance as securities held with an intermediary or even take the form of fixed-term or perpetual subordinated or unsubordinated notes;
- hereby resolves that shareholders have, on a proportional basis according to the amount of shares they hold, a preferential subscription right to the securities issued under this authority;
- hereby resolves that the board of directors will establish the conditions for and limits up to which shareholders may exercise their right to subscribe for new shares as of right and may grant shareholders a preferential subscription right to excess shares which will be exercised on a proportional basis to their right and within the limit of their requests;
- hereby resolves that if subscriptions for new shares as of right and, as applicable, for excess shares, have not fully absorbed an issue of shares or securities as defined above, the board of directors may make use of the options provided for in Article L.225-134 of the French Commercial Code and in particular place all or part of the unsubscribed shares under public offerings;
- hereby takes note that this authorization shall constitute automatically and by law a waiver by the shareholders, in favor of the holders of securities that might be issued and granting access to the Company capital, of their preferential right to subscribe for ordinary shares of the Company which such securities carry the right to acquire;
- hereby resolves that the amount due, or that may later become due, to the Company for each of the shares to be issued under the aforementioned authorization shall be at least equal to the par value of the share on the date of issue of said securities;
- hereby resolves that the board of directors may not, except with the prior authorization of the Annual Shareholders' Meeting, make use of this delegation of authority from the time of the submission by a third party of a public offering concerning Company shares, up to the end of the offer period;
- hereby resolves that this delegation invalidates the nineteenth resolution of the Extraordinary Shareholders' Meeting of April 25, 2017, in terms of the amounts not used by the board of directors;
- sets the validity period of this delegation at 26 months from this Annual Shareholders' Meeting.

5. Draft resolutions

SIXTEENTH RESOLUTION

(Delegation of authority to the board of directors to increase the share capital by capitalizing reserves, earnings, premiums or other amounts for which capitalization may be allowed)

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for ordinary meetings, having heard the board of directors' report, and in accordance with Articles L.225-192-2 and L.225-130 of the French Commercial Code:

- hereby delegates to the board of directors, with the power to subdelegate, the authority to decide, as and when it deems fit, on one or several capital increases by capitalizing, consecutively or simultaneously, reserves, earnings, additional issue premiums or other sums for which capitalization is permitted according to the legal and statutory provisions, in the form of the issue and allocation of free shares or increase of the par value of existing shares or the combined application of these two procedures;
- resolves that the maximum par value of the capital increases which may be carried out under this delegation shall be deducted from the overall capital increase ceiling of EUR800 million set by the fifteenth resolution of this Annual Shareholders' Meeting;
- hereby resolves that fractional rights will not be negotiable or transferable and that the corresponding shares will be sold. The sums generated by the sale will be allocated to rights holders no later than 30 days after the record date in their account of the full number of shares awarded;
- hereby takes note that the board of directors has all the necessary powers to implement this delegation of authority;
- hereby resolves that the board of directors may not, except with the prior authorization of the Annual Shareholders' Meeting, make use of this delegation of authority from the time of the submission by a third party of a public offering concerning Company shares, up to the end of the offer period;
- hereby resolves that this delegation invalidates the twentieth resolution of the Extraordinary Shareholders' Meeting of April 25, 2017, in terms of the amounts not used by the board of directors;
- sets the validity period of this delegation at 26 months from this Annual Shareholders' Meeting.

SEVENTEENTH RESOLUTION

(Delegation of authority to the board of directors to increase the nominal share capital within the limit of EUR230 million, i.e. 9.93% of the share capital on December 31, 2018, by issuing ordinary shares or securities giving access to the share capital of the Company or any of its subsidiaries without shareholders' preferential subscription right through a public offering. This delegation may be used to pay for contributions of securities in connection with a public exchange offer initiated by the Company)

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for extraordinary shareholders' meetings, having heard the board of directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L.225-129 to L.225-129-6, L.225-135, L.225-136, L.225-148 and L.228-91 to L.228-93 of the French Commercial Code:

- hereby delegates to the board of directors the authority, with the right to subdelegate, in compliance with applicable laws and regulations, to decide, by public offer, on one or several capital increases through the issue, in the proportions and at the times it deems appropriate, in France and/or abroad, of ordinary Company shares or any securities granting access by any means, immediately and/or in the future, to ordinary shares of the Company, or of a company in which it directly or indirectly owns more than half the capital. These securities may also be denominated in Euros or any other currency or unit of account determined by reference to several currencies, specifying that (i) the subscription of shares and other securities may be performed, either in cash, or by offsetting receivables, and (ii) the new shares will grant the same rights as the old shares subject to their dividend date;
- hereby resolves that the issue of shares by the Company may result, in accordance with Article L.228-93 of the French Commercial Code, in the exercising of the rights attached to securities issued by companies in which it directly or indirectly owns more than half the share capital and which will give access by any means to ordinary shares of the Company;
- hereby resolves that the total amount of the capital increases which may be undertaken immediately and/or in the future on the basis of this resolution may not exceed a par value of EUR230 million (*i.e.*, for information purposes, 9.93% of the capital at December 31, 2018). Added to this amount, where applicable, will be the additional amount of shares to be issued to preserve, in accordance with the law and, where applicable, the contractual stipulations providing for other adjustment cases, the rights of holders of securities granting access to the share capital, share subscription or purchase options, or those relating to bonus or performance shares, it being specified that the amount of EUR230 million shall be deducted from the overall capital increase ceiling of EUR800 million set in the fifteenth resolution of by this Annual Shareholders' Meeting;
- hereby resolves that securities granting access to the Company's shares may, in particular, consist of debt securities or be associated with the issuance of such securities, enable their issuance as securities held with an intermediary or even take the form of fixed-term or perpetual subordinated or unsubordinated notes;
- hereby resolves to cancel the preferential subscription right granted to shareholders for securities issued in accordance with the legislation, it being specified that shareholders will be granted a priority entitlement to subscribe for new and/or excess securities in accordance with the provisions of Article L.225-135 of the French Commercial Code;
- hereby resolves that the amount payable to the Company for each of the shares to be issued, or liable to be issued, after taking into account, in the case of detachable share subscription or allotment warrants, the issue price of said warrants, shall be at least equal to the minimum price provided for in the legal and/or regulatory provisions applicable on the issue date, which is currently the weighted average of the prices for the last 3 trading sessions prior to the setting of the issue price, potentially, less a maximum discount of 5%, after correction, as applicable, of this amount to take account of the difference in the dividend date;
- hereby takes note that this authorization shall constitute automatically and by law a waiver by the shareholders, in favor of the holders of securities that grant access to Company capital, of their preferential right to subscribe for ordinary shares of the Company which such securities carry the right to acquire;
- hereby resolves that this delegation may be used for the purposes of paying for securities tendered in a public exchange offer initiated by the Company, within the limits and under the conditions provided for in article L.225-148 of the French Commercial Code;
- hereby resolves that the board of directors may not, except with the prior authorization of the Annual Shareholders' Meeting, make use of this delegation of authority from the time of the submission by a third party of a public offering concerning Company shares, up to the end of the offer period;
- hereby resolves that this delegation invalidates the twenty-first resolution of the Extraordinary Shareholders' Meeting of April 25, 2017, in terms of the amounts not used by the board of directors;
- sets the validity period of this delegation at 26 months from this Annual Shareholders' Meeting.

EIGHTEENTH RESOLUTION**(Delegation of authority to the board of directors to increase the amount of an initial issue, as approved pursuant to the fifteenth and seventeenth resolutions, with or without shareholders' preferential subscription right)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for extraordinary meetings, having heard the board of directors' report and the Statutory Auditors' special report, and acting in accordance with Article L.225-135-1 of the French Commercial Code:

- hereby delegates to the board of directors the authority, for a period of 26 months from this Annual Shareholders' Meeting, with the power to subdelegate, in compliance with applicable laws and regulations, to decide for each of the issues decided on in accordance with the fifteenth and seventeenth resolutions of this Annual Shareholders' Meeting, that the number of ordinary shares and securities to be issued may be increased by the board of directors under the legal and regulatory conditions and within the limit of the ceilings provided for respectively by the fifteenth and seventeenth resolutions of this Annual Shareholders' Meeting;
- hereby resolves that the board of directors may not, except with the prior authorization of the Annual Shareholders' Meeting, make use of this delegation of authority from the time of the submission by a third party of a public offering concerning Company shares, up to the end of the offer period;
- hereby takes note that the board of directors has all the necessary powers to implement this delegation;
- hereby resolves that this delegation invalidates the twenty-second resolution of the Extraordinary Shareholders' Meeting of April 25, 2017, in terms of the amounts not used by the board of directors.

NINETEENTH RESOLUTION**(Delegation of powers to the board of directors to increase the share capital within the limit of 9.93% of the share capital for the purpose of paying for contributions in kind)**

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for extraordinary meetings, having heard the board of directors' report and the Statutory Auditors' special report, and acting in accordance with Article L.225-147 of the French Commercial Code:

- hereby delegates to the board of directors the necessary powers to, on the basis of the report of the statutory auditor for contributions, to carry out one or several capital increases, up to the limit of 9.93% of the share capital, in order to pay for contributions in kind granted to the Company and consisting of capital securities or securities granting access to the capital, where the provisions of Article L.225-148 are not applicable;
- hereby resolves that, in any case, the amount of the capital increases undertaken pursuant to this resolution shall be deducted from the capital increase ceiling of EUR230 million provided for in the seventeenth resolution of this Annual Shareholders' Meeting;
- hereby resolves that the board of directors shall have full powers, with the power to subdelegate, to implement this delegation, in particular to:
 - approve all the terms and conditions of authorized operations and, above all, assess the contributions and the granting, as applicable, of specific benefits,
 - establish the number of securities to be issued in payment for contributions and the dividend date for the securities to be issued,
 - perform, as applicable, any deductions from the acquisition premiums, and in particular those for costs incurred through issues,
 - record the resulting capital increases and amend the Articles of Association accordingly,
 - as a general rule, take all appropriate steps, enter into all agreements, take all the necessary formalities for admission to trading of the shares issued and perform all necessary disclosure formalities;
- hereby resolves that the board of directors may not, except with the prior authorization of the Annual Shareholders' Meeting, make use of this delegation from the time of the submission by a third party of a public offering concerning the Company's shares, up to the end of the offer period;
- hereby resolves that this delegation invalidates the twenty-third resolution of the Extraordinary Shareholders' Meeting of April 25, 2017, in terms of the amounts not used by the board of directors;
- sets the validity period of this delegation at 26 months from this Annual Shareholders' Meeting.

5. Draft resolutions

TWENTIETH RESOLUTION

(Delegation of authority to the board of directors to undertake, through an offering as set forth in Paragraph II of Article L.411-2 of the French Monetary and Financial Code, without shareholders' preferential subscription right, a capital increase up to a nominal amount of EUR115 million, i.e. 4.96% of share capital, by issuing ordinary shares or securities giving access to the share capital of the Company or any of its subsidiaries, the issue price of which shall be decided by the board of directors in accordance with the terms and conditions determined by the Annual Shareholders' Meeting)

The Shareholders' Meeting, acting in accordance with the quorum and majority requirements for extraordinary shareholder meetings, having heard the board of directors' report and the Statutory Auditors' special report, and in accordance with the provisions of the French Commercial Code, in particular in Articles L.225-129 to L.225-129-6, L.225-135, L.225-136 and L.228-91 to L.228-93, and in Paragraph II of Article L.411-2 of the French Monetary and Financial Code:

- hereby delegates to the board of directors, with the power to subdelegate, in compliance with applicable laws and regulations, the authority to decide without the shareholders' preferential subscription right through an offer referred in to in Paragraph II of Article L.411-2 of the French Monetary and Financial Code, on one or several occasions, in the proportion and at the times it deems appropriate, in France and/or abroad, in Euros or in any other currency or unit of account set by reference to several currencies, the capital increase through the issue of ordinary shares or securities, governed by Articles L.228-91 *et seq.* of the French Commercial Code granting access by any means, immediately and/or in the future, to ordinary shares of the Company or of a company in which it directly or indirectly owns more than half of the share capital, it being specified that (a) the subscription of shares and other securities may be performed either in cash or by offsetting receivables, and (b) the new shares will grant the same rights as the old shares subject to their dividend date;
- hereby resolves that the total amount of the capital increases which might be carried out immediately and/or in the future on the basis of this resolution may not exceed a par value of EUR115 million (*i.e.*, for information purposes, 4.96% of the capital at December 31, 2018). Added to this amount will be the additional amount of shares to issue to preserve, in accordance with the law and, as applicable, the contractual stipulations providing for other adjustment cases, the rights of holders of securities granting access to the share capital, share subscription or purchase options, or those relating to free shares or performance shares, it being specified that the amount of EUR115 million shall be deducted from the capital increase ceiling of EUR230 million provided for in the seventeenth resolution and to the capital increase ceiling of EUR800 million provided for in the fifteenth resolution of this Annual Shareholders' Meeting;
- hereby resolves to cancel the shareholders' preferential subscription right for securities concerned by this resolution;
- hereby takes note that this authorization shall constitute automatically and by law a waiver by the shareholders, in favor of the holders of securities granting access to the Company's capital, of their preferential right to subscribe for ordinary shares of the Company which such securities carry the right to acquire;
- authorizes, in accordance with Article L.225-136 of the French Commercial Code, the board of directors to waive the price-setting conditions provided for by the laws and regulations in force at the time of use of this resolution and to freely set the issue price of ordinary shares or of any securities granting access to the capital, it nonetheless being specified that the issue price must, at the board of directors' discretion, be at least equal to:
 - (i) the weighted average of the prices listed on the Euronext Paris regulated market for the share over a maximum period of 6 months prior to the date on which the issue price is set, or
 - (ii) to the volume-weighted average price on the Euronext Paris regulated market on the trading day prior to the setting of the issue price, potentially less, in both cases, a maximum discount of 5%;
- hereby resolves that if the subscriptions have not fully absorbed an issue of shares or securities, the board of directors may limit the issue to the amount of subscriptions under the conditions provided for by the legislation in force at the time of use of this delegation;
- hereby resolves that the board of directors may not, except with the prior authorization of the Annual Shareholders' Meeting, make use of this delegation of authority from the time of the submission by a third party of a public offering concerning Company shares, up to the end of the offer period;
- hereby resolves that this delegation invalidates the twenty-fourth resolution of the Extraordinary Shareholders' Meeting of April 25, 2017, in terms of the amounts not used by the board of directors;
- sets the validity period of this delegation at 26 months from this Annual Shareholders' Meeting.

TWENTY-FIRST RESOLUTION

(Authorization to the board of directors to make grants of free shares (on the basis of existing shares or shares to be issued) to corporate officers and employees of the Company or of companies affiliated therewith, subject to performance conditions, as the case may be, up to a limit of 2% of the share capital, without the shareholders' preferential subscription right)

The Shareholders' Meeting, acting on the basis of the *quorum* and majority requirements for extraordinary meetings, having heard the report of the board of directors and the special report of the Statutory Auditors and acting in accordance with the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code:

- hereby resolves to authorize the board of directors to make grants, on one or more occasions, to members of the staff or certain categories thereof that it shall determine from among the employees of the Company or of companies affiliated therewith for purposes of Article L. 225-197-2, as well as to corporate officers who meet the conditions set forth in Article L. 225-197-1 of the French Commercial Code, of free existing shares or shares to be issued of the Company;
- hereby resolves that the board of directors shall determine who is to benefit from the grants, the number of shares for each recipient as well as the terms and conditions thereof and the performance criteria, if any, to which all or part of the shares granted under and pursuant to annual long-term incentive plans shall be subject, provided, however, i) that 100% of the shares granted to Corporate Officers of the Company and to members of Schneider Electric's Executive Committee under and pursuant to long-term incentive plans shall be subject to meeting performance goals, and 70% of the shares granted to the other beneficiaries, in such connection, shall be subject to meeting performance goals, and ii) that the performance goals shall be assessed over a period of at least three years;
- hereby resolves that the aggregate number of shares granted shall not amount to more than 2% of the Company's share capital on the date on which this Shareholders' Meeting is being held;
- hereby resolves that the shares granted annually to Corporate Officers of the Company under and pursuant to this authorization shall not account for a percentage greater than 0.03% of the Company's share capital on the date on which this Annual Shareholders' Meeting is being held;
- hereby resolves that the grants of shares to the beneficiaries or recipients thereof shall be final, subject to the terms and conditions and meeting the performance goals established by the board of directors, as the case may be, at the end of a vesting period set by the board of directors. The board of directors shall have the right to set the vesting and lock-up or holding periods in accordance with Article L. 225-197-1 of the French Commercial Code and to provide for a minimum vesting or holding period of three years for all or a portion of the shares, provided that the vesting period of the shares granted under and pursuant to the long term incentive plan, cannot be shorter than three years;
- hereby resolves, as an exception to the foregoing paragraph, that final effectiveness of grants of shares and the right to sell or transfer them freely shall vest, however, in a beneficiary or recipient thereof, if he or she should become subject to any of the cases of disability set forth in Article L. 225-197-1 of the French Commercial Code;
- hereby resolves to authorize the board of directors to make adjustments, as the case may be, during the vesting period to the number of shares in connection with possible transactions involving the Company's share capital, so as to protect and preserve the rights of the beneficiaries and recipients;
- hereby take note that this authorization shall constitute automatically and *ipso jure* an express waiver by the shareholders in favor of the beneficiaries and recipients of free shares of their preferential right to subscribe for and acquire the shares to be issued that are awarded on a free basis. The capital increase corresponding thereto shall be fully and finally completed solely as a result of the final and effective grant of the shares to the beneficiaries;
- hereby resolves to set at 38 months from and after this General Meeting the period of validity of this authorization, which shall nullify and render void the authorization granted in the nineteenth resolution at the General Meeting held on April 25, 2016, in respect of the amounts thereof not used by the board of directors.

The Shareholders' Meeting hereby resolves to grant any and all authority to the board of directors, with the right to grant subdelegations of authority within the limits provided by law, to implement and give effect to this authorization, undertake and perform any actions, formalities, and statements or declarations, make any adjustments, as the case may be, to any transactions involving the Company's share capital, record the increase or increases in share capital completed pursuant to this authorization, amend the Articles of Association as a result thereof, and generally do whatever may be necessary.

The shareholders hereby take due note that the board of directors sets the terms and conditions of lock-up and holding period applicable to shares granted to eligible corporate officers, in accordance with Article L. 225-197-1 II of the French Commercial Code.

The board of directors shall report every year to the Annual Shareholders' Meeting of the transactions carried out under this authorization.

5. Draft resolutions

TWENTY-SECOND RESOLUTION (Delegation of authority to the board of directors to undertake capital increases reserved for participants in a Company Savings Plan up to a limit of 2% of share capital, without shareholders' preferential subscription right)

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements required for extraordinary meetings, having heard the report of the board of directors and the special report of the Statutory Auditors, pursuant to the provisions of Articles L.3332-1 *et seq.* of the French Labor Code and Articles L.225-129-2, L.225-129-6, L.225-138-1 and L.228-92 of the French Commercial Code and in accordance with the provisions of that code:

- delegates to the board of directors the authority, with the power to subdelegate, for a period of 26 months from the date of this Annual Shareholders' Meeting, to undertake a capital increase on one or more occasions at its discretion by issuing shares or securities carrying the right to acquire shares of the Company, under the terms and conditions set forth in Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor code, reserved for participants in a Company Savings Plan and French or non-French companies affiliated with the Company in a maximum par value, or paid-in capital, amount of 2% of the share capital on the date this authorization is implemented and given effect, with the possibility to issue shares against cash or by capitalizing reserves, profits or premium in case of grants of free shares or of securities granting access to share capital on account for the discount or the matching contribution, it being specified that (i) such limit shall be charged against the limits set forth in the fifteenth and seventeenth resolutions of this Annual Shareholders' Meeting, and (ii) this authorization may be used only from and after June 30, 2019;
- hereby resolves to set a maximum discount to be offered in connection with Company Savings Plan at 20% (or 30% if permitted by law) of an average of the trading price of the Company's shares on Euronext Paris during the 20 trading sessions preceding the date of the decision of the board of directors or of its authorized representative setting the date to begin taking subscriptions. The Annual Shareholders' Meeting, however, hereby resolves expressly to authorize the board of directors to reduce the aforementioned discount within applicable legal and regulatory requirements, or not to grant one, in particular so as to take into account the laws and regulations applicable in countries where such offering may be implemented;
- hereby authorizes the board of directors to make grants of free ordinary shares or other securities granting immediate or differed access to ordinary share capital, in total or partial substitution for the discount and/or, as the case may be, for the matching contribution, provided that the value of the benefit resulting from this grant on account for the discount or the matching contribution, shall not exceed the limits imposed by applicable law and regulations;
- hereby resolves that the characteristics of the other securities granting access to Company capital shall be decided and determined by the board of directors under the terms and conditions set by applicable law and regulations;
- hereby resolves to waive in favor of the participants in a Company Savings Plan the shareholders' preferential right to subscribe for the shares and securities granting access to capital to be issued under and pursuant to this resolution;
- acknowledges that this authorization entails an automatic waiver to preferential subscription rights to shares of which the securities issued on the basis of this resolution may carry the right to acquire;
- hereby resolves that this authorization cancels, effective June 30, 2019, the authorization given by the Annual Shareholders' Meeting of April 24, 2018, in its sixteenth resolution, for its amounts unused by the board of directors;
- the shareholders hereby take note that the board of directors has all authority, with the power to subdelegate authority, to undertake the transactions set forth in this resolution and to record and complete the capital increases resulting therefrom.

TWENTY-THIRD RESOLUTION

(Delegation of powers to the board of directors to undertake capital increases reserved for a category of beneficiaries: in favor of employees of foreign companies of the Group, either directly or via entities acting on their behalf thereof to offer to employees of foreign companies of the Group benefits comparable to those offered to participants in the Company Savings Plan up to 1% of share capital, without shareholders' preferential subscription right)

The Annual Shareholders' Meeting, acting in accordance with the *quorum* and majority requirements for extraordinary shareholder meetings, having heard the board of directors' report and the Statutory Auditors' special report, and in accordance with Articles L.225-129-1, L.225-138 et L.228-92 *et seq.* of the French Commercial Code:

- hereby delegates to the board of directors the authority, with the power to grant subdelegations of authority, necessary to undertake increases in the share capital on one or more occasions, at the times and in the proportions it deems appropriate up to a maximum of 1% of the share capital on the date of this shareholders' meeting, by issuing shares or securities providing access to the capital of the Company, granting the same rights as previously issued shares, such issue to be reserved for persons meeting the characteristics of the class defined below, provided, however, that (i) the 1% limit set forth above shall be charged against the 2% limit set forth in the twenty-second resolution of this Annual Shareholders' Meeting, but, which, on the other hand, is separate and apart from the limits set forth in the fifteenth and seventeenth resolutions of this Annual Shareholders' meeting, and (ii) this authorization may be used only from and after August 1, 2019;
- hereby resolves to waive the shareholders' preferential right to subscribe for shares or other securities granting access to the share capital pursuant to this resolution and to reserve the right to subscribe to one and/or another class of beneficiaries or recipients having the following characteristics: (i) employees and officers of companies of Schneider Electric Group affiliated with the Company under the terms and conditions set forth in Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor Code and the head office of which is located outside France; (ii) and/or OPCVM mutual investment funds or other entities, with or without legal personality, of employee shareholders invested in equity securities of the Company, the unit holders or shareholders of which consist of persons described in (i) of this paragraph; (iii) and/or any banking institution or affiliate or subsidiary of such institution acting at the Company's request for purposes of implementing and giving effect to a shareholder incentive or investment or savings plan for the benefit of the persons described in (i) of this paragraph, to the extent that subscription of the person authorized in accordance with this resolution would make it possible for employees of subsidiaries located outside France to benefit from and take advantage of forms of shareholder incentive or investment or savings plans equivalent in terms of economic benefit to those from which the other employees of the Group benefit;
- hereby takes note that this authorization shall constitute automatically and by law an express waiver by the shareholders, in favor of the holders of securities granting access to Company capital, of their preferential right to subscribe for ordinary shares of the Company which such securities carry the right to acquire;
- hereby resolves that the amount payable to the Company for all shares issued, or to be issued, and pursuant to this resolution shall be set by the board of directors on the basis of the trading price of the Company's shares on Euronext Paris; the issue conditions shall be determined at the discretion of the board of directors on the basis of either (i) the first or last quoted trading price of the Company's shares at the trading session on the date of the decision by the board of directors or the authorized representative thereof setting the issue conditions, or (ii) of an average of the quoted prices for the Company's shares during the 20 trading sessions preceding the date of the decision by the board of directors or the authorized representative thereof setting the issue conditions under and this resolution or setting the issue price under the twenty-second resolution of this Annual Shareholders' Meeting; the board of directors may set the issue price by applying a maximum discount of 20% (or 30% if permitted by a change in law as part of the twenty-second resolution of this Annual Shareholders Meeting) of the trading price of the Company's shares determined in accordance with either of the 2 methods set forth in clauses (i) and (ii) of this paragraph; the percentage of such discount applied to the trading price of the Company's shares shall be determined by the board of directors taking into consideration, among other things, legal, tax, and regulatory provisions of foreign law applicable, as the case may be, to the persons benefiting from the issue;
- hereby resolves that the board of directors shall have full authority, on the terms and conditions provided by law and within the limits set forth hereinabove, to implement and give effect to this authorization and determine the list of the beneficiaries and recipients within the classes described in this resolution and the number of securities to be offered to each thereof, provided that the board of directors may decide that the capital increase shall be completed for the amounts subscribed, on the condition that a minimum of 75% of the shares or other offered securities providing access to capital have been subscribed, as well as, among other things:
 - to determine the characteristics of the securities to be issued, to decide on the issue price, dates, time periods, terms and conditions of subscribing therefore, paying the paid-in capital, or nominal amount thereof, delivery and effectiveness of the shares and equity securities, the lock-up and early release period, within applicable limits of the law and regulations,
 - to record and determine the capital increase, to undertake the issuance of the shares and other securities carrying the right to acquire shares, to amend the Articles of Association accordingly,
 - and, as a general rule, to enter into any agreement, in particular to ensure the due and proper completion of the contemplated issuances, take all steps and complete any required formalities in connection with the issue, the listing and financial servicing of the securities issued under and this authorization, as well as the exercise of the rights attaching thereto, and, more generally, to do whatever may be necessary;
- resolves that this delegation shall nullify as of August 1, 2019, the authority given by the Annual Shareholders' Meeting of April 24, 2018, in its seventeenth resolution for its amounts not used by the board of directors.

The authorization granted under and pursuant to this resolution shall be valid for 18 months from and after this Annual Shareholders' Meeting.

5. Draft resolutions

TWENTY-FOURTH RESOLUTION (Authorization to the board of directors to cancel shares of the Company, if any, bought back on the terms and conditions approved at the Annual Shareholders' Meeting, up to a maximum of 10% of the share capital)

The Annual Shareholders' Meeting, acting in accordance with the quorum and majority requirements for extraordinary meetings, having heard the board of directors' report and the Statutory Auditors' special report, authorizes the board of directors, in accordance with Article L.225-209 of the French Commercial Code, to cancel the Company's own shares acquired by virtue of the authorizations granted by the Annual Shareholders' Meeting, in accordance with Article L.225-209 of the French Commercial Code, under the following conditions:

- the board of directors is authorized to cancel, at its sole discretion, on one or several occasions, all or part of the shares acquired by virtue of the share buyback authorizations for the Company's own shares up to the limit of 10% of the capital over a period of 24 months from this Annual Shareholders' Meeting, and to apply the corresponding reductions to the share capital;
- the difference between the purchase price for the canceled shares and their par value shall be deducted from the issue premiums and, where applicable, from the legal reserve for up to 10% of the canceled capital;
- the board of directors shall have the necessary authority, with the power to subdelegate, to establish the terms and conditions for this or these cancellations, to undertake all actions, formalities, and declarations with a view to canceling the shares and to complete the capital reductions, and to amend the Articles of Association accordingly.

This authorization shall remain valid for a period of 24 months from the date of this Annual Shareholders' Meeting.

Ordinary meeting

TWENTY-FIFTH RESOLUTION (Powers for formalities)

The Annual Shareholders' Meeting confers full powers upon the bearer of a copy or excerpts of the minutes confirming these resolutions for the purposes of carrying out all legal and administrative formalities.