



# CORPORATE **SOCIAL** RESPONSIBILITY

PRESS FILE

2019

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Making our corporate social responsibility  
a lever for improvement for society,  
employees, and the planet.

## 4 QUESTIONS TO...



**Benoît COQUART,**  
CEO

### HOW DO YOU DEFINE CORPORATE SOCIAL RESPONSIBILITY AT LEGRAND?

**BC:** As a world specialist in electrical and digital infrastructures, we aim to support the development of buildings with a view to promoting progress for the communities around us. We do this by tackling the environmental, societal, social and technological challenges that face us in today's world. This is a daily commitment for Legrand's 38,000 plus employees.

**JD:** Our responsibility is threefold. We must interact in the most ethical way possible with the entire ecosystem related to the Group's activity (including suppliers, users, and partners), with the greatest possible consideration for employees and communities, while doing our utmost to limit the environmental impact of our activities.

### WHAT ARE THE STRENGTHS OF LEGRAND'S CSR?

**BC:** Legrand's CSR is firmly anchored in the Group's identity and its operations. As an integral part of our business, it participates fully in Legrand's creation of value.

**JD:** One of the key elements of Legrand's CSR is also to be supported by the Group's offerings. Our energy efficiency solutions, for example, contribute to mitigating the effects of climate change.

### HOW DOES LEGRAND'S CSR STRATEGY CONTRIBUTE TO THE GROUP'S PERFORMANCE?

**BC:** It drives us to innovate so that we can satisfy our stakeholders' expectations, provides us with development opportunities, and boosts our determination to take the whole electrical sector forward.

**JD:** It also gives us better control over the various risks to which we are exposed.

### WHAT IS DIFFERENT ABOUT THIS NEW CSR ROADMAP?

**BC:** The 2019-2021 CSR roadmap results from a broad materiality survey that mobilised more than 3600 stakeholders, which is a first for Legrand on that scale. Widely shared and validated by the various governance mechanisms in the Group, it has helped us to rank and prioritise the CSR challenges.

**JD:** This development process enriches our approach by highlighting both emerging and priority challenges. The three-year roadmap (2019-2021) also allows us a certain agility in our actions, while consolidating the advances made in previous roadmaps.



**Jessica DUVERNEIX,**  
Group VP Corporate Social  
Responsibility

# OUR CSR STRATEGY

## AN INTEGRATED STRATEGY

Directly integrated in the Group's activity, CSR is an essential ingredient in Legrand's growth. Situated at the crossroads between its business, its strategy, and the global challenges the Group faces, it involves the whole organisation; all of the subsidiaries and entities are stakeholders in this CSR strategy, which they implement all over the world.

## GOVERNANCE AND STEERING OF CSR

Legrand's CSR Department relies on a network of 300 representatives in the subsidiaries, on the CSR Steering Committee involving all of the Group's functional departments, and on the main country managements, which aims to control the risks and study the strategic, operational, reputational and financial opportunities, in collaboration with the Group CSR Department.

Moreover, the Board of Director's specialist Strategy & Social Responsibility Committee guarantees the alignment of the Group's strategy with CSR principles.

Extra-financial performance is among the criteria which impact the compensation of Legrand's main decision-makers and senior managers (CEO, Executive Committee members, Country Managers, Heads of Strategic Business Units, etc.).



## International standards

Legrand applies the main international standards concerning CSR. In particular, the Group adheres to the United Nations Global Compact since 2007 and complies with the following guideline documents:

- The Universal Declaration of Human Rights,
- The GRI and ISO 26000 guidelines, which are also tools used to evaluate the Group's strategy,
- United Nations Sustainable Development Goals (SDG).

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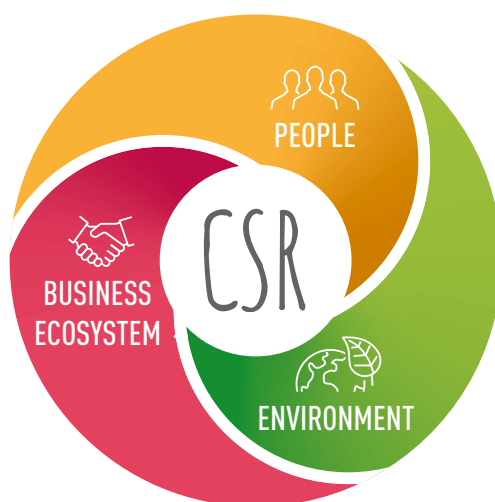
## LISTENING TO OUR STAKEHOLDERS

Legrand's CSR strategy is based on strong interaction with the Group's stakeholders. The materiality test identifies the key CSR challenges that are relevant and important to the company and its stakeholders. As part of the preparation of its fourth roadmap, for 2019-2021, in 2017 Legrand conducted a wide-ranging materiality survey which mobilised more than 3600 stakeholders in 70 countries (employees, suppliers, customers, investors, civil society, etc.). Gathering this information allowed the Group to update its materiality matrix and identify the 10 major challenges for Legrand in the coming years.

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## 3 FOCAL AREAS OF SUSTAINABLE COMMITMENT

Legrand's CSR is based on three focal areas<sup>(1)</sup> that guide and structure its commitments. The focal areas break down into 10 key challenges that take priority for both the Group's stakeholders and the development of its activities:



**BUSINESS ECOSYSTEM,**  
or how Legrand interacts ethically with the whole ecosystem of its activities.

**PEOPLE,**  
or how Legrand engages with all of its employees and stakeholders.

**ENVIRONMENT,**  
or how Legrand intends to limit the Group's environmental impact.

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## TRACKING CSR PERFORMANCE

**122%**  
AVERAGE ACHIEVEMENT RATE  
OF 2014-2018 ROADMAP CSR  
TARGETS AT THE END OF 2018

The CSR roadmap allows for annual tracking of Legrand's extra-financial performance. Each priority in the roadmap is associated with a numerical target and is measured via consolidated indicators subject to independent third party audit. Legrand undertakes to communicate annually about this performance by publishing the latest indicator values. This reporting mechanism enables employees to consolidate best practices and share them with the rest of the Group according to an organised process.

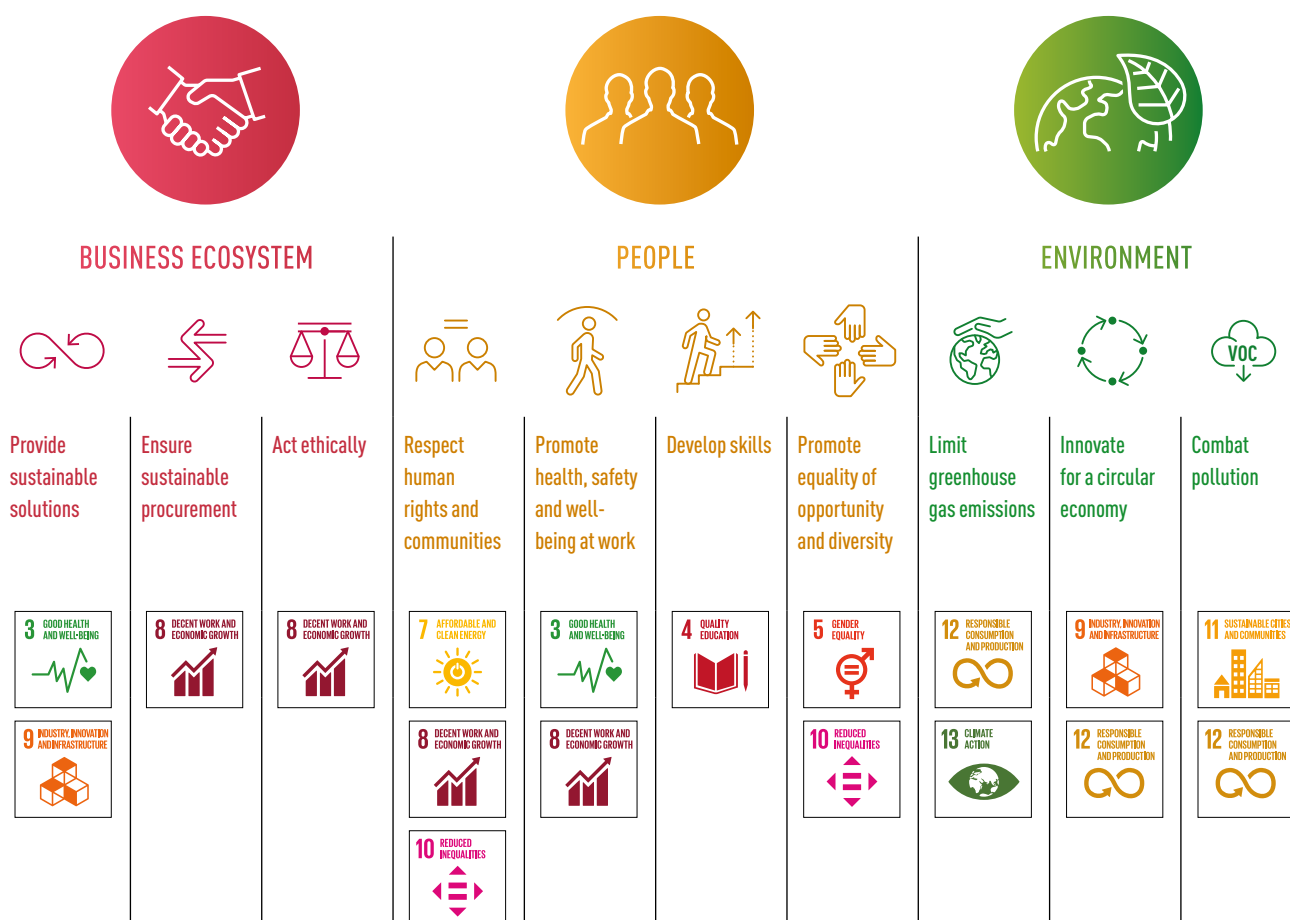
(1) Up to now, Legrand's CSR strategy was organised around four focal areas: Users, Society, Employees, and Environment. After identifying the expectations of its stakeholders, Legrand updated it in 2019 to make it more readable and more consistent with the Group's approach.

## A NEW ROADMAP FOR 2019-2021

Published in April 2019, the 2019-2021 roadmap is Legrand's fourth CSR roadmap. It reasserts the Group's commitment to the sustainable development of its activities, building on the progress made under previous roadmaps while defining new ambitions.

- For better agility and reactivity, the 2019-2021 roadmap covers three years. The numerical targets are calculated with respect to the level attained at the end of 2018, and are intended to be reached by the end of 2021.
- This fourth roadmap is based on a materiality survey conducted internationally for the first time.
- It contributes even more strongly to value creation by the Group and participates fully in its integrated performance.

The 2019-2021 roadmap confirms Legrand's ambition to pursue its sustainable growth model, while also including longer-term goals for the first time. The Group thus looks ahead to 2030 with a target for each focal area.



Legrand CSR actively contributes to the sustainable development goals as defined by the UN in 2015. To help ensure a better, more sustainable future for all, Legrand thus responds to 10 of the 17 UN SDGs.

# BUSINESS ECOSYSTEM

All along the value chain, Legrand intends to respond to the expectations of the stakeholders in its activities, from its suppliers to its users and partners, with a view to progress for all, and in the greatest possible compliance with ethical rules.

**200** SUPPLIERS  
WITH CSR RISK EXPOSURE  
EVALUATED AND MONITORED

ALMOST **3400**  
LEGRAND EMPLOYEES HAVE  
BEEN TRAINED IN BUSINESS  
ETHICS SINCE 2013

CLOSE TO **800,000**  
CUSTOMERS HAVE RECEIVED  
TECHNICAL TRAINING SINCE  
2014



## 2030

### GOAL

INCREASE THE SHARE  
OF SUSTAINABLE  
INCOME



Legrand's ambition is to pursue its sustainable growth model. This dynamic is expressed both by the eco-design of its products and the marketing of solutions that sustainably improve user comfort and living conditions, especially the energy efficiency and assisted living offerings. Legrand's goal by 2030 is to bring this sustainable income up to 80% of the Group's turnover.

# GOALS FOR 2021

## PROVIDING SUSTAINABLE SOLUTIONS

- 100% OF TURNOVER COVERED BY A PRODUCT RISK QUALITY POLICY
- 30 NEW INNOVATION PARTNERSHIPS

As a responsible player, Legrand is intent on protecting the health and safety of electrical equipment users. That is why it takes great care to market quality products, and actively combats counterfeiting. It is also committed to data security. Sustainable solutions are also innovative solutions. Innovation is a growth driver for the Group and is stimulated through partnerships in particular, whether technological or commercial.

### Focus on technological and strategic partnerships

The partnerships formed by Legrand have targeted partners with very diverse profiles: large groups, universities, research centres, electronics giants, IoT\* platforms and innovative start-ups, who share the aim of putting users at the heart of the smart home and smart building. These partnerships are both technological (i.e. focused on innovation and the development or co-development of new high added-value applications) and strategic for access to markets, co-marketing, examples of usage and to encourage the emergence of new services for users, whether they be professionals or individual consumers.

\* Internet of Things

## ENSURING SUSTAINABLE PROCUREMENT

- TRAIN 1000 EMPLOYEES IN THE PURCHASING AND DECISION-MAKING PROCESS
- IMPLEMENT A "LIFE CYCLE COST" APPROACH ON 100% OF THE PURCHASES CONCERNED
- IMPROVE THE SITUATION FOR 100% OF SUPPLIERS IDENTIFIED AS AT-RISK IN CSR TERMS

In accordance with ISO 20400 recommendations concerning responsible purchasing, Legrand continues to incorporate social responsibility into its purchasing processes, particularly by taking the life cycle cost into account. This involves an awareness and training campaign for all employees involved in the purchasing approach, all over the world.

According to the principle that the ethical, environmental, and societal rules enforced by Legrand also apply to its suppliers and subcontractors, Legrand expects the latter to uphold the same standards of social responsibility. The Group supports suppliers identified as at-risk in CSR terms, as part of a continuous improvement process, by deploying an in-depth vigilance plan.





# GOALS FOR 2021 +

## ACTING ETHICALLY

- 3000 STAFF TRAINED IN BUSINESS ETHICS EACH YEAR
- 100% OF GROUP SALES COVERED BY THE COMPLIANCE PROGRAM MONITORING SCHEME

Practicing business ethics first of all requires an awareness of the issue. It is therefore essential to provide employee training. This is why Legrand implements actions to ensure that employees liable to encounter risky situations will be thoroughly familiar with the rules of business ethics, thereby reducing the probability of violation of fair competition law, anti-corruption law, anti-money laundering or export control regulations.

Legrand also intends to tighten its monitoring of the application of the Compliance program, formalised in 2012, and encompassing all the areas that constitute Legrand's business ethics.

### Duty of care

The Duty of Care law, enacted in 2017, obliges big companies to monitor their suppliers and subcontractors, making them responsible for their social and environmental policy. Legrand has kept ahead of the law by establishing a care plan in 2014, which concerns not only its own facilities, but also its value chain, on the themes of human rights and basic freedoms, health and safety of persons, and the environment. It includes a risk map, procedures for the evaluation of subsidiaries, subcontractors and suppliers, and alert mechanisms.



# PEOPLE

All over the world, Legrand is committed on behalf of its employees and local communities to respecting human rights, diversity, security, health, well-being and safety, and nurturing the talents of each individual.

**-50%** ACCIDENT  
FREQUENCY RATE BETWEEN  
2013 AND 2018

**+32%** WOMEN IN KEY  
JOBS OVER THE 2013-2018  
PERIOD

**2.3** MILLION  
PEOPLE BENEFITING  
DIRECTLY OR INDIRECTLY  
FROM ACCESS TO ENERGY  
THANKS TO THE PARTNERSHIP  
WITH ELECTRICIENS SANS  
FRONTIÈRES LAUNCHED  
IN 2007



**2030**  
GOAL  
STRENGTHEN THE  
POSITION OF WOMEN  
AT LEGRAND



Diversity of profiles is a source of strength, and is therefore a priority goal of Legrand's social policy, which aims, in particular, to strengthen the position of women in the company. The Group has set a goal of reaching male/female parity of employees by 2030, with at least one third of top management jobs occupied by women.

# GOALS FOR 2021

## RESPECTING HUMAN RIGHTS AND COMMUNITIES

- 100% OF LEGRAND FACILITIES  
RESPECT HUMAN RIGHTS
- A SPONSORSHIP STRATEGY  
DEPLOYED IN LOCAL COMMUNITIES  
IN 75% OF COUNTRIES WHERE  
THE GROUP IS PRESENT

Legrand is committed to respecting human rights in all countries where the Group operates and, where appropriate, to remedying any violation of workers' rights. Legrand's approach refers to the charter of human rights, which in turn is inspired by a set of global rules that constitute the framework for its approach. It applies to all the countries where Legrand is present, including regions considered not to be high-risk. The Group also considers that its responsibility is to contribute to the life of the territories in which it operates, not only through its business activity, but also wherever needs are expressed and wherever the Group is legitimate. Through sponsorship, Legrand helps communities to act against exclusion due to loss of independence and electrical poverty.



### Community involvement

Because electricity is an essential development factor, Legrand considers that it has a responsibility to help as many people as possible all over the world to enjoy sustainable access to electricity. The Group therefore acts against energy poverty, and conducts sponsorship actions, particularly through the historic partnership with NGO Électriciens sans frontières, in the actions of the Legrand Foundation, and in actions conducted locally, such as the North American "Better Communities" scheme.

## PROMOTING EQUALITY OF OPPORTUNITY AND DIVERSITY

- 20% MORE WOMEN IN  
MANAGEMENT JOBS

Legrand sees diversity within a company, i.e. the variety of human profiles, as a factor stimulating innovation, performance and quality of life at work. Diversity in the workplace is therefore encouraged by each Legrand entity, in accordance with its own specificities. The Human Resources Department is also committed to diversifying the profiles of the talents that accompany the Group's growth.

# GOALS FOR 2021



## PROMOTING HEALTH, SAFETY AND WELL-BEING AT WORK

- REDUCE THE ACCIDENT FREQUENCY RATE (WITH AND WITHOUT TIME OFF WORK) BY 20%
- IMPLEMENT LEGRAND WAY\* HEALTH AND SAFETY RULES FOR 90% OF THE WORKFORCE
- REACH A 70% ENGAGEMENT RATE AMONG EMPLOYEES
- DEPLOY THE SERENITY ON PROGRAM IN 95% OF COUNTRIES WHERE THE GROUP IS PRESENT

The health and safety of each employee are priority goals of Legrand's social policy. This commitment covers the control of occupational risks, monitoring the effectiveness of preventive measures, and implementation of a continuous improvement approach. The Group is also committed to its employees and concerned for their satisfaction and well-being at work.

### Serenity On

Launched in 2017, the Serenity On program opens a new social chapter in the history of Legrand. It aims to offer a minimum level of social security protection in terms of parental benefits, health, and death/disability to Group employees worldwide. Each entity has local responsibility for implementing the mechanism by 2021.



Ensuring you get minimum social protection



## DEVELOPING SKILLS

- AT LEAST 85% OF EMPLOYEES TRAINED EACH YEAR
- AN INDIVIDUAL PERFORMANCE REVIEW FOR MORE THAN 90% OF MANAGERS

In a context of digitalisation and necessary adaptation of staff to new skills, human resources take the challenges and priorities related to Legrand's activity into account. The Group is working to attract and retain talented staff in order to meet its future needs. Skills management is carried out with due regard for the well-being at work and the satisfaction of the Group's employees.

\*Legrand Way is the program for deployment of the Group's best practices

# ENVIRONMENT

Legrand's responsibility is to limit the impact of its activities on the environment, and to be a benchmark player in the onset of a low carbon society.

**91%** OF WASTE  
RECOVERED IN 2018

**70%** OF SALES  
GENERATED BY PRODUCTS  
COVERED BY A PEP (PRODUCT  
ENVIRONMENTAL PROFILE)

**4.5 MILLION**  
TONNES OF CO<sub>2</sub> EMISSIONS  
AVOIDED THANKS TO THE  
MARKETING OF LEGRAND'S  
ENERGY-EFFICIENT SOLUTIONS  
SINCE 2014



**2030**  
GOAL  
CONTINUE REDUCING  
THE ENERGY FOOTPRINT



By joining the Science-Based Target program (led by the WWF, the United Nations Global Compact, the World Resources Institute, and the Carbon Disclosure Project), Legrand has publicly committed to greenhouse gas emission reduction targets. The Group has therefore moved from an energy performance goal to a CO<sub>2</sub> emission reduction goal. By 2030, Legrand is committed to a 30% reduction in the greenhouse gas emissions related to its energy consumption.



# GOALS FOR 2021

## LIMITING GREENHOUSE GAS EMISSIONS

- 7% REDUCTION AT CONSTANT SCOPE IN CO<sub>2</sub> EMISSIONS RELATED TO THE GROUP'S ENERGY CONSUMPTION
- 2.9 MILLION TONNES OF CO<sub>2</sub> AVOIDED DURING THE YEAR THANKS TO THE GROUP'S ENERGY-EFFICIENT SOLUTIONS

Legrand has a long-standing commitment to an initiative to limit the environmental impact of its activities. This historic commitment is reinforced by its membership of two international initiatives to combat climate change: Science-Based Targets and the Global Alliance for Energy Productivity. Legrand also takes the price per tonne of CO<sub>2</sub> into account in its operational considerations, particularly in its investment decision processes.

Moreover, because buildings worldwide account for 35% of energy consumption and 20% of CO<sub>2</sub> emissions, enhancing the energy performance of buildings is a major challenge for Legrand. The installation of Legrand equipment and solutions for better energy efficiency in buildings will contribute to CO<sub>2</sub> emission reduction and to containing climate change.



### Reducing the carbon footprint

After the "Climate Manifesto" and joining the "Global Alliance for Energy Productivity", in 2017 Legrand reasserted its historical commitment to combating climate change by signing the "French Business Climate Pledge". This commitment reinforces the objective to reduce CO<sub>2</sub> emissions that the Group set itself in the context of the Science-Based Targets initiative. Legrand thereby undertakes to reduce the greenhouse gas emissions directly related to its energy consumption by 30% by 2030 (compared to 2016) and by 75% by 2050. Concerning its indirect emissions, Legrand intends to encourage its raw material suppliers and transportation services to measure their greenhouse gas emissions and to adopt reduction targets.

## COMBATING POLLUTION

- 10% REDUCTION IN VOC EMISSIONS

Legrand precisely measures its Volatile Organic Compound (VOC) emissions from the industrial processes implemented at Legrand's sites. The injection and moulding of plastic components, stamping of metal parts, assembly of plastic, metallic, and electronic components, and painting or surface treatment of components can release VOCs and although the quantities involved are quite low, Legrand is committed to reducing them even further.

# GOALS FOR 2021 +

## INNOVATING FOR A CIRCULAR ECONOMY

○ APPLICATION OF THE CIRCULAR ECONOMY PRINCIPLES TO ALL R&D CENTRES

○ 2/3 OF TURNOVER COVERED BY CERTIFIED ENVIRONMENTAL DECLARATIONS

○ 90% OF WASTE RECOVERED

To reduce the environmental impact of its products, Legrand incorporates the circular economy principles into the development of its new products. This eco-design initiative concerns all the stages of the product life cycle. In fact, as early as 2004, the Legrand Group worked towards eliminating all the substances targeted by the European RoHS (Restriction of Hazardous Substances) directive from all of its ranges worldwide.

Reducing the environmental impact of buildings also involves design choices. Informing users about the environmental impact of the products they use is therefore a top priority. Developed in France on Legrand's initiative, the PEP ecopassport has become the reference tool for measuring the environmental impact of building equipment. Legrand intends to pursue its efforts at transparency via added environmental information programs.

In addition, Legrand works towards limiting its production of industrial waste, and towards reducing its negative external consequences by fostering recovery schemes. On the one hand, sharing best practices allows to contain and re-use scrap in production. On the other hand, the better identification and sorting of waste products ultimately facilitates their recycling and gives them a second life.



### Eco-designed packaging

At Legrand, the eco-design initiative also applies to packaging. Its experts have identified the best existing practices: use of cardboard with a high recycling rate, water-based inkjet printing, use of acrylic glue that releases less VOCs, etc. The initiative also improves the packaging/product volume ratio, as in the case of the WRAPEASY UNIVERSAL PACKAGING developed by Bticino.

This innovative concept won an Italian Packaging Oscar in the "Environment" category.

# 2019-2021 ROADMAP

## CHALLENGES AND PRIORITIES

The 2019-2021 roadmap is structured around 10 challenges and 21 priorities aligned with the United Nations' Sustainable Development Goals (SDG)<sup>(1)</sup>.

### BUSINESS ECOSYSTEM

All along the value chain, Legrand intends to respond to the expectations of its stakeholders, from its suppliers to its customers via its employees, the users of its products and its partners, with a view to progress for all, and in the greatest possible compliance with ethical rules.



#### CHALLENGE:

**Providing sustainable solutions (SDG 3 and 9)**

**Priorities for 2019-2021:**

- Protecting the health and safety of users
- Stimulating innovation thanks to partnerships



#### CHALLENGE:

**Ensuring sustainable procurement (SDG 8)**

**Priorities for 2019-2021:**

- Promoting awareness and training for even greater integration of CSR into purchasing practices
- Deploying duty of care with suppliers identified as at-risk in CSR terms



#### CHALLENGE:

**Acting ethically (SDG 8)**

**Priorities for 2019-2021:**

- Promoting awareness and training of employees in business ethics
- Monitoring application of the compliance program

### PEOPLE

All over the world, Legrand is committed on behalf of its employees and local communities to respecting human rights, diversity, security, health, well-being and safety, and nurturing the talents of each individual.



#### CHALLENGE:

**Respecting human rights and communities (SDG 7, 8 and 10)**

**Priorities for 2019-2021:**

- Respecting the Group's commitment on human rights
- Practising community involvement



**CHALLENGE: Promoting health, safety and well-being at work (SDG 3 and 8)**

**Priorities for 2019-2021:**

- Deploying best practices on health and safety at work
- Reinforcing the engagement of Group employees



#### CHALLENGE:

**Developing skills (SDG 4)**

**Priority for 2019-2021:**

Developing the skills and talents of all employees



**CHALLENGE: Promoting equality of opportunity and diversity (SDG 5 and 10)**

**Priority for 2019-2021:**

Encouraging diversity at work

### ENVIRONMENT

Legrand's responsibility is to limit the impact of its activities on the environment, and to be a benchmark player in the onset of a low carbon society.



**CHALLENGE: Limiting greenhouse gas emissions (SDG 12 and 13)**

**Priorities for 2019-2021:**

- Reducing the Group's carbon footprint
- Avoiding CO<sub>2</sub> emissions thanks to the Group's energy efficiency offers



**CHALLENGE: Innovating for a circular economy (SDG 9 and 12)**

**Priorities for 2019-2021:**

- Integrating circular economy principles in the development of new products
- Supplying environmental information on Legrand products
- Ensuring waste recovery



**CHALLENGE: Combating pollution (SDG 11 and 12)**

**Priority for 2019-2021:**

- Reducing Volatile Organic Compound (VOC) emissions

<sup>(1)</sup> The United Nations' Sustainable Development Goals.



# FOLLOWING LEGRAND'S CSR

## READ ALL ABOUT LEGRAND'S CSR STRATEGY ON WWW.LEGRAND.COM:

- The "Our Responsibility" section outlines the Group's CSR strategy, the various initiatives taken and the 2019-2021 roadmap
- A resource centre is available for viewing or downloading the main standards and charters related to the CSR strategy  
(<https://www.legrand.com/en/our-responsibility/csr-ressource-center>)



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Find the Group's latest products  
and innovations in videos on  
[youtube.com/legrand](https://youtube.com/legrand)

## TO FIND OUT MORE, YOU CAN ALSO LOOK UP ONLINE OR REQUEST BY POST:

- Legrand's Registration Document (especially chapter 4)
- Legrand's extra-financial results
- 2019-2021 CSR Roadmap follow-up

## FOR ANY FURTHER INFORMATION:

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