

World Economic Forum recognizes Schneider Electric Shanghai, China and Monterrey, Mexico factories as new Lighthouses

- Monterrey 1 new Advanced Lighthouse and Shanghai new End-to-End Value Chain Lighthouse, the company now has seven factories that have achieved Lighthouse status
- These are leading examples of how Fourth Industrial Revolution technologies can be leveraged for better sustainability and operational results

Rueil-Malmaison (France), October 8, 2024 – [Schneider Electric](#), the leader in the digital transformation of energy management and automation, today announced the World Economic Forum has recognized two of its factories as new Lighthouses. Monterrey 1, Mexico has been designated as a new Advanced Lighthouse, while Shanghai has been recognized as a new End-to-End Lighthouse.

These are the sixth and seventh factories to join the Forum's [Global Lighthouse Network](#) for Schneider Electric with the company's factories in Wuxi, China, Batam, Indonesia, Le Vaudreuil, France, Lexington, Kentucky, and Hyderabad, India achieving Lighthouse status in prior years. Le Vaudreuil, Lexington, and Hyderabad are also three of 17 global Sustainability Lighthouses, recognized for their technology-enabled improvements on their environmental footprints.

The Forum's Global Lighthouse Network is a collaborative platform bringing together forward-thinking industrial organizations leading the charge in adopting Fourth Industrial Revolution technologies. Co-founded with McKinsey & Company in 2018, the Network now showcases 172 leading examples of factories leveraging technology innovations like artificial intelligence, 3D-printing, and big data analytics, to drive efficiency, competitiveness, and transformative business models at scale.

Schneider Electric's Shanghai factory produces critical electrical system devices such as contactors, overload relays, and motor circuit breakers. With demand from new energy markets, the plant's global orders surged and SKUs increased fourfold over four years. To respond to the growing demand, the factory team increased automation across production by 20% and integrated advanced technologies including machine learning-enabled prototyping, smart planning and scheduling, and GenAI-driven maintenance. This led to a 67% reduction in make-to-order lead time and an 82% boost in labor productivity.

Facing growing demand for higher-complexity products, the Monterrey 1 factory deployed digital technologies to enhance supply chain resilience and agility. Autonomous robots and drone technology made material handling more efficient and building and energy management systems contributed to approximately 30% reduction in energy and water consumption. By leveraging 4IR technologies including machine learning for demand forecasting and deep learning during inspections for improved quality outcomes, the plant has sustained an annual growth rate of 24% while lowering manufacturing costs by 16%, product defects by 20%, and customer lead time by 49% over three years.

"Our Shanghai and Monterrey 1 sites showcase the value of 4IR technologies," said **Mourad Tamoud, Schneider Electric's Chief Supply Chain Officer**. "It's important that we, as an industry, continue to invest in these digital technologies – and the people that use them - at greater scale to bolster operational strengths and mitigate risks."

“Lighthouses are breaking through the AI hype, and raising the bar for digital transformation,” said **Kiva Allgood, The World Economic Forum’s Head for the Centre for Advanced Manufacturing and Supply Chains**. “These sites are integrating advanced technologies into their operations, not just to enhance productivity, but to create a sustainable and inclusive future for their workforce and the broader community.”

Impact Supply Chain Program

The two factories are reflective of the company’s Impact Supply Chain program. This is the next evolution of the company’s supply chain transformation, which aims to make a positive impact on both customers and the planet. Its key pillars are:

- People – Schneider’s people are empowered to innovate and make a positive impact for customers every day.
- Planet – Schneider Electric is building a sustainable, responsible, and net-zero ready supply chain.
- Customers – Schneider Electric’s reliable supply chain delivers industry-leading quality.
- Performance – Schneider Electric drives performance through advanced technology, smart and unified processes, regional ecosystems, and collaborative design.

Related resources:

- [World Economic Forum recognizes Schneider Electric’s Hyderabad factory as a Sustainability Lighthouse](#)
- [New recognition for Schneider Electric from World Economic Forum](#)
- [Schneider Electric Smart Factory](#)

About Schneider Electric

Schneider’s **purpose is to create Impact** by empowering all to **make the most of our energy and resources**, bridging progress and sustainability for all. At Schneider, we call this **Life Is On**.

Our mission is to be the trusted partner in **Sustainability and Efficiency**.

We are a **global industrial technology leader** bringing world-leading expertise in electrification, automation and digitization to smart **industries**, resilient **infrastructure**, future-proof **data centers**, intelligent **buildings**, and intuitive **homes**. Anchored by our deep domain expertise, we provide integrated end-to-end lifecycle AI enabled Industrial IoT solutions with connected products, automation, software and services, delivering digital twins to enable profitable growth **for our customers**.

We are a **people company** with an ecosystem of 150,000 colleagues and more than a million partners operating in over 100 countries to ensure proximity to our customers and stakeholders. We embrace **diversity and inclusion** in everything we do, guided by our meaningful purpose of a **sustainable future for all**.

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