

Schneider Electric Recognized as the

2021

Company of the Year

Asia-Pacific UPS Industry

Excellence in Best Practices

Schneider
 **Electric**

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Schneider Electric excels in many of the criteria in the uninterruptible power supply space.

| AWARD CRITERIA | |
|---|-------------------------------|
| <i>Visionary Innovation & Performance</i> | <i>Customer Impact</i> |
| Addressing Unmet Needs | Price/Performance Value |
| Visionary Scenarios Through Mega Trends | Customer Purchase Experience |
| Implementation of Best Practices | Customer Ownership Experience |
| Leadership Focus | Customer Service Experience |
| Financial Performance | Brand Equity |

Increased Demand for Continuous Power Supply Drives Regional Market Growth

Frost & Sullivan’s independent research signifies that the Asia-Pacific’s (APAC) uninterruptible power supply (UPS) market experiences high demand in various sectors (data centers, manufacturing, small office/home office, and healthcare) and industries (oil, gas, energy, and power). The demand for megawatt power range, high-productivity UPS systems increases with the escalation in large data centers for cloud computing. Large organizations prefer complete power solutions instead of individual products. To address this requirement, manufacturers grow their product portfolios and design teams. APAC is the central market for UPS and is likely to witness a compound annual growth rate of 5.0% until 2025¹. India, Australia, Indonesia, China, Japan, and Southeast Asian countries (Sri Lanka, Bangladesh, and Myanmar) record robust demand for lower and higher power UPS. These regions also have a massive demand for sustained power supply with high power fluctuations because APAC has become an industrial hub.

The market also secures ongoing development due to the high population, where many sectors actively invest in UPS systems to empower a continuous supply of power. APAC is leading in revenue growth, stimulated by “power deficit, aging infrastructure, low power quality, and data center installation.”² APAC, therefore, has significant growth potential for the UPS market globally. The advancement of cloud

¹ *Global Uninterruptible Power Supplies (UPS) Market, Forecast to 2025* (Global Energy & Environment Research Team at Frost & Sullivan, September 2019)

² Ibid.

computing, smart grid developments, and power grid projects also drive the expansion of the UPS market³.

Groundbreaking Technology-integration Sustains Leading Market Position

“Schneider’s unmatched quality and excellence is a testament to its unique organizational culture. It has further fortified market leadership with ECOversion (an innovation that keeps the inverter on and runs it parallel with bypass, achieving an incomparable 99% energy efficiency).”

**- Iqra Azam, Best Practices
Research Analyst**

Schneider Electric (Schneider), a 185-year-old France-based global groundbreaker in energy and digital automation solutions, facilitates an unsurpassed selection of integrated power solutions. These solutions have layers of software for power and energy monitoring, well-designed for data center operations. The company offers innovative UPS solutions that allow customers to choose and tailor products that address their requirements. It delivers integrated sales that produce more than 50% of its cross-selling offers. Its sales focus on numerous end markets, including utilities

and infrastructure, data centers and networks, non-residential and residential structures, and machine manufacturers and industries.

Schneider sustains its innovative and leading market position by emphasizing the combination of its field services (critical power and cooling, electrical distribution, industrial automation, and building) and digital services (asset and process optimization, building optimization, and service advisors). Currently, Schneider has 6,650 Schneider Electric-certified field service engineers and more than 170 service centers worldwide⁴. Its field service experts facilitate augmented downtime while complementing all safety regulations and standards, optimizing the customers’ return on investment (ROI). Moreover, the field services empower:

- Asset reliability: Upgrades daily operations and sustains business continuity.
- Operational efficiency: Improves equipment life and accomplishes peak performance.
- Trusted partnership: On-site and remote specialists evaluate and support customers’ installation procedures.

Under its digital services, Schneider has remote experts in more than 15 Connected Services Hubs, advisors to empower data-driven decisions, and artificial intelligence and machine learning algorithms capitalizing on the Internet of things (IoT) data. These services include 24/7 cloud-enabled remote monitoring and troubleshooting capabilities, and they allow the customers to monitor their significant assets remotely to enhance their electrical distribution through digital analytics. Furthermore, Schneider offers an asset performance management ROI calculator that customers can use to “simulate [their] potential savings of managing [their] electrical distribution asset performance with EcoStruxure Asset Advisor.”⁵

³ *Asia-Pacific Uninterruptible Power Supply Market, Forecast to 2020* (Market Insight / P8BB / 00, January 2016)

⁴ <https://www.se.com/ww/en/work/services/>

⁵ <https://www.se.com/ww/en/work/services/digital-services/>

Schneider emphasizes the successful completion of new projects, fortifying its business' excellence and value. It recently executed projects with various companies across different sectors:

- Leading Edge in Australia (Cloud and Service Provider)
- Okinawa Institute of Science and Technology Promotion Corporation in Japan (Education)
- ePLDT in the Philippines (Cloud and Service Provider / Telecommunications)
- Lintasarta in Indonesia (Cloud and Service Provider), and Oceania Healthcare in New Zealand (Healthcare)

Furthermore, the company leverages joint ventures, collaborations, and partnerships to sustain continuous growth. It recently collaborated with Singapore Economic Development Board (EDB) for a new Singapore-based joint venture called NaviX Solutions⁶. This cutting-edge, first-to-market business offer a complete 'as-a-service' subscription-based model, facilitating complete lifecycle management for critical power (UPS and medium voltage) and cooling assets. It also allows customers to remain adaptable and agile in an aggressive digital-centric economy. Schneider understands that critical power and cooling assets are significant for business continuity, but it has become increasingly expensive and difficult to procure and manage these assets. Therefore, EDB and Schneider have established this business to empower customers with financial agility, operational performance, and insights and visibility.

Schneider's designated smart factories in the Philippines and Indonesia deploy several industrial IoT technologies, such as alarm prediction management, augmented reality, smart sensors, and site benchmarking. These factories utilize information technology (IT) /operational technology convergence by integrating digital tools and organizing a management system that offers a comprehensive and complete view of demand and aligns and engages all partners and employees.

"Moreover, Schneider has designed advanced tools (ISX Designer, Local Edge Configurators, and reference architectures), allowing customers and partners to outline their operational infrastructure alongside their IT infrastructure. Frost & Sullivan applauds Schneider's ability to integrate technology and business efficiency, fashioning state-of-the-art business, solutions, and all-inclusive services."

**- Iqra Azam, Best Practices
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The company's innovative approach empowers the company to introduce pioneering products, such as UPS Galaxy V (GV) Series (VX, VM, VS) with two modes, ECO (exposes the load directly to the unconditioned utility power) and EConversion. EConversion is Schneider's unique innovation that keeps the inverter on and runs it parallel with bypass, stimulating an unmatched 99% energy efficiency. Its primary benefit is that the inverter takes control and supports the load if bypass utility loss occurs. The inverter adjusts the load power factor and exceptionally filters the

load-generated current harmonics. EConversion is an IoT-integrated platform that capitalizes on big data analytics and provides 24/7 predictive maintenance. Additionally, its advanced platform, the EcoStruxure™ (IoT-integrated, plug-and-play, and open, interoperable architecture), deployed at

⁶ <https://navixsolutions.com/>

480,000 sites, optimizes engineering costs and time up to 80%, maintenance cost up to 75%, and carbon footprint up to 50%⁷.

The company leads the industry with its safe and all-inclusive battery replacement solutions critical to the UPS system. Schneider augments its batteries solutions by introducing lithium-ion battery systems for its single-phase and three-phase UPS, empowering more efficient and safer innovations for the customers. Recently, it launched a tool-less design for its entry-level UPS systems, enabling straightforward deployment and maintenance. This design complements the modular nature of the company's new GV range, where it installs the UPS and battery cabinets separately on-site. Moreover, Schneider has designed advanced tools (ISX Designer, Local Edge Configurators, and reference architectures), allowing customers and partners to outline their operational infrastructure alongside their IT infrastructure. Frost & Sullivan applauds Schneider's ability to integrate technology and business efficiency, fashioning state-of-the-art businesses, solutions, and all-inclusive services.

Emphasis on Customer Experience Amplifies Business Growth and Brand Image

Schneider builds a positive and robust brand image by practicing thought leadership and keeping the customers satisfied at all times. Implementing the power of digital media in its operations, the company has secured almost three million followers on LinkedIn. It employs online marketing and marketing technology to amplify its capabilities using first- and third-party data and ensures smooth customer communication. It also participates in webinars, virtual events, and marketing technology to stay updated and informed. Schneider practices the qualities of reliability, quality, focus, and excellence in its business' foundation. Constant improvement in solutions and services is a substantial part of its organizational culture, and the company sustains it by aggressively investing in its work improvement procedures. Schneider provides reliability in its products and through its execution and deployment of services and solutions. It has created more than 200 standard designs to address its customers' on-site needs. The company's extensive partner network speaks volumes about its brand image. It has numerous elite partners, such as Advanced Power Technology, Comtec Power, Source UPS, and EfficiencyIT, and more than 11,700 partners have registered on Schneider's partner portal. Customers can capitalize on the company's notable partner base to further amplify their operations, securing access to a plethora of advanced solutions.

Schneider capitalizes on a customer-centric approach to sustain high retention and trust. It uses online surveys and the Net Promoter Score system to gather customers' opinions, suggestions, and feedback. A third party evaluates the scores, and based on their analysis, the company acquires a clear understanding of the customers' everchanging needs and upgrades its solutions accordingly. This approach allows Schneider to address its areas of improvement and unfailingly offer an elevated experience. Moreover, the company leverages an excellent customer experience with the help of its outstanding services centers and knowledgeable service engineers. Schneider mitigates downtime for customers through its experts' skills and a particular focus on the products' performance. The second an issue surfaces, a field service engineer fixes it rapidly. To further enhance customer relations, the company carries out modified online sessions, training, and workshops. It also employs a customer

⁷ <https://www.se.com/ww/en/work/campaign/innovation/overview.jsp>

journey mapping methodology (understanding pain points, engagement preferences, and critical requirements), which helps identify every customers' individual needs and strengthens customer experience. Additionally, Schneider's EcoStruxure™ Asset Advisor keeps it connected to customers 24/7 through a service bureau. As a part of its digital services, this bureau enables immediate attention to customers' issues and resolves them. Frost & Sullivan acknowledges Schneider for implementing a solid customer-centric approach that allows seamless interactions and accomplishes a high retention rate.

"We will continue to work with Schneider Electric to build a smart green hospital that delivers a safer, more reliable, and more comfortable experience for our patients."

- Dong An, Director, Logistics Management Office, Huashan Hospital North⁸

Conclusion

Schneider Electric (Schneider) is an exceptional provider of outstanding uninterruptible power supply products, solutions, and services in the Asia-Pacific region. It integrates cutting-edge technologies to sustain energy efficiency and sustainability in the industry. The company emphasizes evolving market trends and updates its products, complementing customers' requirements and empowering tailored solutions. Schneider's unmatched quality and excellence is a testament to its unique organizational culture. It has further fortified market leadership with EConversion (an innovation that keeps the inverter on and runs it parallel with bypass, achieving an incomparable 99% energy efficiency). The company leverages its extensive and loyal customer base for detailed feedback and new ideas, sustaining robust communication, reliability, and trust.

With its customer-centric approach, groundbreaking and innovative products, and excellent implementation, Schneider Electric earns Frost & Sullivan's 2021 Asia-Pacific Company of the Year Award in the uninterruptible power supply industry.

⁸ <https://www.se.com/uk/en/work/campaign/life-is-on/case-study/huashan-hospital.jsp>

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends:

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

