

2021 Integrated report













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Message from Benoît Coquart, Chief Executive Officer of Legrand

Sales € 7.0 billion



Over 38,200 employees worldwide



Operations in close to

90 countries

and products distributed in close to

180 countries



Market capitalization of around

€27.5 billion

at December 31, 2021.

Constituent of the CAC 40 and CAC 40 ESG indexes.



Benoît Coquart, Chief Executive Officer

Record financial results and solid ESG performance in 2021

The more rapid pace of our profitable and responsible value creation was evident in Legrand's 2021 performance, following an unprecedent 2020, which highlighted the resilience of our business model.

From a financial perspective, the Group posted record results in a still changing environment (pandemic and supply chain pressures):

- sales of €7 billion, up 14.7% on the previous year and up 5.6% versus 2019, powered by marked organic growth of 13.6% over the year and of 3.7% versus 2019;
- adjusted operating profit representing 20.5% of sales, up 8.1% versus 2019, and net profit up 32.8% versus 2020 and up 8.3% versus 2019; and
- normalized free cash flow representing 15.4% of full-year sales.

Our non-financial performance was also very strong. Our fourth CSR roadmap's overall achievement rate was 131% in 2021, its final year, reflecting the full part played by all countries. Particularly noteworthy was the substantial reduction of 28% in our direct CO₂ emissions.



Our achievements in 2021 have underscored our positioning as a leading force in our industry, and our customers, our partners and our teams deserve great credit."

Strong engagement amid a changing environment

Amid the enduring pandemic situation, we did not compromise on keeping our employees and our whole ecosystem safe (stringent health precautions, easy access to vaccination in a number of countries, solidarity measures, etc.).

We also managed the mounting supply chain pressures and historical inflation levels effectively, ensuring:

- no disruption to our customer service thanks to supply chain adjustments, advance planning with our suppliers and a redesign to supply approach;
- a tight grip on our costs and management of our selling prices, to achieve a high level of profitability and cash generation.

Our achievements in 2021 have underscored our positioning as a leading force in our industry, and our customers, our partners and our teams deserve great credit.

Their commitment (2021 employee engagement rate at 80%, a substantial increase of 11 points versus 2017) has been flawless ever since the pandemic began.

Strengthening a unique model that creates value over the long term

In 2021, we further detailed our mid-term model and strategic roadmap. We are accelerating the pace of our profitable and responsible value creation in a market driven by increasingly buoyant structural trends – both historical (electrification, demographic change and development of the middle classes) and more recent (climate crisis, teleworking and assisted living).

Capitalizing on our unique position as a pure-playing powerhouse, generating close to two-thirds of our 2021 sales through leadership positions, we are stepping up our development initiatives, especially in faster expanding segments such as datacenters, connected offerings and energy efficiency programs:

- geographical product launches and roll-outs;
- accelerated digitalization of commercial relationships (more user-friendly apps and product configurators);
- development of promising new distribution channels (e-commerce) and geographical markets (Northern and Eastern Europe, Africa); and
- completion of four acquisitions in a year, accounting for a total of around €250 million in annual sales.

Faster expanding segments accounted for 33% of Legrand's sales in 2021 (versus around 31% in 2020 and 18% in 2015). Our medium-term goal is to increase this figure to 50%.

On the ESG front, as a key player, we increased our commitments to combat climate change, with:

- a carbon trajectory (on Scopes 1, 2 and 3), aligned with the most ambitious objective of the Paris Agreement (1.5°C), validated by the SBTi;
- an array of solutions under our energy efficiency programs already accounting for around 21% of Group sales and enabling our customers to cut their own CO₂ emissions substantially.

In 2022, we will launch our fifth CSR Roadmap targeting four key areas: encouraging diversity and inclusion; reducing our carbon footprint; promoting the circular economy; and continuing to act responsibly vis-à-vis our stakeholders.

Building on a year in 2021 in which we demonstrated the relevance of our strategy, we have set targets for 2022 and the medium term that are aligned with an accelerated value creation benefiting all our stakeholders.

Strategic positioning

Legrand is ideally placed for the next economic cycle

A specialist in a growing industry



Low-risk sector of activity

More resistant to economic cycles



Strategic industry

Strategic industry with a low level of energy intensity supported by authorities under global and regional stimulus plans



Secular trends

Electrification, demographics, shortage of buildings, development of new economies



New trends

Energy efficiency, digitalization, assisted-living systems, working from anywhere, well-being

A unique profile that creates value



Unique pure player in the building sector

"A giant in niches", with close to two-thirds of sales deriving from leadership positions



Responsible value creation

A longstanding, integrated approach to performance, with a leading track-record in terms of profitability, cash generation and CSR



Clear development strategy

Organic growth and selective acquisitions



Agile organization and empowered teams

Committed, execution-focused teams

Extensive product offering

More than 300,000 product references









Control electrical installations







Provide a secure, stable and optimized power supply



Protect electrical installations



Install structured cabling



Distribute audio and video signals



Regulate temperature and sunlight



Manage and optimize lighting



Ensure the flow of electricity



Remotely manage and control all infrastructures



Recharge electric vehicles



Measure and control energy consumption



Organize datacenters' white-space infrastructures



Supply power to workstations



Ensure that people can move around buildings and exit them safely



Welcome and screen visitors

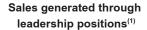
Strategic positioning

Legrand: a key player in the value chain

Delivering major benefits to the entire value chain...



... that help to build leadership positions





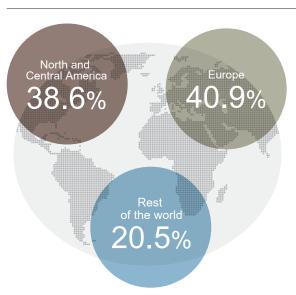
(1) Sales generated by no. 1 or no. 2 market positions for a product range on a given market.

Exposure to structurally positive trends

Post-Covid trends Secular trends Top-of-the-agenda trends **Demographics** Buildings of the future **Digital lifestyles** Population growth is driving up Digitalization combined with the shift Smart-Connected-Simple-Safe consumption and infrastructure products and applications are in lifestyles is giving rise to structural spending becoming essential trends for buildings in terms of connectivity and standards of comfort Urbanization Climate emergency Hybrid workplaces Better living conditions, work More efficient, smarter buildings have opportunities and higher incomes a crucial role to play in curbing global Adjustments to office spaces are favoring demand for smart warming are required (meeting rooms, applications and for the internet social distancing) This trend is supported by higher of things Workspaces will feature greater expectations among customers, stimulus plans recognizing the need connectivity and even more Rising middle class Rising middle classes are investing to make buildings "greener" and embedded technology in high-quality digital products, stricter regulations in areas such as Online business services and technologies energy efficiency and carbon Digitalization is driving more online emission reductions purchases and sourcing, plus Health and wellbeing an increased need for digital Societies are putting greater infrastructure in all buildings emphasis on well-being and assistedliving systems

Balanced exposure (2021 sales)

3 main geographical regions



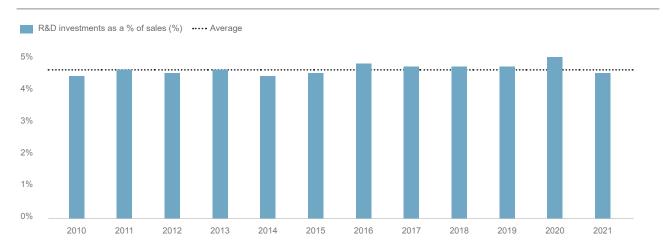
4 main end markets



Strategy focused on growth

Organic growth driven by innovation and by sales and marketing initiatives

Organic growth driven by product innovation with high levels of investment in R&D





Video door-entry system Classe 300 EOS



Disinfectant lighting technology "Indigo Clean"



Linkeo Datacenter cabinets

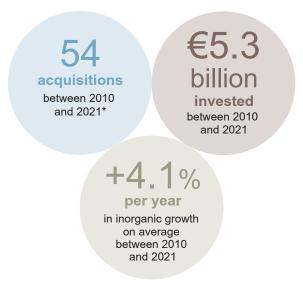
Targeted acquisitions

A still fragmented market made up of close to 3,000 small- and medium-sized businesses, half of which are owned by local players

Close relationships established with around 300 companies representing substantial potential for Legrand

Selective approach: close to 5 acquisitions per year on average since 2010, forming a very good fit with Legrand's business activities and creating value for the Group within 3 to 5 years

Highly efficient docking process



^{*} including Emos.

Accelerated development thanks to faster expanding segments

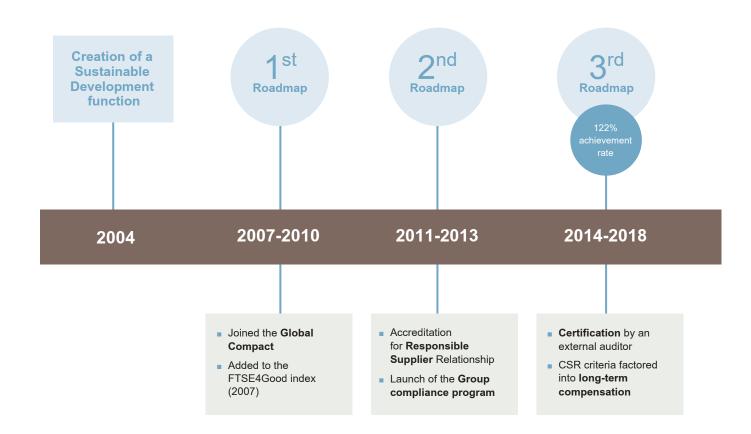
Three faster expanding segments

Datacenters	Connected products – Eliot program	Energy efficiency
% of Group sales since 2017 Close to 13% of the Group's sales in 2021	>40 categories of connected products out of >100 Around 15% of the Group's sales in 2021	million metric tons of CO ₂ emissions avoided for our customers since 2014 Around 21% of the Group's sales in 2021

A medium-term ambition: generating half of sales in faster expanding segments

2015	2020	2021	Medium-term
18% of sales	31% of sales	33% of sales	50% of sales

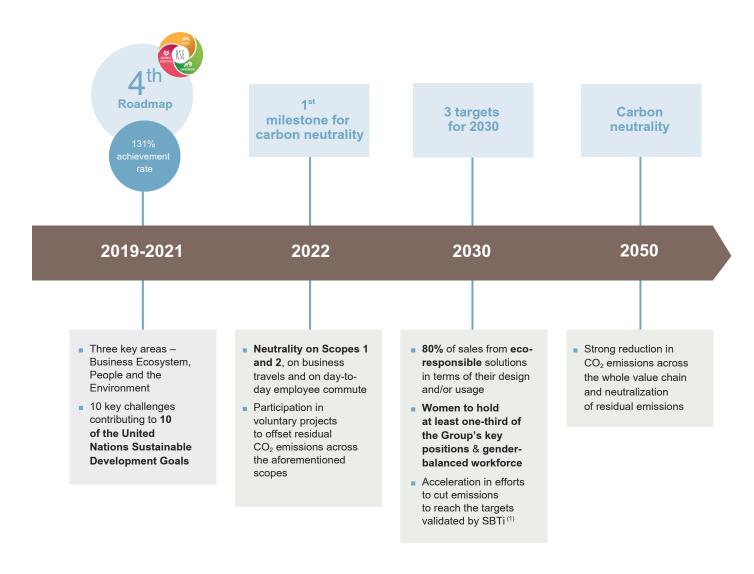
Longstanding CSR program











Aligned with priorities and global standards

Main contributions to the United Nations Sustainable Development Goals

Protect and improve the health, safety and well-being of the occupants of living spaces

Encourage diversity and inclusion at work

Equip buildings with more reliable and efficient energy supplies to help combat climate change

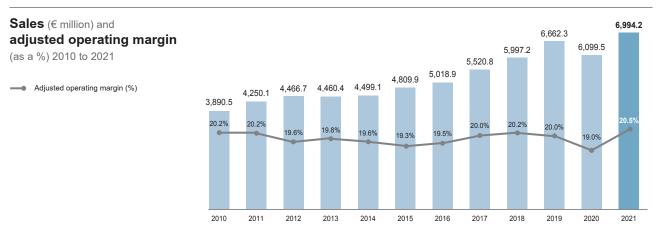
Supply products and solutions that are sustainable and part of the circular economy, safe, resource efficient, and transparent on their impact

⁽¹⁾ For more information, please refer to the press release of July 30, 2021.

Integrated performance

Historical performance

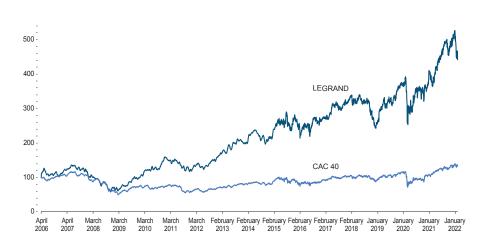
2010-2021 historical financial performance



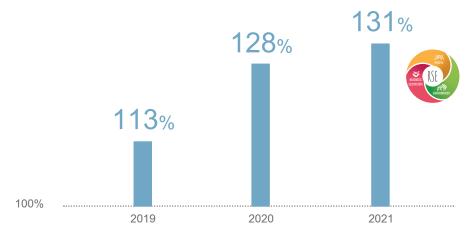
Share price performance

Between April 6, 2006 and February 11, 2022 (rebased 100 in 2006)

Annualized total shareholder return including reinvestment of dividends: 14% (at December 31, 2021)



2019–2021 non-financial performance



Mid-term outlook driving value creation

Sustained sales growth

+5% to +10% average annual growth in sales excluding exchange-rate effects

- Supported by a strengthened business model
- Market expansion driven by structural trends and new addressable segments (> €30 billion)
- Organic growth profile strengthened with faster expanding segments from 33% of sales in 2021 to 50% in the medium term
- Bolt-on acquisitions strategy to be pursued with 3 to 6 deals per year

~20% of sales adjusted average operating margin

 Supported by volume-related leverage, sector-benchmark ability to raise selling prices, and solid cost management

Full absorption of:

- Investments in organic growth
- Dilutive impact of new acquisitions (-10 to -50 basis points per year)
- Financing of restructuring initiatives

13% to 15% of sales, average normalized free cash flow

- Balanced capital allocation
 - >1/2 of free cash flow invested in bolt-on acquisitions, while preserving a solid balance sheet
 - Average dividend payout ratio of ~50%
 - Share buybacks to compensate for the dilution linked to LTI programs

Climate

2050: Carbon-neutrality: reduction in CO₂ emissions across Scopes 1, 2, & 3

and neutralization of residual emissions

2030: SBTi target⁽¹⁾ **(1.5°C):** Scopes 1 & 2 -50%, Scope 3 -15%

2022: Carbon-neutral operations: Scopes 1 & 2 and part of Scope 3

(business travel and day-to-day employee commute) emissions with

voluntary carbon offsets

Diversity & inclusion

2030: 1/3 of key positions held by women

Gender balance across the Group's entire workforce

Eco-responsible revenue streams

2030: 80% of products (by revenue) are eco-responsible by design or by usage

(1) 2030 targets compared with 2019.

Integrated performance

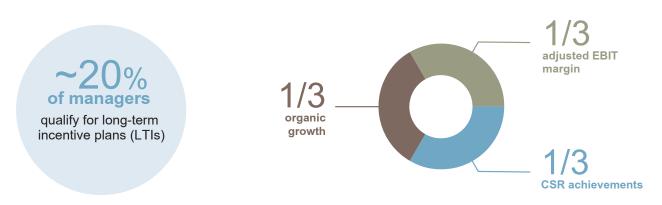
2019-2021 CSR Roadmap performance

	B. Carrier and Car		Results		
	Business ecosystem	2019	2020	2021	
	PRIORITIES AND OBJECTIVES				
Sustainable solutions	Protect the health and safety of users 100% of sales to be covered by the product risk management procedure	98%	100%	100%	
	Stimulate innovation thanks to partnerships 10 innovation partnerships to be implemented every year	15	24	32	
Sustainable purchasing	Raise awareness and provide sustainable purchasing training 1,000 employees to be given responsible purchasing training in 2021 30 countries to incorporate "life cycle cost" in their purchasing policy in 2021	503 9	651 23	501 28	
	Measure progress of suppliers identified as at-risk in CSR terms 100% of suppliers identified as being at-risk to make improvements in 2021	-	78%	113%	
Act ethically	Continue to train employees on business ethics Business ethics training to be delivered to 3,000 employees every year	4,151	13,511	21,707	
	Monitor implementation of the Compliance program 100% of sales to be covered by the business ethics program	97%	95%	97%	

	Poonlo		Results	
	People	2019	2020	2021
	PRIORITIES AND OBJECTIVES			
Human rights and	Comply with the Group's commitment to human rights 100% of Legrand's locations to uphold human rights	100%	100%	100%
communities	Contribute to communities 75% of countries to implement a skills-sharing strategy in 2021	61%	80%	89%
Equal opportunities and diversity	Encourage gender diversity Ratio of management positions held by women to increase by 20% in 2021	+3%	+10%	+18%
lealth, safety and well-being at work	Deploy best practices on health and safety at work Accident frequency rate (with and without lost time) to be cut by 20% in 2021 90% of employees to be covered by the Legrand Way "Health and safety rules" in 2021	-16% 44%	-30% 65%	-46% 94%
	Strengthen employee engagement 100% of scopes to be covered by an "employee engagement" plan 95% of workforce to be covered by the Serenity On program in 2021	100% 83%	100% 93%	109% 97%
Skills	Develop the skills and talents of all employees 85% of employees to receive at least 4 hours of training every year 90% of managers to be given an annual performance review every year	85% 93%	89% 98%	93% 97%

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	Environment	Results			
	Elivirolilielit	2019	2020	2021	
	PRIORITIES AND OBJECTIVES				
Greenhouse gas emissions	Reduce Legrand's carbon footprint CO ₂ emissions to be cut by 7% in 2021 (2018 base, at comparable structure)	-7%	-23%	-28%	7 dissolution
	Avoid CO ₂ emissions through the Group's energy efficiency offers 2.9 million metric tons of CO ₂ emissions to be avoided in 2021	2.5 Mt	3.0 Mt	3.3 Mt	13 chase
Circular economy	Incorporate circular economy principles in the development of new products 100% of circular economy principles to be introduced at R&D centers in 2021	94%	97%	104%	12 HERONIAL
	Provide environmental information on the Group's products Two-thirds of annual sales to be covered by audited environmental statements	62%	67%	70%	12 ESSUARIE SO PROCES
	Recover the waste generated by the Group 90% of waste to be recovered every year	90%	90%	92%	w w
Air pollution	Reduce Volatile Organic Compounds (VOC) emissions VOC emissions to be cut by 10% by 2021 (2018 base, at constant scope)	- 4%	- 26%	- 22%	12 ISSUANTI DE CONSUMERA DE CON

Compensation in line with the Group's objectives



Structure of long-term incentive plan for key Group positions

Business model

Capital, 2021 figures

Human capital

- Over 38,200 employees (38% women)
- 2,600 people working in R&D in more than 20 countries
- Engaged teams
- 80% engagement rate

Industrial capital

- Close to 120 manufacturing sites in 30 countries
- 83% of sites ISO 9001-certified
- 88% of sites ISO 14001-certified

Financial capital

- 69.5% of the share capital held by longonly investors
- Net debt equal to 1.5x EBITDA
- S&P rating of A- stable

Intellectual capital

- Around 3,900 patents
- Around 80 trademarks
- Over 15% of R&D teams dedicated to software and firmware

Social capital

 67% of purchases from suppliers that have embraced Global Compact principles



 Corporate sponsorship agreements (Électriciens sans frontières, Fondation Agir Contre l'Exclusion), technological alliances, commercial partnerships

Natural capital

- Low level of energy intensity
- Limited use of water
- No direct use of natural resources



Growth drivers

External growth

54

acquisitions between 2010 and 2021*

* including Emos.

€5.3 billion

Organic growth

Innovation

~5%

invested in R&D on average between 2010 and 2021

Excellence in sales and marketing

More than 300,000 product references

- Portfolio with 130,000 product references in ETIM* format
- Market-focused organization:
 - local organization
 - around 19% of the workforce dedicated to the Group's sales and marketing activities
- Digital best practices:
 - e-marketing, data analytics
 - e-commerce
- Satisfaction survey (Customer Satisfaction - CSAT score of 88%)
- * Electro-Technical Information Model.

Leadership positions

of sales

generated through no. 1 or no. 2 market positions

At least one leadership position in over

Solutions that are

- Reliable
- Available

... with added value

- Features
- Simplicity
- Comfort
- Safety
- Aesthetics

Faster expanding segments

- Energy efficiency
- Connected products Eliot program
- Datacenters

Priority ESG objectives

- Carbon-neutrality
- Energy-efficient products
- Circular economy
- Diversity and inclusion
- Exemplary governance

Long term value creation

2021

billion

of which 33% generated in faster expanding segments

2010-2021

adjusted operating margin

2021

normalized free cash flow

Balanced split of value added for stakeholders (2010-2021)



25%

- Investments in development
- Capital expenditures (4%) - R&D investments (4%)
- Acquisitions (17%)
- 25%

Other stakeholders

- Shareholders (11%)Governments (11%)
- Banks (3%)

Business ecosystem

Employees







50%

- 100% of suppliers classified as at-risk from a CSR perspective have improved over the past three years
- Business ethics training delivered to more than 21,000 employees over the past three years

People



- 89% of countries have introduced a charitable giving policy
- 2.9 million people have benefited from electricity supply projects carried out with *Électriciens sans frontières* since 2007
- 46% reduction in the frequency rate of workplace accidents since 2018
- 97% of employees covered by Serenity On, the Group's global program for minimum social coverage
- 93% of employees received at least 4 hours of training during the year
- 18% increase in the proportion of female managers since 2018
- 80% employee engagement rate at Legrand following the 2021 engagement survey

Environment

■ 92% of waste recovered



- 28% reduction in direct CO₂ emissions since 2018 (at comparable structure)
- 13.2 Mt of CO₂ emissions avoided since 2014 through our energy efficiency solutions

2022-2024 CSR Roadmap





For Legrand, diversity and inclusion are contributing factors to sustainable performance and wealth.

Gender diversity

Achieve a level of 30% of management positions filled by women

· 'Diversity & Inclusion' labelling

Achieve a level of 80% of the workforce working at an entity holding the 'Diversity & Inclusion' label

• Employability of Early-in-careers

Offer 4,000 new opportunities to Early-in-careers each year

· Diversity and inclusion among suppliers

Develop 200 additional businesses with suppliers qualified as 'Diversity & Inclusion'



Reducing the Group's carbon footprint is a priority in our efforts to combat climate change.

CO₂ emissions avoided for our customers

Thanks to the Group's Energy Efficiency solutions, enable our customers to avoid the emission of 12 million tons of CO₂

 Direct and indirect CO₂ emissions (Scopes 1 and 2)

Reduce the Group's CO₂ emissions on Scopes 1 and 2 by 10% each year through energy efficiency improvements at our manufacturing sites and renewable energy deployment

• Indirect CO₂ emissions (Scope 3)

Encourage at least 250 key suppliers to have an official CO₂ emission reduction target of 30% on average by 2030















Develop a circular economy

Embedding a circular economy approach into Legrand's activities is a major focus for the Group's sustainable development.

• Use of recycled materials

Achieve a 15% recycled plastics use rate and 40% recycled metals use rate in products manufactured by the Group

Phase out single-use plastic

Eliminate 100% of single-use plastic in flow pack and expanded polystyrene packaging

Environmental declarations

Cover 72% of the Group's annual sales with Product Sustainable Profiles



Be a responsible business

Acting as a responsible player means upholding and valuing all our stakeholders, especially employees and customers, in our daily work activities.

Customer satisfaction

Achieve 90% of sales made to satisfied customers (satisfaction surveys)

Business ethics/compliance

Supervise, provide training and ensure compliance in relation to the Group's commitments in the area of business ethics

· Employability and skills development

Provide training for 85% of employees each year and attain 7 hours of annual training for each employee

Safe workplace

Reduce the workplace accident frequency rate by 20% (FR2)

Expanded social coverage

Expand the Serenity On program to cover 100% of employees











Risk management

The approach is based on identifying and classifying risks according to their impact, probability of occurrence, and an estimate of the degree to which they are under control.



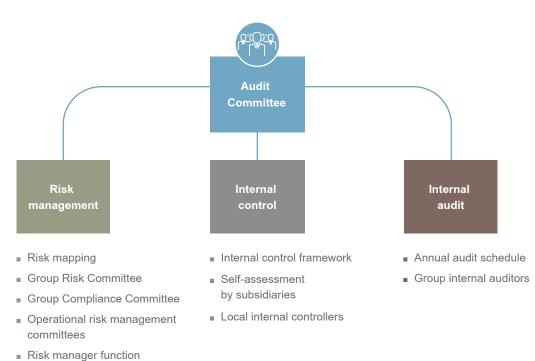
Group risk mapping

As Legrand and its operating environment evolve, risk mapping aims to identify risks and opportunities that are likely to significantly impact our strategy, operations, financial position or reputation, and to mitigate them.

Risk factors may be external (regulatory changes, cybercrime, technological developments, market trends, climate change, natural catastrophes, etc.) or internal (equipment or human failure, fraud, non-compliance with regulations, etc.).

Risk management is an ongoing task for which all Group managers are responsible.

Dedicated governance framework



Components of the b model	Associated risks and opportunities
Organic growth and innovation	 Unfavorable economic conditions Offerings mismatched with changing market expectations* Incomplete digital transformation* Cybersecurity* ** IT solution to business needs*
External growth	 Detecting acquisition targets, acquiring them and docking them to Legrand
Leadership positions	 Disruption of the economic chain Weakening in brand positions* Product quality and safety* ** Customer experience
Human capital	 Attracting and retaining talent* Adapting skills to requirements* ** Staff engagement Social dialogue Diversity and inclusion* Occupational health & safety and well-being at work*
Intellectual capital	Patent and brand protection, breach of third parties' intellectual property rights, counterfeiting*
Industrial capital	Crisis management and business continuity
Social capital	 Personal data protection* ** Working conditions and compliance with human rights, including across the supply chain* Business ethics* ** Local roots and socio-economic development of regions Responsible taxation Attentiveness to stakeholders' expectations Philanthropic activities
Financial capital	 Financing for the model Value of brands and goodwill* Responsible and transparent governance
Natural capital	 Impacts on the environment, climate and biodiversity** Risks related to climate change (physical and transition risk)* ** Protection of natural resources & the circular economy*
Creation of value added	 Inadequate global competitiveness of operations* Reliability of accounts and internal control*

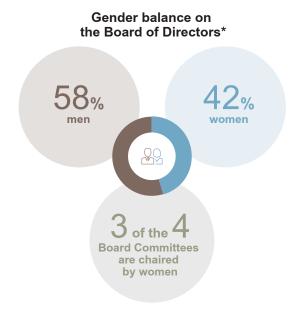
Exemplary governance



As Chairwoman of the Board, I am endeavoring to ensure Legrand continues to uphold best practices in corporate governance in the interest of the Group and of its stakeholders."

Angeles GARCIA-POVEDA, Independent Chairwoman of the Board of Directors





Board of Directors: independence, diversity and variety of skills

Legrand is listed on Euronext Paris and is a component stock of the CAC 40 and CAC 40 ESG(1).

Our shareholder base is international, and is mainly located in North America and Europe.

Our free float accounts for around 96% of the share capital.

We pay particular attention to our governance, ensuring that it meets the highest standards, not only to comply with legal requirements but to act in the interests of all our stakeholders. Legrand abides by the principles of corporate governance for listed companies set out in the Afep-Medef Code of Corporate Governance, which you can refer to on Medef's website at www.medef.com.

The Board of Directors exercises the powers vested in it by law to act in the company's interest in all circumstances. Its members possess varied and complementary profiles, including an array of strategic, financial, CSR, risk management, financial communication, talent management and marketing skills.

^{*} These figures do not include either of the directors representing employees.

⁽¹⁾ Information provided at the filing date of this Universal Registration Document.

The Board of Directors



Angeles GARCIA-POVEDA Independent Chairwoman of the Board of Directors Spanish national



Olivier BAZIL
Director
French national



Isabelle BOCCON-GIBOD Independent director French national



Christel BORIES
Independent director
French national



Sophie BOURDAIS
Director representing employees
French national



Daniel BUISSON
Director representing employees
French national



Jean-Marc CHÉRY Independent director French national



Benoît COQUARTDirector
French national



Edward A. GILHULY Independent director US national



Patrick KOLLER Independent director Dual French/German national



Michel LANDEL Independent director French national



Annalisa LOUSTAU ELIA Independent director Italian national



Éliane ROUYER-CHEVALIER Independent director French national



Gilles SCHNEPP
Director
French national

Exemplary governance

Legrand ranks among the CAC 40 companies with the best governance scores as reflected by the CAC 40 Governance index.

Meetings of the Board of Directors

95%
Director attendance rate at Board meetings

Directors' meetings not attended by internal and executive directors

Externally conducted assessment of how the Board of Directors and the Board Committees operate

Meetings of the Audit Committee

Meetings of the Compensation Committee

Meetings of the Commitments and CSR Committee

Meetings of the Nomination and Governance Committee

Director attendance rate at Board Committee meetings

2021 figures.

The Executive Committee: an experienced and multidisciplinary team

The Executive Committee forms a close-knit, ten-member team, including four women, with a complementary range of expertise. All its members understand the Group's core business and its development priorities.



Benoît COQUART
Chief Executive Officer
joined the Group
in 1997



Karine ALQUIER-CARO Executive VP, Purchasing joined the Group in 2001



Bénédicte BAHIER Executive VP, Human Resources joined the Group in 2007



Antoine BUREL
Deputy Chief
Executive Officer,
Executive VP Operations
joined the Group
in 1993



Jean-Luc CARTET

Executive VP Asia-Pacific,
Middle East & Africa
and South America
joined the Group
in 1992



Viginie GATIN Executive VP, Corporate Social Responsibility joined the Group in 2021



Gloria GLANG
Executive VP, Strategy
and Development
joined the Group
in 2019



Franck LEMERY
Executive VP,
Chief Financial Officer
joined the Group
in 1994



John SELLDORFF
President and
Chief Executive Officer
of Legrand North &
Central America
joined the Group
in 2002



Frédéric XERRI Executive VP, Europe joined the Group in 1993

Company Headquarters

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