

Modern slavery statement for financial year 2017

This statement is made pursuant to s.54 of the Modern Slavery Act 2015 and sets out the steps that Legrand Electric Ltd has taken and is continuing to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. Legrand Electric Ltd has a zero tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business or our supply chain.

Our business

Legrand is the global specialist in electrical and digital building infrastructures. With close to 36,000 employees worldwide and facilities in over 90 countries, Legrand keeps developing while paying particular attention to the working conditions of its employees and to its social responsibilities.

Legrand began manufacturing in the UK in 1980, and today has three main competencies – mechanical, electrical and electronic. Around 85 per cent of products sold by the UK and Ireland subsidiary are manufactured within the UK and over 50 per cent of its products now feature an electronic/digital element. In 2015 Legrand celebrated 35 years of manufacturing in the UK.

The UK and Ireland subsidiary is organised into the following specialist business units: Assisted Living and Healthcare, Cable Management, Data Centres, Energy Controls, Power Distribution and Wiring Devices. In total the UK and Ireland subsidiary has over 700 employees.

Our policies in relation to modern slavery

In all its operations Legrand aims to observe the rules and voluntary standards of responsible behaviour with regard to Human Rights. In particular, the Group adheres to the Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration (in particular, the eight conventions concerning fundamental rights at work), the rules concerning Human Rights and work standards set out in the Global Compact and the UN Guiding Principles on Business and Human Rights (John Ruggie report), which recommends a three-pronged approach: protect, respect and remedy.

All of the above rules provide a structural framework for Legrand's approach.

Legrand is committed to the advancement of rights and to ensuring a legal and human framework for the workplace, especially in terms of freedom of association, recognition of the right to collective bargaining, elimination of all forms of forced or compulsory labour, effective abolition of child labour, elimination of discrimination in employment and occupation, and preservation of health and safety.

Where necessary, the Group undertakes to:

- remedy any violation of employee rights on its sites;
- eliminate any form of forced or mandatory labour and abolish child labour;
- eliminate discrimination in respect of employment and occupation;
- protect health and safety at work.

In the context of the Responsible Purchasing approach, respect for the rights of the Group's suppliers' employees is also taken into account. This forms part of our supplier approval procedure.

We operate a number of internal policies to ensure that we are conducting business in an ethical and transparent manner. These include:

At Group level matters related to Human Rights are jointly managed by the Sustainable Development Department and the Human Resources Department.

A specific priority in the Corporate and Social Responsibility (“CSR”) roadmap 2014-2018, included in the Employees Focal point, relates to Human Rights. A risk mapping process has been carried out for all the Group’s countries since 2013. This mapping creates a classification of the countries where the Group operates, based on the ratification of the eight ILO conventions concerning the fundamental principles and rights at work and the Freedom in the World index. This revealed that a majority of the Group’s workforce was based in “free” countries.

A self-assessment based on the methodology of the *Danish Institute For Human Rights* has been rolled out to the Group’s countries considered not free or partially free. 11 countries self-assessed in 2015. The objective is to evaluate the observance of fundamental human rights at work in order to define specific action plans for the furtherance of human rights.

- **Acting ethically**

Observance of the rules of business ethics is one of the basic tenets of Legrand’s social responsibility. The Legrand Group places an emphasis on the prevention of corruption and fraud, respect for the rules governing competition, conflict of interest, embargoes and the prevention of both money laundering and the funding of terrorism. In all these areas Legrand is committed to promoting awareness in its teams, to training them, and to monitoring the proper application of the Group’s compliance programme. The aim is to ensure that Group employees likely to encounter risky situations are thoroughly familiar with the rules of business ethics.

Two dedicated priorities within the CSR roadmap 2014 – 2018 are dedicated to compliance and ethics:

- Have an additional 3,000 employees trained in business ethics

Business ethics training sessions are organised on a regular basis for the Group’s ethics representatives. The purpose is to help them detect and manage potentially sensitive situations relating to ethical problems in their entities. A webcast course, prepared with the help of specialist lawyers, has been taught on the risks of corruption and there are on-line training modules on competition law.

In addition all employees are given a copy of the Legrand Group Guide to Good Business Practices to reinforce the Group’s commitment to acting ethically at all times.

- To cover 100% of Group sales through a compliance programme monitoring scheme.

A compliance programme is in place formalising Legrand Group’s commitment to acting ethically. Every country director has signed a letter of commitment pledging support for the Compliance programme. Adherence to the programme is monitored by Group’s Internal Audit department.

This compliance programme is based on five points:

- Strong commitment of the Group's general management,
- Group risk analysis methodology,
- Clear policies and control mechanisms
- Training and communication actions,
- An internal auditing process and implementation of action plans in response to risks.

- **Whistleblowing policy**

Employees and third parties also have access to a “whistleblowing hotline”, which they can use to inform the Group’s ethics officers (the Group Executive VP Legal Affairs and the Group Director of Human Resources) anonymously of any transgression of the Group’s ethics rules.

Our supply chain – Ensuring responsible purchases

Faced with the globalization of business and markets, Legrand is working with suppliers from many different countries and cultures, with highly contrasting social and environmental practices. The Group Purchasing Policy establishes the principles of sustainable, balanced and mutually beneficial relations with suppliers that uphold Legrand’s values.

The Group’s responsible purchasing approach is based on the principle that the ethical, environmental and social rules applied by Legrand do not stop at its subsidiaries and production sites: they also apply to its suppliers and subcontractors. This means that Legrand expects its suppliers to meet the same standards of responsibility as it imposes on itself. Suppliers are encouraged to observe the principles of the Global Compact. Compliance with these rules is an important criterion in supplier selection and management. 60% of the Group’s panel purchases are from suppliers that embrace these principles. Our purchasing specifications and supplier contracts include our requirements in respect of the environment, health and safety at work, respect of human rights and compliance with labour law. This concerns all of the Group’s suppliers and subcontractors in every country. Legrand engages with them and supports them in a progress approach. This involves mobilising and promoting awareness among all the Group’s suppliers.

One priority of the Group CSR roadmap 2014-2018 is dedicated to support 100% of sensitive suppliers in deploying an improvement approach on environmental issues, fundamental human rights at work, and business ethics.

Our procedures include the following steps:

- **Involving and training buyers:**

Parties involved in supplier relations, buyers, quality controllers and designers apply the principles of the CSR strategy through procurement procedures. One of the commitments of the purchasing policy is skills development for all stakeholders within the purchasing function. The training module on the basics of purchasing includes a specific section on CSR

- **Approval and supplier contracting:**

Formally, the Group manages its responsible purchasing strategy with its suppliers via its Purchasing Quality Management System (QMS), and via the following:

- Purchasing Specifications, a contractual document containing Legrand’s requirements for its suppliers, particularly in terms of compliance with the regulations and standards in force for both environmental and social matters. The document includes the ten Global Compact principles;

- A sustainable purchasing code focusing on three rules concerning its choice of suppliers:
 - ✓ in accordance with the ILO (International Labour Organization), whatever the laws of the country, the supplier must never make children below the age of 15 work,
 - ✓ the supplier must have performed an evaluation of occupational risks related to its business and must have implemented the necessary actions to control them,
 - ✓ the supplier must have performed an evaluation of environmental risks related to its business and must have implemented the necessary actions to control them;

- General Purchasing Conditions, which include a supplier mediation process in the event of a dispute, by appointing an internal ombudsman from outside the Purchasing function.

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Our performance

No reports have been received from employees, the public, or law enforcement agencies to indicate that modern slavery practices have been identified.

Legrand will continue to update its policies and procedures as required to ensure it maintains appropriate safeguards against any mistreatment of persons involved in its supply chain or own business.

Approval for this statement

This statement was approved by the Board of Directors on 18 April 2018.

Tony Greig
Chief Executive Officer

Date: 18 April 2018