

## Ethics and fraud alert



### ETHICS LINE

#### 1. Presentation of the Group's alert system

The Legrand Group promotes compliance with the applicable laws and regulations in particular via its Guide for Good Business Practice and its Charter of Fundamental Principles.

The aim of the alert system is to uphold the Compliance and Ethics Policy of the Legrand Group by allowing each individual concerned to be involved in risk prevention.

It is in this context that the Legrand Group has established this specific professional alert system known as the "Ethics Line".

The Ethics Line can be used by the employees and by all stakeholders of the Group (customers, suppliers, consultants, etc.).

**The use of the Ethics Line and the processing of these alerts are governed by the rules outlined below. Any alerts via the Ethics Line which do not comply with these rules cannot be taken into consideration.**

#### 2. Exercising of the alert mechanism

Legrand France is responsible for the processing of the Ethics Line. The Ethics Line is administered by the Group Compliance Officer. It can be accessed via the **service provider's digital platform signalement.net** which is hosted on the OVH host server at the following address:

<https://legrand.signalement.net/>.

This address is provided in particular:

- on the Group Intranet dedicated to compliance: Dialeg Compliance;
- in the Group's Charter of Fundamental Principles;
- on the legrandgroup.com website;
- In the Legrand Registration Document.

The Ethics Line can only be accessed by the Group Compliance Officer and, depending on the nature of the alert, the matter may be dealt with by the Vice President Human Resources in areas relating to health and safety at work and harassment in the workplace.

The **use** of the alert system is **optional**.

This alert system is simply an additional system offered to the employees and stakeholders of the Group and **is not intended to replace the other existing procedures**. The following parties may also be contacted:

- Direct Managers;
- The Human Resources Department;
- Ethics Representatives;
- Compliance Officers;
- Group Internal Audit;
- Group Finance Control;
- Usual contact persons (e.g. in purchasing, marketing, etc.).

The Group alert system is accessible in several languages throughout the Group so that all the parties concerned can use their own language.

#### 3. Areas concerned

The facts notified must relate to the following cases:

- **a crime or offence;**

- a **manifest and serious violation of an international commitment which has been properly** ratified or approved by France, of a **unilateral act by an international organisation, of a law or a regulation**;
- a **threat or serious harm to the general interest** of which the issuer of the alert was personally aware; or
- **the existence of conduct or situations which are contrary to the Charter of Fundamental Principles and Guide for Good Business Practice.**

The Ethics Line may notably be used in the following areas:

- **Compliance in business relations with our stakeholders:**

- Compliance with competition rules;
- The fight against corruption and influence peddling;
- Prevention of money laundering;
- Fraud risk management.

- **Respecting human rights in the workplace:**

- Combating child labour;
- Combating forced labour;
- Guaranteeing freedom of association and trade union freedom;
- Respecting decent working conditions;
- Combating discrimination and harassment in the workplace;
- Guaranteeing health and safety at work.

- **Serious environmental damage** : This may relate in particular to emissions or pollution of soil, air and water, illegal dumping of waste, etc.

However, **alerts must not concern elements which are covered by national defence confidentiality, medical confidentiality or the confidentiality of relations between a lawyer and their client.**

#### 4. Use of the Ethics Line

The employees and stakeholders using the Group alert system must **act in good faith** and must under no circumstances make deliberately false accusations or act with the sole intention of causing harm or deriving a personal advantage.

**Any individual who consciously makes false declarations in full knowledge of the facts, discloses misleading information or acts in bad faith or in an abusive manner may be subject to disciplinary measures or proceedings according to the applicable laws and regulations.**

Conversely, **use of the system in good faith must not result in any disciplinary sanction against the author of an alert**, even if the alleged facts are subsequently found to be inexact or no further action is deemed to be necessary.

**Direct or indirect threats or reprisals** against an employee who has issued an alert in good faith will not be tolerated. Employees must not be exposed to harassment or suffer negative consequences concerning their position as a result of their having issued an alert in good faith.

The Group's alert system takes into account the protection system for whistle-blowers which is intended to guarantee their rights.

#### 5. Protection for whistle-blowers

The legal framework applying to whistle-blowers covers all alerts, whether they are issued by the Group's employees or stakeholders, whenever the author of the alert can be considered to be a whistle-blower, *i.e.* when they fulfil the following conditions:

- they have personal knowledge of the facts;
- they are acting in good faith;
- they are acting in a selfless manner and not deriving benefits or remuneration from issuing the alert;
- they are not seeking to cause harm;
- they have revealed serious facts.

The author of an alert therefore benefits from a large degree of protection:

- **immunity from criminal prosecution** provided that the issued alert fulfils the criteria defined in the French Sapin II Act of 9 December 2016 relating to transparency, the combating of corruption and the modernisation of economic activity, disclosure is necessary and proportionate to the protection of the interests concerned and is made in compliance with the planned alert procedures;
- **confidentiality of the data which concerns them**, except in the event of an injunction from the authorities within the framework of legal proceedings;
- **modification of the burden of proof**;
- the whistle-blower cannot be dismissed, sanctioned or discriminated against in any way for bringing facts to light in compliance with the alert notification procedure.

In accordance with these legal provisions as specified in the Group's Charter of Fundamental Principles, Legrand provides the whistle-blower with protection against reprisals. This means that no one may suffer reprisals, or threats of reprisals, because they have reported an issue in good faith. Anyone who thinks they have suffered reprisals, or have been threatened or harassed must report this immediately, either to their direct manager, to the Group Human Resources Department or to the Group Legal Affairs and Compliance Department.

## 6. Authors of alerts and confidentiality

Authors of alerts are encouraged to identify themselves for the purpose of dealing with the alert.

An alert from an individual who wishes to remain anonymous will be dealt with exceptionally if the alert concerns factual elements which are sufficiently detailed to enable the Group to make the necessary verifications. All anonymous alerts may be discussed with the author of the alert in order to facilitate the verification of the denounced facts.

The author of the alert will be assured of the protection of the confidentiality of the alert.

- Their identity and personal details will be kept strictly confidential, notably with regard to the individual concerned by the alert;
- The Group Compliance Officer may only inform individuals outside of the Ethics Committee and the High Committee of the content of an alert if their involvement is strictly necessary in order to deal with the alert concerned. In this case, these individuals will also be required to respect the strict confidentiality of the information which they receive within the framework of the alert by [signing a specific confidentiality undertaking](#).

With the exception of the legal authorities, elements which could identify the author of the alert may only be disclosed with the consent of this person.

## 7. Sharing of information with the individual concerned by the alert

This individual will be informed that they are concerned by an alert by the Group Compliance Officer as soon as the data concerning them has been recorded, except in the case of specific circumstances and with the agreement of the Ethics Committee, notably when precautionary measures are required, for example, to prevent the destruction of evidence relating to the alert. In this case, there may be a delay in informing this individual.

This individual will also be informed of the alleged facts of which they are accused, any services which may have received the alert, the terms according to which their rights to access and correction may be exercised and the fact that Legrand France is responsible for the system.

## 8. Receipt of the alert

As soon as the alert is received, the author **will be informed in writing without delay of receipt** of the alert and of a reasonable likely deadline for the examination of admissibility and the terms according to which they will be informed of the repercussions of the alert.

**The acknowledgement of receipt does not confirm the admissibility of the alert.**

**The issuer of the alert will benefit from the legal protection associated with the status of "whistle-blower"** if they follow the grading of the French Sapin II Act which prioritises internal alerts within the entity concerned followed by the alerting of the authorities and finally notification of the general public. Therefore, it is only in the absence of due diligence within a reasonable period that the issuer of an alert may consider contacting a competent authority in accordance with the national legal provisions. In the case of France in particular, the issuer may contact the judicial authorities, the administrative authorities or professional orders and, in certain cases, the French Anti-Corruption Agency (AFA) directly which may notify the competent public prosecutor if applicable in accordance with the French Code of Criminal Procedure. If the alert is not dealt with within a period of three months of notification by one of the organisations contacted, it may be disclosed to the public.

In accordance with the French Sapin II Act, issuers of alerts who are based in France may also notify the Defender of Rights of their alert concerning alleged facts and risks associated with corruption and influence peddling so that they may be directed towards the appropriate organisation to receive the alert.

In the event of serious and imminent danger or the risk of irreversible damage, the alert may exceptionally be reported directly to the judicial authorities, government authorities, or professional orders, and may also be made public.

## 9. Dealing with the alert

All the alerts received on the digital platform are received by **the Group Compliance Officer**.

Each alert will be subject to a **preliminary assessment** which will be dealt with confidentially by the Group Compliance Officer in order to determine, prior to any instruction, whether it comes within the scope of the alert procedure. Any alerts which clearly do not come within the scope of the procedure, are not of a serious nature, have been made in bad faith or constitute abusive or malicious denunciation and any alerts which relate to unverifiable facts will be destroyed without delay and their author will be notified.

If the alert is admissible, the author will be notified within the deadline initially indicated in the acknowledgement of receipt of the alert.

**The Group Compliance Officer will take all necessary steps to deal with the alert**, notably by issuing instructions if necessary in order to determine the reality and substance of the reported facts.

These instructions may be carried out by a reduced internal team made up of Group employees which are specifically qualified in this area (local Compliance Officer, local human resources representative and business expert) who are bound by an enhanced confidentiality obligation.

Depending on the circumstances, the investigation may be entrusted to an Ethics Committee consisting of the senior member of the Executive

Committee or functional members of the Executive Committee in addition to the Chief Financial Officer in the event of financial impacts and the Head of Group Finance Control and Internal Audit if there are implications relating to internal audits or financial impacts. Where applicable, the Group finance controller in the country concerned may be associated with the Ethics Committee. This Committee will be responsible for carrying out investigations and audits so that it is in a position to deal with the alert.

This internal team may, if applicable, obtain support from specialised service providers who are bound by the same confidentiality rules.

The author of the alert will only be involved in the investigation process for the verification of the notified facts and the transmission of new information or new documents.

**The investigation procedure, the content and subsequent report are strictly confidential including with respect to the author or the alert.**

## **10 Completion of processing activities**

A confidential report **will be presented to the Ethics Committee**. This Committee consists of the senior member of the Executive Committee or functional members of the Executive Committee in addition to the Chief Financial Officer in the event of financial impacts and the Head of Group Finance Control and Internal Audit if there are implications relating to internal audits or financial impacts.

**If the circumstances are particularly serious or the risk is high, the report will be presented to a High Committee** made up of members of the Ethics Committee and the Chief Executive Officer.

If corrective action is required, the Ethics Committee or the High Committee will contact the local managerial line concerned to propose a plan of action. **Possible disciplinary measures or legal proceedings will be carried out within the framework of the applicable legal provisions.** The managerial line concerned must notify the Group Compliance Officer of the corrective action taken.

The proven facts may, if applicable, lead to the corresponding updating of the compliance risk matrix.

## **11. Statistical monitoring of alerts**

A statistical report on Group alerts will be drawn up by the Group Compliance Committee. These reports will be underpinned by performance indicators (KPI) in order to monitor alerts statistically. The content of alerts will not be disclosed at Group Compliance Committee meetings.

## **12. Retention and processing of personal data**

Personal data relating to an alert will be dealt with on the basis of legal obligations in accordance with the requirements of the French Sapin II Act and the French Duty of Care Act of 27 March 2017 relating to the duty of care of parent companies and contracting firms.

The content of messages and attachments sent by the issuer of an alert may contain personal data. Only the following categories of data may be processed:

- identity, position and contact details of the issuer of the professional alert;
- identity, position and contact details of individuals concerned by an alert;
- identity, position and contact details of individuals involved in the collection or processing of the alert;
- reported facts;
- elements collected within the framework of the verification of reported facts;
- report on verification operations;
- repercussions of the alert.

Professional alerts are only dealt with on the basis of data which has been formulated in an objective manner, for example dates, names and internal positions of the individuals involved, which relates directly to the scope of the Ethics Line and is strictly necessary for the verification of the alleged facts. The description of the facts referred to in the alert must be measured and highlight the fact that they are simply presumptions the accuracy and truth of which may need to be verified by additional investigations.

## **13. Retention period for personal data**

The retention period for this data in an active database depends on its processing.

- Data relating to an alert which is considered inadmissible upon receipt will be deleted immediately.
- If an alert is considered admissible, the data relating to this alert will be retained in an active database:
  - until processing is complete if the alert is not followed by disciplinary or legal proceedings;
  - until the termination of the proceedings if disciplinary or legal proceedings are initiated against the individual concerned or the author of an abusive alert.

Once it has been deleted from the active database, personal data will be stored temporarily for a period of six years in the case of alerts relating to an alleged offence or for ten years in the case of the allegation of a crime.

Archiving operations are managed by the Group Compliance Officer.

#### **14. Right to access and modification**

All individuals identified in the Ethics Line are granted the right to access, correct and delete data which concerns them if said data is inaccurate or obsolete in accordance with the regulations applying in France in relation to the protection of personal data.

The individual concerned by an alert may not under any circumstances receive information concerning the identity of the author of the alert on the basis of their right to access.

The request must be sent by post to the Group Compliance Officer or by internal email via the alert platform accessible at the following address:

<https://legrand.signalement.net/>

This data may, where applicable, be made available to other Group entities and/or service providers acting as subcontractors who are bound by a confidentiality undertaking.

In the event of data being transferred to a non-European Union country, the transfer will take place according to the applicable provisions relating to international transfers of personal data. The author of the alert may be informed of the terms and guarantees governing this transfer upon request.

#### **15. Communication of the procedure**

The procedure is available on [the Intranet](#) for Group employees.

The procedure can be obtained from [the legrandgroup.com website in the "Business Ethics" section](#) for stakeholders.

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**List of ethics representatives**

**List of Compliance Officers**