Anti-Corruption Policy

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Preamble

This Anti-Corruption Policy forms an integral part of Schneider Electric's Trust Charter and is aligned with the specific corruption and bribery risks identified by Schneider Electric as part of our regularly updated Ethics and Compliance Risk Assessment. The Group Anti-Corruption Program is overseen by the Audit & Risk Committee, which regularly reviews program effectiveness and significant corruption risks. Schneider Electric applies a zero-tolerance approach to corruption wherever it occurs. All managers must lead by example and actively promote a culture of integrity. All employees exposed to a higher corruption risk must complete mandatory anti-corruption training at least once a year as defined by Group Compliance. Any employee facing a doubtful situation must immediately consult their manager or the Compliance Department before acting. Disciplinary measures apply consistently at all levels of the organization, including management, and failure to prevent or escalate known risks may itself result in sanctions.

This Policy and related controls are periodically reviewed and updated based on risk assessments, investigations, and regulatory developments.

Purpose

This policy serves as an anti-corruption Code of Conduct. The Policy outlines the risks related to corruption and describes the behaviors expected of Schneider Electric employees to mitigate those risks. It is designed to be practical, with clear examples and rules to remember for everyday decisions.

Audience

1. The Policy applies to Schneider Electric and all companies under its direct or indirect operational control worldwide, and third parties acting on behalf of Schneider Electric.

2. This Policy applies to all Schneider Electric employees with an open-ended contract or fixed term contract type, including interns, trainees and apprentices, irrespective of their position and localization. It also applies to all contingent workers serving Schneider Electric (e.g. contractors, freelancers, consultants, and temporary workers) who can be independent or employed by an agency or consulting company.

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Related Policies and Standards: This document is aligned with the following policies: Gifts & Hospitality Policy, Conflict of Interests Policy, Business Agent policy, Anti-Money Laundering Policy, Philanthropy Policy and Sponsorship policy, Case Management & Investigation Policy, Whistleblowing Policy

1. Our Vision

At Schneider Electric, integrity is a non-negotiable standard. Acting ethically and responsibly is essential to earning trust and to building a sustainable, high-performing company. Through this Anti-Corruption Policy, we reaffirm, on behalf of the Group Executive Committee, our absolute zero-tolerance for corruption, bribery, and any form of unethical conduct.

The global regulatory environment continues to evolve and intensify. Authorities worldwide are strengthening anti-corruption laws and increasing cross-border cooperation, leading to heightened scrutiny and enforcement. These developments reinforce the responsibility of Schneider Electric as a company, and of each individual, to act with integrity at all times.

Regardless of your role, seniority, location, or type of contract, you are expected to conduct business in full compliance with this Policy and with all applicable international and local laws. By doing so, you help protect Schneider Electric's reputation, assets, and long-term success. You also maintain the confidence of our clients, partners, investors, shareholders, and other stakeholders, and protect yourself and your colleagues.

This Anti-Corruption Policy is intended to be a practical reference to support sound decision-making in daily activities. While it cannot cover every situation, it sets clear expectations, highlights common corruption risks, and provides guidance.

We each have a role to play in promoting a culture of integrity. Asking questions, seeking advice, and speaking up when concerns arise are essential behaviors we expect and support.

Together, we ensure that integrity remains at the heart of everything we do.

Olivier Blum & Hervé Coureil

2. Understanding Corruption: Key Concepts & Risks

2.1. What is corruption and its different forms?

Corruption is the abuse of entrusted power, position or influence for an improper or undue advantage. It includes among other conducts, offering, promising, giving, soliciting, or accepting directly or indirectly, any undue advantage, whether financial or non-financial, to influence or improperly affect the performance, delay, or omission of an act related to one's duties or decision-making authority.

Corruption may take many forms, including bribery, extortion, embezzlement, favoritism, nepotism, abuse of functions[1], influence peddling, and other improper uses of authority. Corruption does not necessarily require deception and may arise solely from the misuse of entrusted power.

Bribery is a form of Corruption and is the act of offering, promising, giving, accepting, or soliciting money or anything of value directly or indirectly, in order to improperly influence a decision or secure an undue advantage for oneself, or for any other person or entity, including the company. Undue advantages may include gifts, loans, fees, rewards, services, donations, favors, or other benefits, whether financial or non-financial.

- Nature: Active (briber) or passive (bribed person.
- Form: Direct (by the company, its officers, directors, or employees) or indirect (through intermediaries such as agents, partners)
- Scope: Applies to both public and private sectors, including state-owned companies, government representatives, and any other public officials.

Influence peddling (also referred to as "trading in influence") is a form of corruption and is the act of abusing real or perceived influence over a decision-maker - whether in the public or private sector - to obtain an undue advantage.

2.2. How to Recognize Corruption Risks?

Corruption often hides behind subtle signals rather than direct requests. Stay alert to these warning signs and apply enhanced diligence to identify then mitigate risk and contact your Compliance department when in doubt.

Common Red Flags include, but are not limited to:

- **Third-Party Risks:** Use of agents or intermediaries, client-imposed partners without legal or business ground, suppliers selected without competitive bidding, partners showing indicators of unethical conduct, including lack of transparency, past compliance issues, or resistance to ethical and compliance requirements.
- **Pricing and financial Irregularities:** Undocumented services; abnormally high fees or commissions, significant and unjustified price difference versus market price; unusual payment terms or cash transactions.
- **Behavioral Indicators:** Repetitive or excessive hospitality, refusal to include compliance and/or audit clauses in agreements, refusal to include audit clauses when relevant.
- **Geographic/Transactional Risks:** Merger Acquisitions or partnerships in high-risk countries, notably Transparency International Corruption Perception Index (CPI).
- **Sector/Business Activity Risks:** Engagements involving sectors or activities that are inherently exposed to public decision-making, licensing, concessions, public procurement, or interactions with state-owned entities.

[1] Additional definitions can be found in Appendix

3. Corruption Risks: What to Do in Practice

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3.1. Interactions with Public Officials

Definition:
Public Officials include any elected or appointed government employee, state-owned entity worker, or international organization official (e.g., United Nations, OECD, World Trade Organization). This also extends to:

- Employees of state-owned businesses, hospitals, schools, or entities with government participation.
- Political parties, candidates, and their representatives.
- Officials of regulatory agencies or supervisory bodies.
- Leaders of unions and community organizations.
- Politically Exposed Persons (PEPs) and their family members.

Why It Matters:
Interactions with public officials pose a high corruption risk. Improper handling can lead to severe legal, financial, and reputational consequences.

Rule to Remember
Treat public officials with heightened caution and never offer anything of value to influence decisions.

DO's	DON'TS
• Document interactions with public officials, (invitations, agenda, participants, minutes, expenses), including informal discussion in higher-risk context and keep records securely. • Get Ethics & Compliance approval when required before any gift or hospitality. • Report to your Compliance Officer any situation that could create undue influence (offers of help, personal connections, informal support), even if nothing is requested.	• Offer or give anything of value to influence decisions. • Rely on personal influence, informal channels, or intermediaries when dealing with public officials.

Scenario & Response
When talking with a public authority about an energy project, a public official says they can "make things easier and help avoid delays" because they know the right people.
➜ **Action:** Do not follow up on the offer. Keep the discussion strictly formal, document the interaction, and inform your Compliance Officer.

3.2. Facilitation payments

Definition:
A facilitation payment is usually a small unofficial payment made directly or indirectly to a public official (e.g., customs or immigration officer) to perform or accelerate administrative formalities such as visas, permits, licenses, or customs clearance.

Rule to Remember:
If you are legally entitled to a service, no extra payment should be required to obtain it.

DO's	DON'TS
• Refuse any facilitation payment request and immediately inform your manager and your Compliance Officer. • Request written justification and verify the legal basis for any fee you are asked to pay, including, if possible, confirmation that it is officially published and legally required. • If refusal poses an immediate personal security or health risk, contact your compliance officer or the security team for support; if not possible, pay and inform your Compliance Officer and Manager as soon as possible: any such payment must be documented, justified, and reviewed post-incident by Compliance.	• Decide alone when facing a facilitation payment request, except if your personal health or safety is at risk. • Make any payment that is not legally required or documented. • Disguise facilitation payment as a legitimate expense.

Scenario & Response:
Government official requests a "special fee" to grant access to a permit
→ **Action:** Ask for the justification for this fee and the specific regulation that authorizes it. If the official cannot justify their request, politely refuse and report to Compliance

3.3. Kickbacks

Definition:
A kickback is a form of bribery where something of value such as cash, rebates, commissions, or funds, is secretly given or returned to influence favorable treatment or secure business advantages. Kickbacks often occur under the guise of legitimate transactions but are illegal and strictly prohibited.

Why It Matters:
Kickbacks undermine fair competition, violate global anti-corruption laws (e.g. Foreign Corrupt Practices Act, UK Bribery Act, Sapin II), and expose Schneider Electric to severe legal, financial, and reputational risks. They can also appear in disguised forms, such as inflated invoices, unverified Marketing Development Fund (MDF) claims, or excessive commissions.

Rule to Remember:
If a payment benefits someone outside the contract and affects a business decision, it is a kickback risk.

DO's	DON'TS
• Ensure all payments, rebates, and commissions are proportionate, documented, and approved according to Schneider Electric's policies. • Escalate to your Compliance Officer any suspicious arrangements or requests for "special favors".	• Accept or offer kickbacks in any form (cash, rebates, MDF, commissions). • Approve payments without proper documentation and justification. • Disguise improper payments as legitimate business expenses.

• Be mindful about aggressive discounts or SPAs (special price agreements).	

Scenario & Response:
A supplier invoices inflated and vague "consulting services" with unclear deliverables, and part of the payment is used to influence a contract award or business decision.
➔ **Action:** Refuse and report immediately to your Compliance Officer.
➔ Such arrangements constitute kickbacks and are prohibited under anti-corruption laws and Schneider Electric's policy.

3.4. Commercial incentives: Marketing Development Funds (MDF) and Rebates

Definition:
Rebates are pricing mechanisms granted to partners or clients after a commercial transaction, based on predefined contractual terms, performance criteria, or commercial conditions. Rebates can pose a bribery risk if used to conceal improper payments, reward undue advantages, or influence decisions outside the agreed commercial framework.

Marketing Development Funds ("MDF") are promotional funds provided to partners or clients to support legitimate marketing activities and channel development. While these mechanisms are standard commercial practices, they pose a high bribery risk if misused as kickbacks or disguised incentives to influence decisions.

Why It Matters:
Schneider Electric's Commercial processes require strict control over MDF and rebates. Improper use can lead to severe legal, financial, and reputational consequences.

→ Eligible Activities: MDF can only be used for approved marketing activities (e.g., partner training, events, roadshows, webinars).
→ Proof of Execution (PoE): All MDF activities require documented proof (e.g., invoices, event photos, attendance lists) submitted within the defined deadlines.
→ Approval Workflow: MDF requests must follow the Chart of Approval process, ensuring segregation of duties (requestor ≠ approver).
→ Payment Rules: Payments must be made to the partner's official bank account in their country of tax residence; No payments via personal or corporate credit cards.
→ Audit Rights: Schneider Electric reserves the right to audit MDF usage and supporting documentation.

Rule to Remember:
Commercial incentives must never influence commercial or decision-making outcomes.

DO's	DON'TS
• Escalate any suspicious or unverifiable MDF claims to your Compliance Officer. • Ensure MDF and rebates are based on written terms, objective criteria, and documented proof of execution before payment.	• Use MDF or rebates to secure undue advantages or influence decisions. • Disguise bribes as rebates or submit unverified MDF claims. • Do not approve retroactive, lump sum, unverifiable, or inadequately documented MDF/rebate claims.

Scenario & Response:
A partner offers a rebate where part of the amount is secretly returned to influence a contract award.
➔ **Action:** Refuse and report immediately to your Compliance Officer.
➔ Such an arrangement constitutes a kickback and is prohibited under anti-corruption laws and Schneider Electric's policy.

Specific policy: MDF pricing playbook

3.5. Gifts & Hospitality

Definitions

- **Gift:** any item of value that is openly offered or received as a sign of gratitude and without the expectation of obtaining anything in return.
- **Hospitality (also called "invitations"):** any courtesy, generally of a social nature, that is offered or received in the context of business relations and without the expectation of obtaining anything in return. Hospitality can take the form of entertainment or hospitality package.

Rule to Remember:

Gifts and hospitality must never create a sense of obligation or expectation of return.

DO's	DON'TS
• Ensure all gifts and hospitality comply with our global Gift and Hospitality policy and local laws. Particular caution is required during tenders, negotiations, or regulatory interactions • Consider public perception before accepting any benefit. • Obtain Compliance approval for all hospitality packages and anything beyond local thresholds for other gifts and hospitalities as per policy through the Gifts & Hospitality tool. • As an employee, use proper expense category when claiming reimbursement of Gifts and Hospitality through expense claim process. As a manager, ensure that your N-1 use the proper expense category when claiming reimbursement of Gifts and Hospitality.	• Give cash or cash equivalents, even if local customs allow it. • Offer Gifts or Hospitality unreasonable in value or nature. • Offer Gifts or hospitality during negotiations or regulatory interactions. • Use gifts to influence decisions or secure business advantages. • Do not claim reimbursement of Gifts or Hospitality Packages not approved in line with Gifts and Hospitality policy.

Scenario & Response:.

As a manager reviewing an expense claim submitted by one of your direct reports (N-1), you identify that improper expense categories were used to seek reimbursement for gifts and/or hospitality that were not approved in accordance with the Gifts and Hospitality Policy.

➔ **Action:** Reject the expense claim and instruct the employee to obtain the required prior approval in line with the Gifts and Hospitality Policy. Do not approve the claim until the proper approval process has been completed.

Specific Policy: Gifts & Hospitality Policy

3.6. Third-Party Risks (Agents, Customers, Partners, Suppliers, Subcontractors)

Definition:
Third-party risk is the potential harm (legal, financial, or reputational) that can result from the actions of external entities acting on behalf of Schneider Electric or for its benefit.

Why It Matters:
Anti-corruption laws around the world (e.g., FCPA, UKBA, Sapin II) hold companies accountable for corrupt acts by third parties. Business integrity within our sphere of influence protects our reputation and ensures sustainable growth.

Rule to Remember:

If a third-party acts for us or benefits us, their integrity is our responsibility. Third-party controls apply where a customer or partner acts on behalf of Schneider Electric or creates exposure through intermediate arrangements.

DO's	DON'TS
• Engage only with third parties that have been appropriately screened, risk-assessed, and approved by the responsible internal functions before starting any activity. • Ensure that anti-corruption clauses are included in agreements. If such clauses are missing or refused, contact your Compliance Officer and do not sign until confirmation of required clauses obtained.	• Proceed with or ignore red flags, including unclear services, vague or unusual invoicing, disproportionate commissions, or requests that fall outside the agreed scope of work. • Attempt to resolve third-party integrity concerns on your own without escalating to the appropriate internal teams.

Scenario & response:
A customer or business partner insists that Schneider Electric work with a specific subcontractor to "facilitate" the work on site. The third party's role is unclear and the fees appear disproportionate to the services described.

Action:
➔ Do not engage or proceed with the third party.
➔ Escalate the situation to your manager and Compliance Officer immediately.
➔ Ensure that the third party is subject to the appropriate internal review and approval process before any engagement.

Specific Policy: Third-Party Risk Management Policy

3.7. Business Agents

Definition:

Business Agents include intermediaries such as commercial agents, consultants, or introducers engaged to support Schneider Electric in business development or commercial activities.

Why It Matters:

They present elevated integrity risks and are therefore subject to stricter controls.

Rule to Remember:

Any use outside the strictly defined exceptions exposes Schneider Electric to corruption risks and is prohibited without heightened controls and prior approval.

DO's	DON'TS
• Engage a Business Agent only when strictly necessary with a demonstrated legitimate business purpose and only after following the formal approval process defined in the Business Agent Policy. • Ensure services, compensation, and documentation are respectively legitimate, proportionate, and traceable.	• Engage a Business Agent without prior approval. • Accept vague scopes of work • Allow intermediaries to be used to channel improper payments.

• Monitor the relationship on a regular basis and escalate concerns immediately.	

Scenario & Response

A consultant proposes to "facilitate introductions" with decision-makers in exchange for a percentage-based fee.

➔ **Action**: Refuse and escalate to your Compliance officer: this situation requires review under the Business Agent Policy.

Specific Policy: Business Agent policy

3.8. Lobbying

Definition:

Lobbying is the act of interacting with public officials to share and inform about Schneider Electric's position on political decision, law or rule to provide decision-makers with business and technical Information.

Why It Matters:

Lobbying is legitimate when conducted transparently and in compliance with local laws and regulations. However, it can pose corruption risks if it involves undue influence, hidden benefits, or improper advantages. Global anti-corruption laws prohibit offering anything of value to public officials to influence decisions

Rule to Remember:

Transparency is the boundary between legitimate lobbying and corruption risk.

DO's	DON'TS
• Be registered in accordance with local regulations if performing lobbying activities. • Be transparent about lobbying activities inside and outside the Group and report mandates in professional organizations through Conflict of Interest disclosure.	• Engage in lobbying without registration or transparency, if required. • Offer, promise, or give anything of value to influence decision-making in the context of lobbying activities.

Scenario & Response:

An official suggests that our company's position on a regulatory proposal will be "better understood" if we invite him to visit one of our factories and cover the expenses, including personal, allowing him to stay over the weekend.

➔ **Action:** Politely refuse: non-related work expenses, used to influencing regulatory decisions are considered an improper advantage and may constitute bribery.

➔ Report the solicitation immediately to your Compliance Officer and document the interaction.

3.9. Philanthropy (Donations) and sponsoring

Definition:

- **Philanthropy/Donations:** financial and/or in-kind contribution (including volunteering) made to a Donee to help it accomplish its goals, for which the Donor receives nothing of value in return.
- **Sponsoring:** a form of marketing by which the company pays all or part of the costs associated with a project or program, in exchange for visibility on communication, media and/or events.

Why It Matters:

Philanthropy and sponsoring reflect Schneider Electric's corporate citizenship and commitment to our Trust

Charter. However, these activities can pose corruption risks if misused for personal gain, business, or political influence. Schneider Electric strictly prohibits any financial contributions to candidates, elected representatives, or political parties.

Rule to Remember:

Donations and sponsorship must be lawful, transparent, and free from political influence.

DO's	DON'TS
• Comply with applicable policy before engaging in donations or sponsorship. • Grant donations or sponsorships only to organizations aligned with our corporate citizenship strategy and that are screened and approved by Ethics & Compliance team.	• Sponsor an event or make a donation to get something in return. • Make donations to individuals and commercial entities. • Support organizations directly or indirectly benefiting or controlled by politicians, public officials, or their relatives.

Scenario & Response:
A client conditions a business decision (such as signing or renewing a contract) to Schneider Electric, making a donation to a foundation the client has chosen.
➜ **Action:** Refuse and reaffirm our Trust Charter and Anti-Corruption Policy. Inform your manager and Compliance Officer
➜ Such solicitation may be considered bribery, specifically a kickback.

Specific policy: Philanthropy Policy; Sponsorship policy

3.10. Conflict of interests

Definition:
A situation where an Employee's personal interests compete with the Company's interests, affecting job duties or decision-making. It may be:

- Potential: when a situation might lead to a conflict in the future.
- Apparent: when a situation seems like a conflict based on appearances.
- Actual: when a conflict is present.

Why It Matters:
Unmanaged or undisclosed conflicts of interest may create conditions that increase the risk of corruption, such as favoritism, abuse of position, or improper decision-making for personal gain. In certain circumstances, a conflict of interest can evolve into a corrupt practice if an employee uses their position to grant an undue advantage to themselves or to a third party.

Rule to Remember

When personal interests interfere with your role, transparency is mandatory.

DO's	DON'TS
• Follow policy and internal disclosure process for any conflicts of interest and refrain from related decision-making until disclosure and mitigation actions are defined (if relevant). • Update your disclosure if circumstances change.	• Continue in a role with an undisclosed (potential or apparent) conflict of interest. • Engage in decision-making if you are in a conflict of interest.

Scenario & Response:
You are responsible for selecting a new supplier during a solicitation for bid and one of the bidders is a company owned by your uncle.

→ **Action:** Disclose the conflict immediately in the Conflict of Interest tool. Do not participate in any discussions, evaluations, or decisions until the situation has been formally reviewed by the Compliance team.
→ Decisions must always be based on objective criteria and in the best interest of Schneider Electric.

Specific policy: Conflict of Interests Policy

3.11. Bribery in Recruitment

Definition:
Bribery in recruitment occurs when employment, internships, or contracts are offered or promised directly or indirectly, in exchange for an undue advantage, influence decisions or to obtain or retain business. This includes hiring family members or associates under pressure from external parties.

Why It Matters:
Offering jobs or internships as a favor or in return for business is considered a form of bribery under global anti-corruption laws (i.e. FCPA, UKBA, Sapin II). Such practices undermine fairness, damage trust, and expose Schneider Electric to legal and reputational risks.

Rule to Remember:

Employment opportunities must never be offered to secure or reward business.

DO's	DON'TS
• Follow Schneider Electric established recruitment process. • Report any recruitment requests influenced by external pressure to your Compliance Officer or the Trust Line.	• Offer employment, internships, or contracts to obtain an improper advantage. • Bypass standard recruitment criteria or create roles in response to external pressure.

Scenario & Response:
A government official suggests hiring their relative for a role in exchange for expediting a permit approval.
→ **Action:** Refuse and report immediately to your Compliance Officer.

3.12. Anti-Money Laundering (AML) Risks

Definition:
Money laundering is the process by which illegally obtained funds are disguised to appear legitimate. Common methods include routing funds through complex transactions, shell companies, or investing in high-value assets to conceal their origin.

Categories of AML Risks:

- **Company Structure Risks:** Complex or deliberately opaque structures or legal entities set up in riskier countries
- **Business Activity Risks:** Activities inconsistent with the company's line of business; complex transactions involving multiple intermediaries.
- **Account & Transaction Risks:** Unexpected transactions, rapid movements through transit accounts, excessive use of cash.

Why It Matters:
AML compliance is critical to prevent Schneider Electric from being used as a channel for illicit funds. Failure to detect and report suspicious activity can lead to severe legal, financial, and reputational consequences under global regulations. AML red flags may also indicate bribery, kickbacks, concealed improper payments, or diversion of funds.

Rule to Remember:

Financial transparency is the best defense against money laundering.

DO's	DON'TS
• Report any suspicious financial flows (e.g., unusual payment terms, offshore accounts, cash requests). • Ensure all transactions are accurately documented and traceable. • Escalate concerns immediately to your Compliance Officer.	• Create or maintain off-the-books accounts. • Use false invoices or inaccurate descriptions to hide illicit funds. • Facilitate laundering through third parties or complex structures.

Scenario & Response:
A supplier insists on payment to an offshore account unrelated to their business operations.
➔ **Action:** Refuse and report immediately to your Compliance Officer.
➔ Offshore accounts without clear business justification are a red flag for money laundering.

Specific Policy: Anti-Money Laundering Policy

3.13. Mergers and acquisitions

Definition:
M&A (merger and acquisition) compliance-related risk is the potential liability for unethical or illegal acts committed by a company or its founders or anyone of its shareholders before acquisition or merger with Schneider Electric.

Why It Matters:
Global anti-corruption laws (i.e. FCPA, UKBA, Sapin II) hold Schneider Electric accountable for violations by acquired entities, even for misconduct that occurred prior to the transaction. Failure to identify and mitigate these risks can lead to severe legal and reputational consequences.

Rule to Remember:

M&A does not erase liability: integrity risks must be identified, fixed, and reported.

DO's	DON'TS
• Conduct thorough integrity due diligence on the target company, its founders and shareholders, including historical compliance records and third-party relationships. • Review org charts incl. all legal entities of the target company and question complex and/or opaque legal entities structures, particularly those tied to suspicious countries	• Delay or avoid reporting suspected misconduct because it occurred before the acquisition or was not identified during the deal process.

• Review high-risk contracts when possible and assess exposure to public sector. • Escalate concerns immediately if you discover practices that may breach anti-corruption laws or Schneider Electric policies. • Report any red flags identified after an acquisition, even if they relate to pre-closing activities (e.g. unusual payments, improper gifts, third-party arrangements, or public-sector dealings). • Ensure full compliance with Post-Merger Integration process including implementation of compliance Trust Standards.	

Scenario & Response:
During due diligence for an acquisition, we discover that the target company paid bribes to public inspectors to pass safety or regulatory inspections.

➔ **Action:** Report to the Group Compliance M&A lead if they are involved in the deal. If not, report immediately to the head of Group Compliance Program or to Group Chief Compliance Officer to maintain project confidentiality.

4. Acting with Integrity and Speak Up

What to Do in Case of Doubt: If you are unsure whether an action or decision aligns with Schneider Electric's Trust Charter, policies, or the law:

- Pause before acting.
- Consult your manager, HR Business Partner or Ethics Delegate
- Reach out to your Regional Compliance Officer. Acting with integrity means seeking guidance before taking any step that could compromise our ethical standards.

How to Speak Up and Raise Concerns

How to Report Concerns

- **Trust Line**
  - Available 24/7, online or via toll-free phone numbers.
  - Supports multiple languages and anonymous reporting (where allowed).

- **Other Channels:**
  - Trusted Manager
  - HR Business Partner
  - Legal Counsel
  - Regional Compliance Officer.

Schneider Electric guarantees:

- **No retaliation:** We do not tolerate retaliation against anyone who reports a concern in good faith or participates in an investigation.
- **Confidentiality and data privacy:** Your identity and information are protected.
- **Anonymity:** Available through Trust Line unless prohibited by local law.
- **Presumption of innocence:** All investigations are impartial and fair.

Specific Policies: Case Management & Investigation Policy; Whistleblowing Policy

5. Consequences of non-compliance

Rule to Remember:

Violations can lead to sanctions, proportionate, and swift.

Failure to comply with this Policy or applicable anti-corruption laws may result in disciplinary action, up to and including termination, and could trigger criminal or civil penalties under local laws.

Why It Matters:
Sanctions ensure accountability and reinforce Schneider Electric's zero-tolerance stance on corruption. Managers have an added responsibility to prevent violations through proper supervision, training, and controls.

How Sanctions Are Determined

Decisions are taken by relevant management in compliance with local labor laws.

Confirmed breaches may be escalated to the **Group Compliance Committee** and, if necessary, the **Disciplinary Committee**, which independently reviews evidence and determines appropriate sanctions.

Potential Consequences include:

- Performance management (coaching, training).
- Verbal or written warnings.
- Internal corrective actions.
- Employment termination
- Legal action under applicable laws (e.g., fines up to €1 million and imprisonment up to 10 years in some countries).

Manager Accountability

Managers are personally accountable for violations they could have prevented through adequate supervision, training, or controls. They must:

- Select team members based on integrity.
- Provide clear anti-corruption instructions.
- Monitor activities regularly.
- Promote integrity through ongoing training.

Specific Policy: Group Disciplinary Policy

Appendix 1

RACI Matrix

Appendix 2

Additional definitions of corruption forms

- **Extortion**
  Pressuring someone to give money, a benefit, or a favor by using threats, pressure, or abuse of authority (for example, threatening delays, harm, or negative consequences).
- **Embezzlement**
  Using company money, assets, or resources for personal benefit, or for the benefit of others, when they were entrusted to you for work purposes.
- **Favoritism**
  Giving someone an unfair advantage in a decision (such as hiring, promotion, or awarding a contract) based on personal preference or relationships rather than objective and legitimate criteria.
- **Nepotism**
  A form of favoritism where an unfair advantage is given to a family member or close relative, especially in recruitment, promotion, or business decisions.
- **Abuse of functions**
  Using one's position or authority in an improper way to obtain an undue advantage for oneself or for others, contrary to the company's rules or legitimate interests.