



# CORPORATE SOCIAL RESPONSIBILITY

“It is part of our ambition to contribute to the Society. The importance of CSR for us is reflected in our vision, ‘achieve more while using less’ and mission which is to ‘help people to make the most of their energy’. We want to support the national ambition “electricity for all”. With a program like BIPBOP, we want to extend our support to the people at the Bottom of the Pyramid by utilizing resources available with us to bring the much needed change. Our people realize their role in the society and are happy to shoulder the responsibility of making this programme successful in the challenging environment.”

*Mr Olivier Blum,  
Managing Director, Schneider Electric India*

## **Alleviating poverty by aligning the CSR objective of company with business goals**

We are at a turning point in the history of our planet. Today, both public and private energy is at the very heart of Sustainable Development issues. 1.6 billion people throughout the world do not have access to Energy. In India, we have more than 80 million households living without electricity. More than 1,00,000 villages are yet to be electrified. Energy is everywhere, in transport, services, industry, education, health and housing. Therefore, access to clean and safe energy remains one of the essential keys to sustainable economic development. But increasing the world’s consumption of energy means endangering another collective resource - The Climate.

How can we face up to this paradox? How can we produce better, improve our Energy Efficiency and promote access to energy for all? This is a major challenge we are facing today.

Schneider Electric’s world-wide set-up, professionals from different walks of life and exceptional cultural diversity endow it with a special responsibility. Schneider Electric’s capabilities in the field of energy, gives us a unique opportunity to make an impact on the lives of people who are living at the Bottom of the Pyramid.



*Mr Olivier Blum, MD  
Schneider Electric India*

In a world where access to energy has become a major problem, Schneider Electric believes that through its sustainable development program, it can help provide tremendous opportunity for growth and differentiation.

### The Challenge

The Schneider Electric Group is committed towards providing solutions to two major problems:

- Products and solutions needed in the market to help developed countries utilize energy in an intelligent and environment friendly way
- Steps needed to be taken in under developed countries to bring clean, electricity and sustainable economic development to the millions of people who have no access to energy

### Schneider Electric's Involvement

Reaffirming our commitment to the very special industry that we belong to, Schneider Electric has taken up two critical issues:

- **Energy Efficiency:** Committed in preservation of our planet and develop energy efficient solutions for our customers which help in reducing energy consumption by up to 30%, thereby cutting CO<sub>2</sub> emission levels.
- **Access to Energy:** To improve the standard of living of people, who are living without electricity, Schneider Electric is committed in providing them access to electricity in a sustainable manner.

### Our BIPBOP programme

Having understood the global as well as Indian challenges, we have embarked on a path which we call BIPBOP - an acronym for 'Business, Investment and People at the Bottom of the Pyramid'.

### The BIPBOP programme covers three dimensions

**Business** - develop and deliver solutions, particularly in renewable energies and new lighting technology (solar PV, LED, etc.) to provide affordable and clean energy;

**Investment** - provide funding to innovative electrical companies, SMEs and entrepreneurs, to contribute to the success of local businesses;

**People** - support people from the bottom of the pyramid to acquire electrical competencies and develop their ability to work, through training.

Our approach towards CSR is unlike traditional

form of philanthropy. In fact, through our efforts we want to build capacity at the grass root level and make the change self sufficient and sustainable.

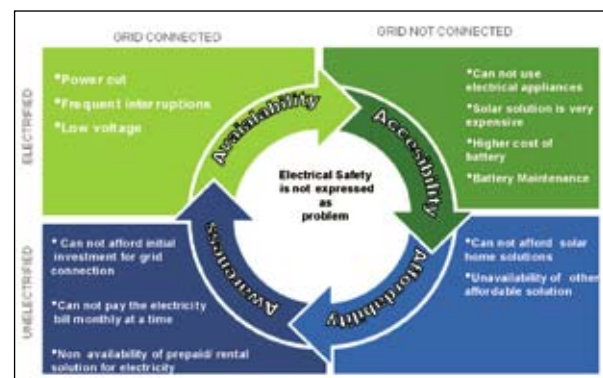
With BIPBOP, we hope to provide access to safe and clean energy to people who are deprived of it and need the most. We do not intend to carry forward BIPBOP in isolation, hence are engaging with other important stakeholders in the society like government, international organisations and NGOs to propel this idea to convert into reality.

The BIPBOP programme addresses two key issues in providing sustainable access to electricity:

- Lack of appropriate equipment through the development of an adequate offer and;
- Skills and expertise shortage through technical and business training

In our research, we found that affordability for initial investment is the major barrier for access to electricity at the BOP. And, each household at BOP spends 2-4 USD per month on kerosene for lighting.

The chart below maps out the prevailing situation and issues with people at the BOP.



Keeping these hurdles in mind, we are aiming in bringing access to energy at BOP in sustainable, comprehensive and scalable way.

- Sustainable
  - ▶ creating a market-based environment for wealth generation
  - ▶ supporting through Schneider Electric Foundation
- Comprehensive
  - ▶ providing a suitable offer for affordable, efficient and clean energy
  - ▶ distributing through the right access channels, resorting to existing social infrastructure of BOP and new entrepreneurs
  - ▶ developing the required skills of electricians and entrepreneurs

- Scalable
  - ▶ enabling each household to upgrade gradually its access to energy
  - ▶ replicating the model from house to house and village to village

With BIPBOP programme, we have set out to achieve a target of providing access to energy to more than 4lac households and change lives of many more in next 3 years.

We strongly believe, any amount of charitable activity cannot alleviate poverty at bottom of pyramid. If CSR objective of a company is aligned to their business goals, it will help in value creation at BOP thus alleviating poverty.

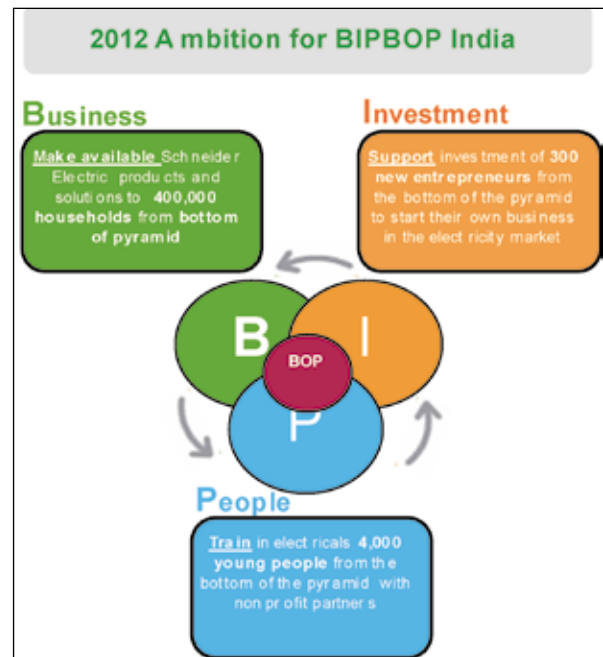
By promoting the concept of entrepreneurship and technical training we intend to create a pool of electricians who will promote safe and reliable electric installation in India. This will also help young unemployed youth from poor family to get a job and support their families.

Presently Schneider Electric India Foundation is providing free electrician training to unemployed youth from poor families in 8 training centres across 5 states. So far we have provided training to 200 unemployed youth.



Students taking training through practicals and classroom

The chart below describes our ambition for BIPBOP India in the coming years.



### BIPBOP by Schneider Electric worldwide

Training programmes and schools in India, Turkey, Russia, Chile, Egypt, Colombia, Indonesia, France, Central Africa.

**India:** Ongoing electrician training programmes in partnership with a NGO for BOP candidates to create well trained electricians. Scholarship programmes to sponsor bright BOP engineering students.

**Turkey:** Scholarships awarded to 50 female students to help them continue their studies in electrical and electronic engineering.

**Central Africa:** Financial and human investment to train engineers and technicians in Africa (teacher training and recruitment, acquisition of scientific and technical equipment, fitting out premises, etc.).

Access to energy in South Africa, Nigeria, Sudan, USA, etc. with prepayment solutions and material donations.

**France:** Financial contribution to 50 long-term unemployed people to help them create their own business in the field of electricity.

“Promoting access to energy for all, without endangering the climate - this is today’s major challenge.”