

# DRIVE CROSS-SELLING AND SIMPLIFY OUR COMMERCIAL SETUP

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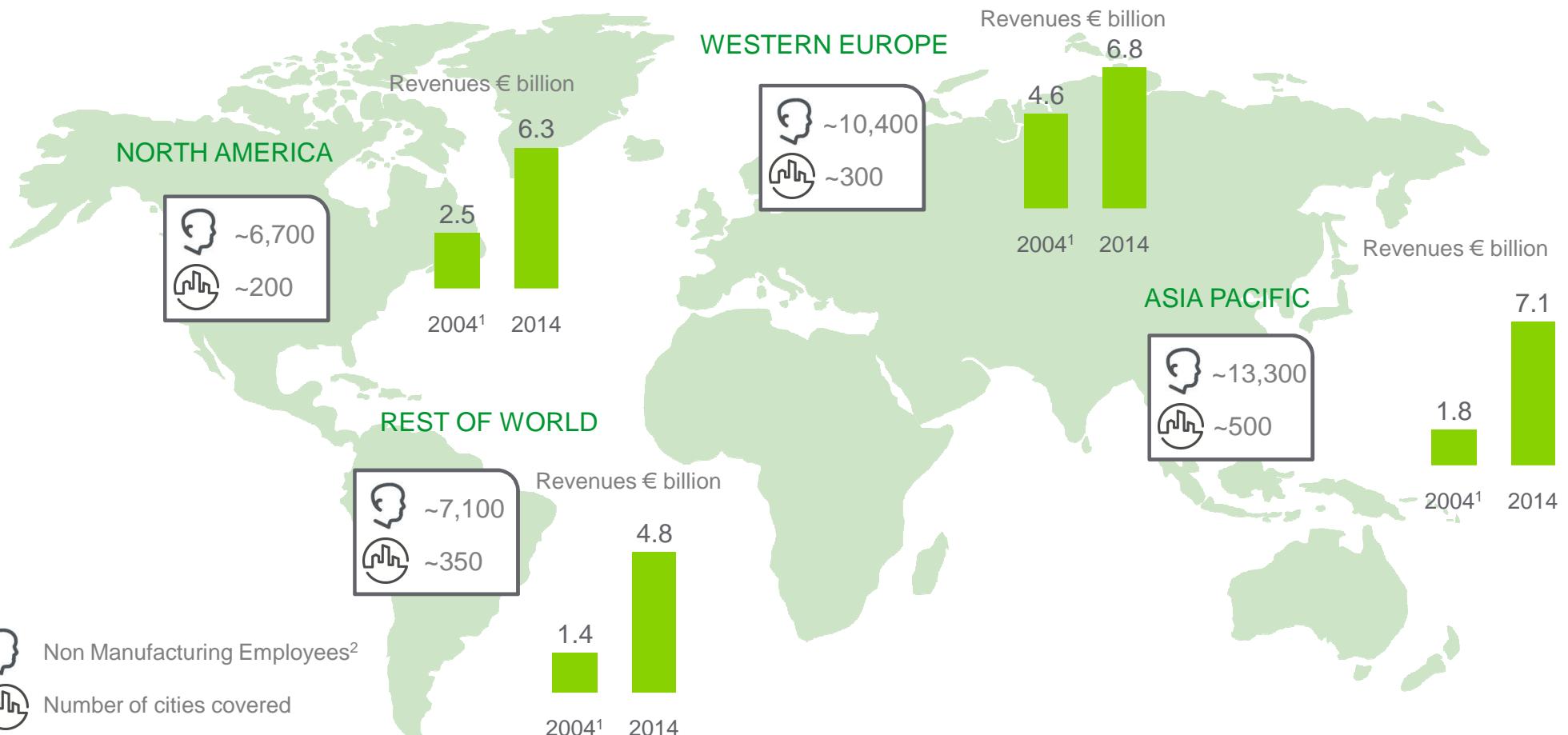


# Disclaimer

All forward-looking statements are Schneider Electric management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. For a detailed description of these factors and uncertainties, please refer to the section "Risk Factors" in our Annual Registration Document (which is available on [www.schneider-electric.com](http://www.schneider-electric.com)). Schneider Electric undertakes no obligation to publicly update or revise any of these forward-looking statements.

This presentation includes information pertaining to our markets and our competitive positions therein. Such information is based on market data and our actual revenues in those markets for the relevant periods. We obtained this market information from various third party sources (industry publications, surveys and forecasts) and our own internal estimates. We have not independently verified these third party sources and cannot guarantee their accuracy or completeness and our internal surveys and estimates have not been verified by independent experts or other independent sources.

# We have significantly increased our business size and balanced our geographical footprint



# An integrated commercial setup, to supply more to each customer in each country

**Buildings & Partner**  
Low Voltage & Building Automation

**Infrastructure**  
Medium Voltage & Grid Automation

**Industry**  
Discrete & Process Automation

**IT**  
Critical Power & Cooling

Structured commercial setup in each country to drive cross selling and maximize coverage

Deliver value to the customer



Non-residential & Residential



Utilities & Infrastructure



Industrial & Machines



Data Centers & Networks



Further optimize the commercial approach to enhance cross-selling

# Customer-centric sales initiatives to drive cross selling

## INITIATIVES

### DEDICATED SALES EXCELLENCE FUNCTION

- > Dedicated resource to drive cross-selling

### BETTER END USER COVERAGE

- > Better targeting and sales resource allocations to increase “Share of Wallet”

### REINFORCE CHANNEL COVERAGE THROUGH PARTNERS

- > Boost selected offers through specific channels with cross-selling tracking

### FASTER SALES RESPONSIVENESS

- > Reinforce ability to respond and sell
- > Leverage Digital Customer Experience and Customer Care Centers

### WORLD CLASS COMMERCIAL FORCE

- > Learning & development for sales teams to strengthen cross-selling capability

Customers

SE sales teams

- 
- > Simplified relations
  - > Better support and faster reactivity
  - > Enlarged coverage of client needs

# Better End User coverage to pull-through entire Schneider Electric offer

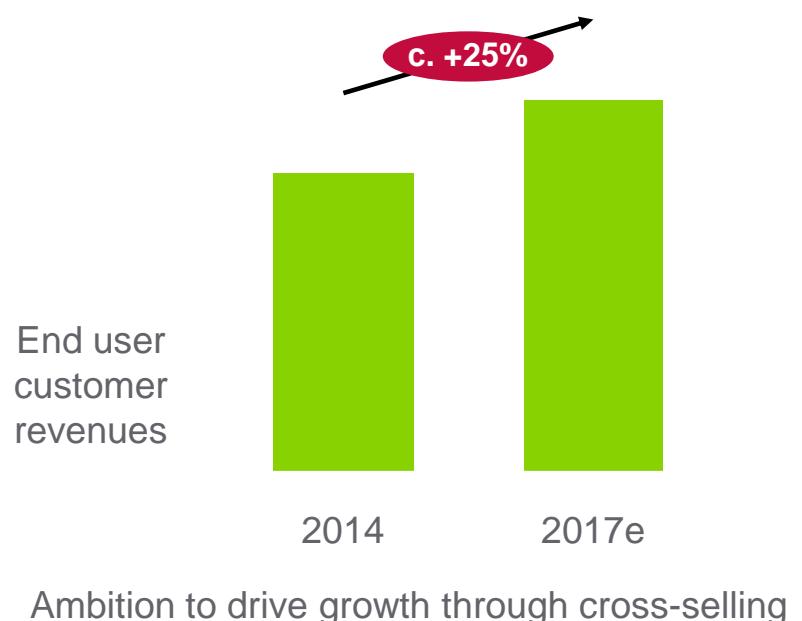
## PRINCIPLE

- > Focus on our key end users and improve their customer experience through a specific, dedicated commercial setup

## KEY INITIATIVES

- > Assess and define business potential by end user for total Schneider Electric offer
- > Customized commercial setup and resource to fit specific customer need
- > Clear incentive plan for overall account development and cross-selling

## EXAMPLE IN ASIA PACIFIC



# Further strengthen partnerships for more channel coverage

## PRINCIPLE

- > Reinforce our channel partners by developing the commercial links to increase cross-selling

## KEY INITIATIVES

- > Customize commercial setup to bring specific support and tools to our partners

## EXAMPLE IN NORTH AMERICA

### Description:

Leverage strong distribution network to further emphasize small & medium business growth

### Reinforced channel coverage by:

- > Launch of *PROficient* - suite of easy to use digital tools for contractors
- > Support to partners on adoption of faster, scalable digital applications

### Result:

Small & medium business revenue up **high single digit**



Simplify operations to deliver  
commercial efficiency

# Focused program to capture simplification opportunity...

- 
1. Growing complexity with new activities, geographies, business models and customers
  2. Need to increase flexibility to navigate through uncertain economic environment

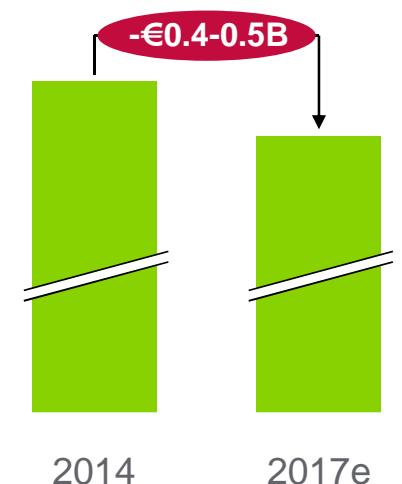
Opportunity to reduce complexity & costs

Dedicated 3 year program to **Simplify**

... with the goal to improve efficiency and generate savings



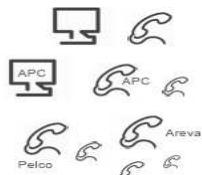
GROSS SFC<sup>1</sup> SAVINGS  
THROUGH SIMPLIFICATION  
& EFFICIENCY



<sup>1</sup> Before inflation and reinvestment

# Implementation of organizational efficiency shows signs of success

## EXAMPLE IN WESTERN EUROPE

	2011	2014	
OPTIMIZE SOLUTION CENTER FOOTPRINT	4 solution centers 5 service centers	1 execution center 1 service center with consolidated services team	
STREAMLINED ORGANIZATION	Independent functions by business unit	Mutualized functions in the country for high added value activities	
MUTUALIZATION	6 independent Front Offices  4 CCC	Regional set-ups  1 CCC	<ul style="list-style-type: none"><li>• Facilitated collaboration &amp; cross-selling</li><li>• Increased sales efficiency</li><li>• Increased customer service</li></ul>
CCC <sup>1</sup> MUTUALIZATION		 Single Point Of Contact  One Phone number One web address	 <p>Results ~ €15 million annual savings</p>

<sup>1</sup> CCC: Customer care center

# CONCLUSION

# We simplify our commercial set-up to deliver more value for our customers

## GLOBAL PLAYER

- > A global company with commercial footprint covering ~1350 cities in more than 100 countries
- > We saturate our 4 key end markets by integrated commercial approach in each country

## DRIVE CROSS-SELLING & INCREASE COVERAGE

- > Dedicated sales excellence teams
- > Better End User coverage
- > Reinforce our channel partnerships
- > Faster sales responsiveness
- > World class commercial force

## SIMPLIFICATION

- > Optimize R&D efficiency and solution execution and footprint
- > Streamline organization to increase commercial efficiency
- > Mutualize back office functions in shared service centers
- > Increase focus and prioritization
- > Increase sales force efficiency



HELP PEOPLE MAKE THE MOST OF THEIR ENERGY