

World Economic Forum awards Schneider Electric Lexington, Kentucky Sustainability Lighthouse recognition and Wuxi, China Smart Factory Advanced Lighthouse status

- Wuxi plant is the fourth Schneider Electric Smart Factory to receive Advanced Lighthouse recognition
- Lexington, Kentucky recognized as a Lighthouse in 2020, now one of the first factories awarded Sustainability recognition
- Digital transformation deploys IIoT technology for greater efficiency and sustainability
- Smart plant leverages Fourth Industrial Revolution technologies including 5G, cobots, artificial intelligence, and big data analysis

Rueil-Malmaison (France), September 27th, 2021

– Schneider Electric, the leader in the digital transformation of energy management and automation, today announced its Lexington, Kentucky plant, recognized as an Advanced Lighthouse last year, has been recognized by the World Economic Forum as a Sustainability Lighthouse — one of only three worldwide. The World Economic Forum has also recognized the company's Smart Factory in Wuxi, China as an Advanced Lighthouse — the fourth Schneider Electric factory to receive this distinction to date, joining Lexington, Kentucky, Batam, Indonesia and Le Vaudreuil, France factories.



Schneider Electric's Smart Factory in Lexington, Kentucky

The Forum's Sustainability Lighthouses recognize by realizing the potential of 4IR technologies in manufacturing, companies can unlock new levels of sustainability in their operations and explore a win-win solution: greater operational competitiveness while simultaneously making commitments to environmental stewardship, leading in a cleaner, more sustainable future as a result.

In order to capture greater energy consumption granularity, when and where it happens in the plant, the Lexington, Kentucky smart factory leveraged IoT connectivity with power meters and predictive analytics to optimize energy cost, and as a result led to 26% energy reduction (GWh), 30% net CO2 reduction, and 20% water use reduction and certification by the U.S. Department of Energy as Platinum Superior Energy Performance 50001.



Schneider Electric's Smart Factory in Wuxi, China

The Smart Factory in Wuxi joins the Lexington plant as the second Schneider Electric's site to earn the status of end-to-end Advanced Manufacturing Lighthouse. Both plants were recognized for adopting Fourth Industrial Revolution (4IR) technologies to transform factories, value chains and business models.

As an electronic manufacturing site developing a large product mix, the Wuxi campus embraced Schneider Electric's 4IR-based EcoStruxure technology to rebuild its end-to-end value chain. Using the latest digital tools like automated supply

chain management, 5G supported flexible production, augmented reality, and digital twins to improve flexibility, efficiency, time to market, and sustainability.

"This World Economic Forum recognition for Lexington and Wuxi plants demonstrates what can be achieved by leveraging technologies of the fourth industrial revolution," says Mourad Tamoud, Schneider Electric's executive vice president of global supply chain. "The benefits for sustainability, agility, and resilience are compelling. We continuously look to enhance our digital supply chain to deliver on our commitment to our customers and society as a trusted partner for digitalization and sustainability."

The Wuxi plant's digital transformation enables the site to meet expanding customer needs for customization while delivering clear production and energy efficiencies:

- Implementing an autonomous supply chain system as a single source of truth to trigger a 30% improvement in on-time delivery.
- Taking advantage of 5G and cobot automation for flexible production lowered time to market 25% and improved line investment by 50%.
- Digital twins to optimize heating and ventilation drive 32% energy consumption improvements.

For Tamoud, the company's strength is its employees: "It's our people who are leveraging this technology, and we are investing in their skills and expertise to enhance their capabilities. This is a testament to our people strategy and investment in our workforce and advanced technologies."

In collaboration with McKinsey & Company, the World Economic Forum began the Global Lighthouse Network initiative in 2018 to recognize manufacturers leading growth of the Fourth Industrial Revolution. The Wuxi plant joins a list of 90 sites in the Global Lighthouse Network who create innovation in business models and increased customer value through 4IR technologies. These companies demonstrate how digital operations create productivity and efficiency gains to enable sustainable growth in the face of pervasive disruptions and challenges.

STRIVE Program

The Wuxi and Lexington factories are part of Schneider Electric's global smart factory and distribution center initiative encompassing nearly 300 factories and logistics centers in more than 40 countries. This initiative – part of the company's STRIVE program – aims to address the fundamental challenge of sustainability while increasing profitability and efficiency.

STRIVE (**S**ustainable, **T**rusted, **R**esilient, **I**ntelligent, **V**elocity and **E**fficiency) is the next evolution of Schneider Electric's supply chain transformation to be the most agile, innovative, planet and customer-centric supply chain.

- **Sustainable** – Schneider Electric is implementing projects to build carbon-neutral and circular supply chains whilst preserving local biodiversity.
- **Trusted & Resilient** - Schneider Electric strengthens its resilience through multi-sourcing and ensures there is no single point of failure in its production lines. Leveraging technology, we can create a highly personalized experience for our customers and ensure superior quality using an end-to-end view of its operations.
- **Intelligent** – Leveraging digital, Schneider Electric predicts, prevents, and automates for a highly flexible remotely orchestrated supply chain
- **Velocity & Efficiency** – Schneider Electric leverages its strong regional presence, agile mindset, and supply partners

STRIVE is part of Schneider Electric's vision that electrification and digitization are inextricable tools in the fight against climate change. This vision has led to the company's recent ranking as #4 in the [2021 Gartner Supply Chain Top 25](#), as well as being named the [world's most sustainable corporation](#) by Corporate Knights in 2021.

About Schneider Electric

Schneider's purpose is to **empower all to make the most of our energy and resources, bridging progress and sustainability** for all. We call this **Life Is On**.

Our mission is to be your **digital partner for Sustainability and Efficiency**.

We drive digital transformation by integrating world-leading process and energy technologies, end-point to cloud connecting products, controls, software and services, across the entire lifecycle, enabling integrated company management, for homes, buildings, data centers, infrastructure and industries.

We are the **most local of global companies**. We are advocates of open standards and partnership ecosystems that are passionate about our shared **Meaningful Purpose, Inclusive and Empowered** values.

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Related resources:

- [Schneider Electric Lexington, Kentucky Plant video](#)
- [Three Best Practices for Achieving Smart Supply Chain Agility During Crises](#), Mourad Tamoud, executive vice president of global supply chain