

Schneider Electric IT Perspective: Financial Analysis and Making the Business Case

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Agenda



Introduction

Linking TUR to Business Drivers

- Link to strategy*
- Integrate into the business*
- Speak the language*

A Story

Conclusions

Schneider Electric – focusing on energy

24

billion € sales in 2012

41%

of sales in new economies

140 000

people in 100+ countries

4-5%

of sales devoted to R&D

*Energy is key to our business –
from generation to use....*



- Energy and infrastructure
- Industry
- Data centers and networks
- Buildings
- Residential

72% of energy consumption

*Integrated solutions where
energy is used...*

SE-IT (APC) Business Overview

Business Description

€3.6B

2012 annual sales

UPS	#1
Services	#1 or #2
Cooling	#3
Racks/PDUs	#1 or #2
Software	#2



Surge Protectors



Industrial UPSs

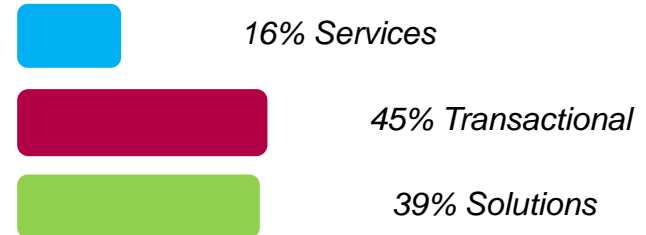


Data Centers

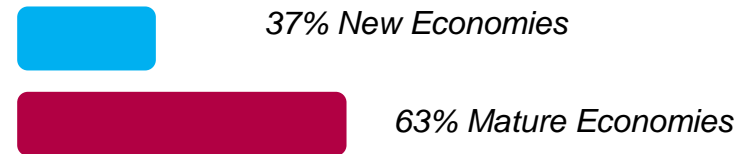


Home & Professional UPSs

Sales by Offer



Sales by Geography



Segment Responsibility



Finance



Cloud/Collocation



IT

Schneider Electric IT

Raymond Lizotte

Enabling our customers to power, cool, and protect their critical systems in the most simple, reliable, and environmentally friendly way.

Environmental Stewardship Office

- Maintain product compliance
- Improve environmental performance of the product portfolio
- Establish capable business processes that support achieving environmental compliance and performance.

***General Application Toxics Use Reduction Planner
(since the beginning)***

Environmental professional relationship to the business

- Technical area not well understood except by practitioners.
- Compliance overshadows all else.
- Not typically included in the general business discourse



Integration into the business

- Talk in a language they understand
(typically \$\$\$).
- Integrate into the way the company makes decisions
- Align environmental activities with company strategy.



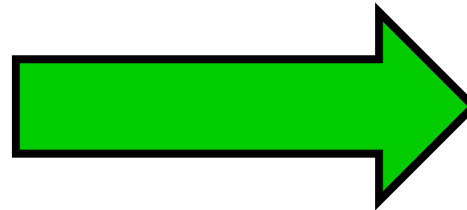
Talk Money

Success metrics of the company is financial....

.....this is the language that management talks!



Change this



to this!

Existing Company Processes

Companies have methods for making decisions....

.....use the existing – don't invent a new one!

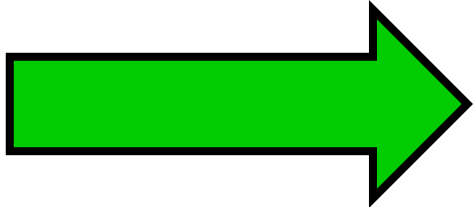


WCPM Project Budget Worksheet			Project R								17-Feb-02		
Ref	Type	Description	Monthly Breakdown										
			Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Sub-Total	Total
Materials													
		Direct Time	20,000	60,000	60,000	7,500	7,500	7,500	7,500	7,500	10,000	330,000	530,000
		IT Expenses	40,000	40,000	40,000	40,000	40,000	40,000	40,000	20,000	50,000	300,000	300,000
		Contractors	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	200,000	600,000
		Office Supplies	10,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	200,000	200,000
		Travel Expenses				10,000	10,000	10,000	10,000	10,000		50,000	50,000
		Printing Expenses										10,000	10,000
		Telephone Expenses										10,000	10,000
		Software Licenses										10,000	10,000
		Hardware Expenses										10,000	10,000
		Energy Expenses										10,000	10,000
		Insurance Expenses										10,000	10,000
		Legal Expenses										10,000	10,000
		Accounting Expenses										10,000	10,000
		Other Expenses										10,000	10,000
		Materials	40,000	60,000	60,000	18,000	18,000	18,000	18,000	18,000	70,000	1,140,000	
Construction													
		Direct Labor	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	180,000	180,000
		Indirect Labor	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	18,000	18,000
		Overhead Expenses	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	45,000	45,000
		Materials	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	180,000	180,000
		Subcontractors	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	180,000	180,000
		Equipment	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	180,000	180,000
		Travel	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	180,000	180,000
		Other	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	180,000	180,000
		Construction	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	900,000	900,000	
Other													
		Development	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000	90,000
		Marketing	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000	90,000
		Legal	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000	90,000
		Insurance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000	90,000
		Other	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000	90,000
		Other	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	450,000	450,000	
		TOTAL COSTS	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,350,000	1,350,000	

We are used to running our own EHS processes – integration requires us to rely on company processes (financial, project decision making) as participants.

Link EHS activities to company strategy

When the EHS project generates recognized business value....
.....your voice in the company changes!



Change this

to this!

Linking Business to Environmental

Our Vision

We see a world where we can all achieve more while using less of our common planet

Our Mission

We help people make the most of their energy

Brand Promise

Schneider Electric's broad portfolio of activities in efficiency management
Makes our products, solutions, and services

safe green reliable
productive efficient



Responsible commitment



Access to energy



Clean products and sites



People well-being



Commitment to communities



Ethics & responsibility

Green business



Energy efficiency



Renewables

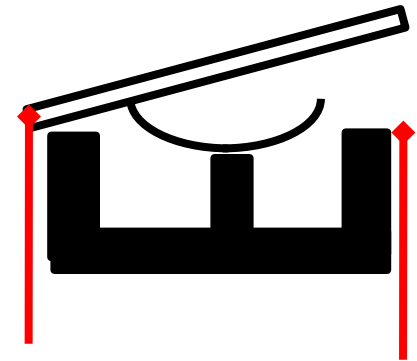
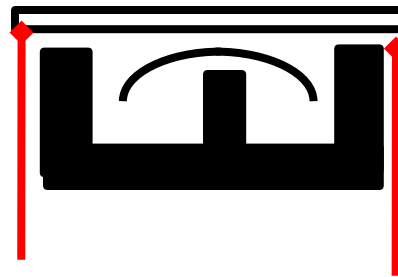
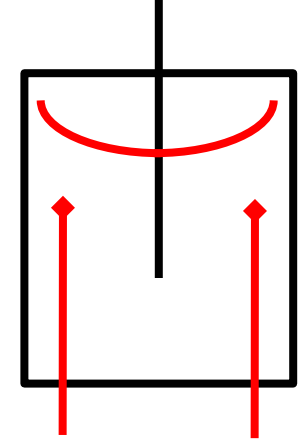
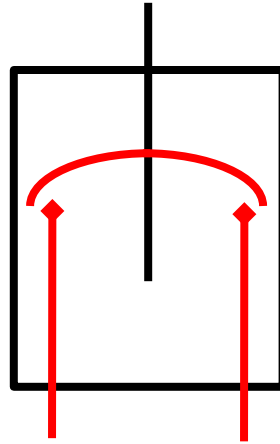


Electric Vehicles



Smart cities and grids

A Story (EHS integration with the business)





Questions

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