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What Schneider Electric's 2025 Universal Registration Document assumes, believes and expects

Source: Schneider Electric - Universal Registration Document, 2025 (636 pages). Public document.

Five assumptions worth your attention

These claims are never argued for directly, but Schneider Electric's long-term targets and growth strategy depend on them.

Data center compute demand and power availability will not bottleneck the projected organic revenue growth in Energy Management.

Why it matters: Data Center & Networks represents 30% of 2025 orders and drives the predicted >10% market CAGR through 2030, but Western Europe sales growth was already impacted by power bottlenecks on data center projects in 2025.

What would prove or disprove it: Monitoring project delivery timelines, backlog conversion rates, and regional grid interconnection delays for data center projects through 2026.

Product pricing power and gross margin expansion will offset negative revenue mix from faster-growing lower-margin Systems contracts.

Why it matters: In 2025, gross margin fell -40bps organic to 42.1% with an adverse mix effect of -243 million EUR due to faster Systems growth, requiring SFC cost reduction to maintain EBITA margin target.

What would prove or disprove it: Reporting of gross profit margin and mix impact in Q2 and FY 2026 financial updates.

The multi-hub supply chain model can absorb geopolitical trade barriers and domestic content mandates without margin erosion.

Why it matters: With 39% of revenues in North America and 25% in Asia Pacific, raw material impact and tariffs created a net -160 million EUR headwind in 2025 while the Group targets making 90% of products regionally.

What would prove or disprove it: Disclosures on tariff absorption, net pricing impact, and regional supply chain capital expenditure in 2026 earnings reports.

Software customers will continue converting to recurring subscription contracts without accelerating churn or delaying capital spend.

Why it matters: Agnostic software recurring revenue reached 79% in 2025 with an ambition to double total recurring revenue weightage by 2030, while Process & Hybrid software decisions saw delays from macro uncertainty.

What would prove or disprove it: Annualized Recurring Revenue (ARR) growth rates at AVEVA and transition percentage metrics reported for FY 2026.

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Top suppliers will achieve Scope 1 and 2 emissions reductions without increasing input component costs for Schneider.

Why it matters: Top 1,000 suppliers reduced operational CO2 emissions by 56% under the Zero Carbon Project and 98% committed to Decent Work, while procurement costs totalled 20,259 million EUR in 2025.

What would prove or disprove it: Cost of Goods Sold inflation metrics and supplier compliance disclosures in the 2026 Sustainability Impact update.

The fuller list

Sorted by how the document itself frames each claim.

Category	Claim	Source
Stated outright	Group organic revenue is targeted to grow at a CAGR of +7% to +10% between 2025 and 2030.	*Outlook and targets*
Stated outright	Adjusted EBITA margin is target to expand cumulatively by +250bps organically over the 2026-2030 period.	*Outlook and targets*
Stated outright	Free cash flow conversion ratio is expected to be maintained at around 100% of Net Income from 2026 to 2030.	*Outlook and targets*
Stated outright	The Group plans to execute a systematic share buyback program of EUR 2.5 billion to EUR 3.5 billion through 2030.	*Outlook and targets*
Stated outright	2026 financial targets project organic revenue growth of +7% to +10% and organic adjusted EBITA margin expansion of +50bps to +80bps.	*Outlook and targets*
Stated outright (risk framing)	Operational disruption due to global political and economic friction poses a high potential impact on business continuity.	*Enterprise Risk Management*
Stated outright (risk framing)	Cybersecurity incidents on infrastructure or connected products represent a high net impact threat to Group and customer assets.	*Enterprise Risk Management*
Stated outright (risk framing)	Volatile raw material prices and cost of goods inflation present ongoing headwinds to gross margins.	*Financial performance highlights*
Partly third-party	The total addressable market for energy technology will grow at a CAGR of +6% to +7% to reach over EUR 600 billion by 2030.	*Integrated Report via company*
Partly third-party	Global grid power generation will grow by 61% from 28 PWh in 2023 to 45 PWh in 2040.	*IEA via company*
Asserted, no evidence shown	Gross pricing increases on products will fully offset raw material cost inflation and import tariffs over the economic cycle.	*Financial performance highlights*
Asserted, no evidence shown	R&D spending target increase from 5.6% towards 7% of revenue will secure long-term technology leadership in AI platforms.	*CFO Interview*
Aspiration, no numbers	The Group aims to become the most customer-centric B2B technology organization through local partner ecosystems.	*Group strategy*
Aspiration, no numbers	All major new product offers in design will demonstrate circular and environmental excellence by 2030.	*Sustainability Impact 2030*

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Category	Claim	Source
Implicit, derived from the figures	Discrete automation demand recovery in H2 2025 will continue steadily into 2026 to support Industrial Automation segment growth.	*Financial performance highlights*
Implicit, derived from the figures	Support function cost ratios can decline continuously to 2030 despite ongoing structural investments in software and AI tools.	*Financial performance highlights*
Standard legal boilerplate	Forward-looking targets are subject to macro conditions and assume no major unanticipated geopolitical or economic disruptions occur.	*Outlook and targets*

This took one upload. Imagine it running on your own plans.
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