

The Legrand Group Charter of Fundamental Principles



OUR CULTURE AND COMMITMENTS

 legrand®

**Everyone should
make this
document their
own and
implement it
within their
company**

The Legrand Group has proved itself capable of facing up to numerous changes while taking into account its employees' interests and remaining faithful to its essential feature, its corporate culture. We therefore think it necessary to set out and formalise the main guiding principles that characterise our Group and give it its driving force, so as to sustain, assert and promote awareness of these principles. Such is the purpose of this document entitled "The Legrand Group Charter of Fundamental Principles".

This document is intended to be distributed throughout the Group and to all its partners. It describes all the rules of conduct to be followed under our policies.

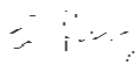
The principles described herein especially fit Legrand's business areas and specific requirements and, as such, provide a working framework. More importantly, this document reflects how our Group thinks and feels about doing business;

it also states the values we uphold and look for in others, and how we wish to distinguish ourselves as a company.

Also, this document forms an integral part of our Sustainable Development Policy.

The Board of Directors of Legrand SA has adopted these principles for the whole Group.

I wish to see everyone make the following charter their own and implement it within their company.



Gilles Schnepf
Chairman and CEO

The Legrand Group Charter of Fundamental Principles



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1. Group Values

**Towards
sustained
profitable
development**

“Ethics of behaviour, Customer awareness, Resource enhancement, Innovation” are the core values underlying our management philosophy. These values have been built over time within the company, and are the essence of our corporate culture. We transmit them internally through our management principles and externally via our relationships with our partners.

■ Ethics of Behaviour...

Foster lasting relationships of respect and trust between the men and women who make up the group, thus encouraging straightforward in-house contacts and reliability in outside exchanges.

■ Customer Awareness...

Highlight the quality of our commitments and services towards our customers, to boost Legrand’s image as a premium partner with innovative solutions.

■ Resource enhancement...

Optimise the use of our resources to conquer new markets, while constantly seeking to increase our profitability by improved use of capital employed in a perspective of sustainable development.

■ Innovation...

Develop ongoing innovation in all areas. These four Group-level values underscore our identity and are essential to sustained profitable development.





2. Code of Ethics

The Code of ethics is intended to provide guidance

■ Role of the Code of Ethics

This Code of Ethics embodies the Group's commitment to conduct business in accordance with applicable law and the highest ethical standards in order to control physical or moral hazards in the working, industrial, environmental or legal context. It is intended to provide guidance in recognising and dealing with ethical issues, providing a mechanism for identifying and reviewing any unethical or unlawful conduct, and in helping to maintain a culture of honesty and accountability. It completes the in-house rules of conduct which everyone is duty-bound to respect.

■ The Code of Ethics And Applicable Law

It is each employee's responsibility to be aware of all of the rules applicable within the scope of their job responsibilities, especially the laws and regulations applicable to their own activity. Employees shall apply these with special care and act according to the highest ethical standards when conducting business.

In the event of any uncertainty or doubt, employees should consider how they or the company would be perceived if this conduct were to be made public. Employees are to consult their immediate supervisor, or to the Group Company Secretary⁽¹⁾ or Human Resources Department on any issue concerning ethical or legal requirements

This Code of Ethics shall be read in conjunction with all other Company policies, practices and procedures. All such policies, practices and procedures, together with their successive revisions, are collectively referred to in this Code of Ethics as the "Company Policies".

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**All forms of
discrimination
- such as relating
to age, gender or
origin, etc.
- are prohibited**

■ Scope of the Code of Ethics

This Code of Ethics applies to all employees (including the chairman of the board, executive officers and officers, as well as those of our direct and indirect subsidiaries), hereafter referred to individually as an “employee” or collectively as the “employees”.

■ Respect for individuals

The Legrand Group means to ensure that each employee benefits from fair and reasonable working conditions as specified under law. Accordingly, the Group’s human resources policy is based on compliance with the Universal Declaration of Human Rights⁽¹⁾ and the ILO’s International Labour Code⁽²⁾, which refers to the following issues: freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.

All forms of discrimination - such as relating to age, gender or origin, etc. - are prohibited. The Group strives to guarantee that applicants and employees are dealt with equally, and that all decisions concerning recruitment, selection, training, promotion,

compensation and career management are based solely on objective criteria relating to the job and skills of the relevant individuals.

Employees, whatever their grade, shall make sure that their behaviour is consistent with the Group’s commitment. Managers shall endeavour to prevent situations involving harassment or discrimination and shall deal promptly with any problematic situations that arise within their teams.

Each person has the option of contacting the ethics correspondent responsible for their area, or the Group Vice-President Human Resources or Company Secretary⁽³⁾ in order to discuss any difficulties they may have encountered. Requests and queries will be handled as quickly as possible, in full respect of the necessary confidentiality and the people involved.

1) Adopted by the United Nations General Assembly in resolution 217 A (III) dated 10 December 1948

2) Adopted in June 1998

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**This Code
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■ Compliance with the Rules Governing Business Practices

Truly ethical business practices are founded on more than a fear of legal ramifications and the competitive edge that may result. Ethical business practices require a clear understanding of the requirements of honesty and fairness, and a motivation on the part of Group employees to act at all times in accordance with these requirements. The Company thus defines strict standards that fit into a strong set of ethical principles.

They rely on partnerships and commercial agreements drawn up and concluded in strict compliance with national and supranational (e.g. European Union) regulations and with related jurisprudence, particularly as regards rules of market access, non-discriminatory commercial practices and the principle of free competition.

■ Compliance with Good Practices

The Company expects its employees to actively further the interests of the Group. It also expects them to do so fairly, ethically and in a manner that fully complies with all applicable laws and regulations. To that end, no employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information,

misrepresentation of material facts or any other intentional unfair dealing or practice.

■ Relations with Third Parties

Personal “conflicts of interest”⁽¹⁾ exist any time employees face a choice between their personal interests and the interests of the Company. Such conflicts may call into question the Company’s integrity. It is therefore crucial that service to the Company not be subordinated to personal gain and advantage and that all employees be accountable for acting in the Company’s best interest and for avoiding even the appearance of a conflict.

In particular, all employees shall ensure that their personal interest nor that of their immediate family, shall conflict with the company’s interests or influence their choice in the event of having to make a decision. Employees should, where applicable, make their decision in full understanding and fairness to the Group, and seek assistance from their supervisor (or the Human Resources Department or the Company Secretary⁽²⁾) if in doubt.

1) Without prejudice to the inalienable rights of the individual as recognized by the constitution, the labour code, etc.

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Affiliations, Employment or Activities

Any employee providing a service (paid, unpaid, elected, appointed or otherwise) to a supplier, client or competitor or any business (other than that of the Company) that may give rise to a conflict of interest shall report said service to their immediate supervisor, the Human Resources Department or Company's Secretary¹⁾.

In certain limited cases, activities giving rise to potential conflicts of interest may be permitted if they are determined not to be harmful to the Company. Any such determination will need the written approval of an executive officer and the specific approval of the Board in cases involving a senior executive. Moreover, service by any employee on a board or in an advisory position with other companies that compete directly with Legrand is not allowed.

Legrand's chairman and executive directors shall inform the Board prior to accepting an appointment to the board of directors of another business corporation, in order to avoid potential conflicts of interest and to allow for assessment of whether the aggregate number of directorships and attendant responsibilities held by an employee would interfere with said employee's ability to properly discharge their duties.

In the event of participation in public life, the employee shall refrain from committing the Group in any way whatsoever, be it morally or financially, in these activities.

■ Protection and Proper Use of the Company's Assets

Employees are not permitted to take or make unauthorized use of, or knowingly misappropriate the property of the Company (see Company rules or their equivalent and IT Charter) for the individual's own use, the use of another or for an improper or illegal purpose.

Should an employee leave the company, they shall, in particular, be required to return all sums and tools made available to them during their work at the Group (see the employee discharge procedure).

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any employee who possesses confidential information has the responsibility to keep that information confidential within the Company

■ **Proprietary and Confidential Information**

In the course of their service with the Company, employees may acquire or be provided access to information regarding the Company's clients, trade practices, information systems, marketing or strategic plans, fees and revenues, and other knowledge considered proprietary by the Company or its partners and identified as such.

Any such information shall not be disclosed or used by employees, either during or subsequent to their service with the Company, except where expressly authorised by their supervisor. This includes, but is not limited to, information stored on any computer system as well as proprietary software developed by or for the Company.

Each employee is required to list all the sensitive information for which they are responsible, to identify this information as confidential whenever it is necessary to transmit it, and to make sure that the appropriate confidentiality measures have been set up. This requirement shall be complied with throughout the information life cycle, i.e. from creation up to destruction on any media (e.g. printed, electronic, etc.) and for any use (internal or external to the Group).

In all cases, when authorised to do so, employees shall be discreet with this information and avoid communicating Company matters in ways that are susceptible to interception or use by third parties.

It is critically important that financial statements and related disclosures be free of material errors.

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■ Financial information

It is crucial that all books of account, financial statements and records of the Company reflect the underlying transactions and any disposition of assets in a full, fair, accurate and timely manner.

All employees involved in the Company's disclosure process are required to know and understand the disclosure requirements applicable within the scope of their responsibilities and shall endeavour to ensure that information in documents that Legrand may file with or submit to the Securities and Exchange Commission (SEC⁽¹⁾) or to the French Stock Market supervisory authority AMF⁽²⁾, or otherwise disclose to the public, is presented in a full, fair, accurate, timely and understandable manner. Additionally, each employee involved in the preparation of the Company's financial statements shall prepare those statements in accordance with Generally Accepted Accounting Principles, (GAAP⁽³⁾ or IFRS⁽⁴⁾), consistently applied, and any other applicable accounting standards and rules, so that the financial statements materially, fairly and completely reflect the business transactions and financial situation of the Company.

Furthermore, it is critically important that financial statements and related disclosures be free of material errors.

Employees are prohibited from knowingly making or causing others to make a materially misleading, incomplete or false statement to an accountant or an attorney in connection with an audit or any filing with any governmental or regulatory entity (such as the SEC⁽¹⁾)

Accordingly, no employee, or any person acting under their direction, shall directly or indirectly take any action to coerce, manipulate, mislead or fraudulently influence any of the Company's auditors if they know (or should know) that their actions, if successful, could result in rendering the Company's financial statements materially misleading.

Each employee has to read carefully this Code of Ethics.

1) Securities and Exchange Commission

2) Autorité des Marchés Financiers

3) Generally Accepted Accounting Principles

4) International Financial Reporting Standards

**Reporting ethical
concerns must
not lead to
any retaliation
...Each employee
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carefully this
Code of Ethics**

■ Accountability

It is the responsibility of each employee to carefully read and comply with this Code of Ethics and, where needed, to seek clarification from their supervisors on particular points.

Individuals who fail to comply with this Code of Ethics, including supervisors who fail to report wrongdoing, may be subject to such measures as are provided for in the labour code and Company rules or their equivalent.

Violation of certain of the Company's Policies potentially subjects the Company and those involved to civil liability and damages, regulatory sanction, and/or criminal prosecution.

Each individual is responsible for promptly reporting to their supervisors any concerns they may observe relating to a failure, or to a legal or regulatory requirement likely to adversely affect the Company's interests. Such issues may also be discussed with the Human Resources Manager or the Company's Secretary⁽¹⁾. Similarly, each individual is responsible for reporting to the authorised managers any failures in conformity or hazardous situations they may be aware of.

■ Protection against Retaliation

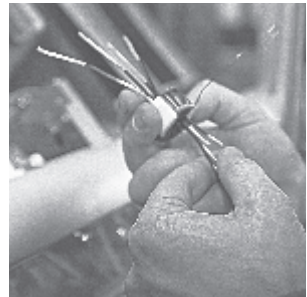
No individual will be subject to retaliation of any kind (or threat of retaliation) for reporting in good faith any ethical concerns. Any individual who believes that they have been retaliated against (or threatened or harassed) in violation of this policy should immediately report the matter either to their immediate supervisor, or to the Company's Human Resources Department or the Company's Secretary⁽¹⁾.

■ Waivers and Amendments

Any amendments to this Code of Ethics shall be approved by the Board.

The Company shall keep its employees informed of any amendment to this Code of Ethics, and each employee shall keep him/herself informed of such revisions.

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3. Prevention Charter

This policy forms part of an approach targeting continuous progress

Legrand Group Management has always endeavoured to prevent professional risks, while at the same time preserving the Environment and protecting its assets. It believes that each person, whatever their position in the company, must make these issues an on-going concern by integrating them into every activity on a daily basis.

This approach, an intrinsic part of Legrand culture, is promoted throughout the Group and must be applied in the long-term if our policy for the prevention of professional, environmental and assets-related risks is to complete our development efforts.

Group policy on this issue is based around three fundamental principles that together summarise the objectives and means:

■ **Absolute compliance with the applicable law and collective agreements** in every country where the Group carries out its business, and **with the ILO-OSH 2001 guidelines**. At the least, unavoidable risks must be assessed and the actions required to control them must be implemented. Line management acts as the local guarantor of compliance with prevention requirements.

■ **The integration of safety and the environment into our industrial approach**, both in terms of technical and management issues and in the

financing of the appropriate measures. Line management is supported and advised in this role by the prevention function. Employees and their relevant representatives are linked to this approach through consultations provided for in the reference texts.

■ **The alignment of prevention strategies** both to develop, whenever possible, shared methods and tools suited to the Company's need and to optimise the application of Group resources. Accordingly, the gradual implementation of a Group-wide occupational health and safety management system is to make it possible to set up a shared base of minimum requirements and tracking indicators.

This policy forms part of a cooperative approach targeting continuous progress. In order to lead this process, unit and subsidiary managers must involve line management, assisted by the local prevention function and the skills of the Corporate-level support functions. Furthermore, this global approach should enable the whole Group to take advantage of the instruction gained from any significant event occurring in one of its entities.

Risk control is not only a factor of productivity, it is, above all else, an essential condition for sustainable development.



The will
of the Group
is to continue
developing
innovative
solutions

4. Environment Charter

Forward planning and risk control forms the basis of our environmental approach, coupled with compliance with regulations and requirements. The Legrand Group has identified a number of key actions to be deployed throughout its business activities with the aim of fostering both Sustainable Development and greater respect for the environment. This charter formalises these commitments.

■ Integrate the environmental dimension into each Group unit

Control risks and set up a voluntary environmental management system at all Legrand industrial units certified to ISO 14001. Continuously improve the performance of our units and reduce their environmental impact.

■ Factor in the environmental dimension right from the design phase of our products, systems and solutions.

Deploy an innovative eco-design approach at all Legrand Group Design Offices, thus making it possible to measure and reduce the environmental impact of our products throughout their life cycle.

■ Keep our customers informed in order to help them choose the best solutions

Provide our customers with understandable and transparent environmental information on our products, systems and solutions that explains their environmental impact (composition, manufacture, logistics, use and end-of-life)

■ Offer our customers solutions designed to improve the energy efficiency of buildings

Conceive and design solutions that promote energy savings for residential, commercial or industrial facilities.

This environmental commitment integrates seamlessly into the day-to-day running of our activities by involving all the actors and making them aware of their responsibilities. It also fits in with our sustainable development approach, characterised by a dedication to continuous improvement and regular communication on progress.

We are also seeking to raise our partners' awareness and get them to endorse this sustainable development commitment, while at the same time striving to stay constantly aware of their expectations and the practices they introduce.



5. Conclusion

**Towards
sustained
profitable
development**

Each new employee shall receive a copy of the Group's Charter of Fundamental Principles on joining the Company. The Charter's principles shall be implemented in every aspect of the daily conduct of all individuals belonging to the Group.

This Charter is also available to all our external partners, whether clients, suppliers or for information only. This is why the Charter is available on the Group's websites.

Any revisions or updates to the Charter shall be notified both internally and externally.

Acting within the framework of this Charter will enable us to ensure the Group's sustained profitable development.



**The updated Legrand Group Charter of
Fundamental Principles is available on Dialeq**



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