

**Regulations of the
Board of Directors of Legrand SA**

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Preamble

With a view to ensuring compliance with the principles of good corporate governance as these are presented in applicable recommendations, the Board of Directors of the company Legrand SA (the “**Company**”) unanimously adopted these internal regulations at its meeting on March 17, 2006. These regulations were later amended by the Board of Directors.

The internal regulations result from action taken within the Board of Directors in accordance with Company articles and complementing the same. Their purpose is to determine, within the framework of the law and Company articles, points concerning membership, organization and operation of the Board of Directors and the committees within it, as well as the rights and duties of Directors.

Each member of the Board is individually responsible for compliance with these internal regulations.

In what follows, the term “**corporate officers**” refers to the Chairman, the Chief Executive Officer and the Chief Operating Officer.

Part I The Board of Directors

ARTICLE 1 MISSIONS AND DUTIES OF THE BOARD OF DIRECTORS

The Board of Directors determines the directions to be taken in the business of the Company and ensures proper implementation of related decisions. It concerns itself with all matters relating to the proper operation of the Company and settles related issues by its decisions.

The Board’s strategy and decisions are made within the context of the Company’s sustainable development policy.

In consequence, it is in particular the duty of the Board:

- a) To consider and approve all decisions relating to significant strategic, economic, social, financial and technological issues for the Company and the Legrand Group (the “**Group**”) and ensure that management puts them into effect.
- b) Concerning the matters itemized below, to make related proposals to shareholders where they are subject to approval at general meetings or to grant prior authorization to the Chief Executive Officer (or the Chairman, as the case may be) for their finalization and implementation where they are matters for general management:
 - Delegation of powers or competence for purposes relating to the issue or purchase of shares or other securities providing access to equity;
 - Subscription to, or agreement for, any loan, whether in the form of bonds or of any other kind, or any early voluntary repayment of loans, advances or borrowings in an amount exceeding €100 million;

- The establishment of joint venture(s) or the acquisition of business(es) for an amount exceeding €100 million; the acquisition of any equity interest or business, or the agreement to any joint-venture contract where the amount involved exceeds €100 million;
 - The sale or transfer of any business or businesses, asset or assets in an amount exceeding €100 million; the sale of any equity interest or business involving an amount exceeding €100 million;
 - The annual budget (including, but not limited to, capital expenditure);
 - The selection, change or revocation of any or all of the statutory auditors;
 - Merger transactions or proposals concerning the Company or, more generally, any transaction resulting in the transfer or sale of all, or a substantial portion of, its assets;
 - Any transaction leading to an increase or decrease in the Company's equity capital, including, as may be the case, through the issue of securities providing access to the Company's equity capital, such as securities convertible into shares or exchangeable for or redeemable in shares or preferred shares (except for grant of free shares or stock options in the ordinary course of business of the Company);
 - Any creation of double voting rights or any other change to the voting rights attached to Company shares;
 - Changes to governance, including but not limited to, any change in the rules of governance applying within the Company, in particular the rules governing the membership and operation of the Board of Directors and, more generally, any change to these internal regulations in accordance with what is set forth below;
 - Any proposal for the appointment of new members to the Board of Directors;
 - The listing of any financial instrument issued by the Company on a regulated market other than Eurolist by Euronext;
 - Bankruptcy filings, appointment of an *ad hoc* authorized agent, liquidation, etc., any voluntary dissolution or agreed liquidation of the Company, and any decision that may result in the initiation of insolvency proceedings or the appointment of an *ad hoc* authorized agent;
 - Any proposal for a decision entailing amendment of Company articles or by-laws (*statuts*);
 - In the event of disputes, the conclusion of any agreements, settlements or arrangements, or agreement to any compromise, where the amount concerned exceeds €100 million;
 - The grant of any surety on Company assets if the obligation for which surety is given or the assets pledged represent an amount in excess of €100 million;
 - And more generally, any material transaction outside the scope of the Legrand's stated strategy, where the amount concerned exceeds €100 million.
- c) To examine and approve the reports on the activities of the Board of Directors and its committees to be included in the annual report.
- d) To examine and approve, at the proposal of the Nominating and Governance Committee, the presentation of Directors to be included in the annual report, in particular the list of independent Directors, setting out the criteria applied.
- e) To co-opt Directors where necessary, and present proposals for the renewal of Director's terms of office to the ordinary general meeting of shareholders.

- f) To determine, at the proposal of the Compensation Committee, the compensation due to corporate officers and to apportion Directors' fees.
- g) To consider stock-option plans and free-share allotments as well as any other mode of compensation either taking the form of shares or index-linked or related to shares.
- h) To ensure the quality of information provided to shareholders and financial markets, in financial statements and on the occasion of significant transactions.
- i) To approve the management report, together with the sections of the annual report devoted to corporate governance and presenting policies on compensation.
- j) To review any issues relating to the efficient operations of the Company or the Group.

The Board of Directors alone has the power to amend these internal regulations.

ARTICLE 2 MEMBERSHIP OF THE BOARD OF DIRECTORS

Article 2.1 Number of Directors

The Company's Board of Directors comprises no less than three members and no more than the maximum number of members authorized by the applicable legal and regulatory provisions.

Article 2.2 Independent Directors

2.2.1 Definition of independent Director and applicable criteria

Directors are considered independent if they have no connection with the Company, its management or the Group of a nature to compromise the free exercise of their judgment or give rise to conflicts of interest with the Company, its management or the Group.

Independent Directors must thus not:

- Be an employee or executive director of the Company or Group, be an employee or director of a shareholder with control, either alone or in concert, over the Company within the meaning of article L.233-3 of the French Commercial Code, or of a company that it consolidates, or have been in such a position at any time in the five previous years;
- Be an executive director of any company for which the Company holds, whether directly or indirectly, a directorship or where a Company employee or an executive director, or a person who has been in this position in the course of the five previous years, holds a directorship;
- Be a customer, a supplier, or a financing or advising banker:
 - of importance for the Company or its Group,
 - or deriving a significant portion of business from the Company or its Group,

The evaluation of how significant the relationship is with the Company or its Group must be debated by the Board of Directors and the criteria that lead to the evaluation must be explicitly stated in the registration document;

- Have any close family relationship with a manager of the Company or Group;
- Have been a statutory auditor for the Company or a Group company in the course of the five previous years;
- Have been a manager of the Company or a Group company in the course of the five previous years;
- Have been a Director of the Company in the course of the twelve previous years;
- Receive, or have received, significant amounts of compensation in addition to Director's fees, including, but not limited to, participation in any stock-option plan or other performance-related compensation plan.

Although he or she may be an executive director, a chairman of the board may be considered as independent if the company can justify this based on the criteria set out above.

Directors with significant direct or indirect equity interests in the Company may be considered independent if they do not control the Company within the meaning of article L.233-3 of the French Commercial Code. However, when a Director represents a shareholder directly or indirectly holding more than 10% of the Company's capital or voting rights, the Board of Directors, having received a report from the Nominating and Governance Committee, has to systematically review his or her status as an independent Director, with due regard for the structure of share ownership and potential for conflicts of interest.

2.2.2 Procedure for recognition of the status of independent Director

The independent status of Directors is subject to review by the Nominating and Governance Committee, which then reports to the Board of Directors.

Each year, the Board of Directors is to examine, on the basis of this report and before publication of the annual report, the status of each Director in light of the criteria set out in article 2.2.1 above.

The Board of Directors is to bring the conclusions of its examinations to the notice of shareholders in the annual report.

Article 2.3 Lead Director

A Lead Director may be appointed by the Board of Directors from among the independent Directors who have been appointed Directors for at least one year, with the advice of the Nominating and Governance Committee.

The Lead Director shall be appointed for a term that cannot exceed that of his/her term of office as Director. The term of office of the Lead Director shall be renewable, upon a proposal by the Nominating and Governance Committee.

The appointment as Lead Director may be revoked at any time by the Board of Directors.

If the positions of the Chairman and of the CEO are held by the same person, the appointment of a Lead Director is mandatory.

2.3.1 Duties of the Lead Director

The Lead Director's role mainly consists in verifying that the governance bodies of the Company have the opportunity to operate properly.

In this regard, the Lead Director is in charge of:

- Preventing and managing conflicts of interests: the Lead Director is in charge of preventing conflicts of interests by making Directors aware of facts that may result in conflicts of interests. Each Director undertakes to apprise the Lead Director of any, even potential, conflict of interest, it being specified that the Lead Director has to keep the Board of Directors informed. The Lead Director also informs the Board of Directors about any, even potential, conflict of interest, that he/she has identified;
- Supervising the annual performance evaluation of the Board of Directors;
- Chairing and conducting the annual meeting of the non-executive Directors without the presence of executive or internal Directors, during which the evaluation of the Company's corporate officers is carried out and the participants reflect on the future of the company's executive management;
- Reporting to the Chairman about the conclusions of the non-executive Directors' annual meeting; and
- If necessary, be the relevant contact for the Legrand' shareholders, subject to the prior agreement of the Board of Directors with respect to the principle and modalities of the contact.

2.3.2 Resources of the Lead Director

To exercise his/her duties, the Lead Director has the possibility to:

- If appropriate, propose to the Chairman items for inclusion in the agenda of the Board of Directors' meeting;
- Ask the Chairman to call a meeting of the Board of Directors, or when appropriate, directly call a meeting of the Board of Directors to consider a particular agenda, the importance or urgent nature of which would justify that an extraordinary meeting of the Board of Directors be held;
- Chair the Board of Directors' meetings in the absence of the Chairman; and
- If necessary, attend any meetings held by any committees (even if the Lead Director is not a member of such committees).

The Lead Director ensures that the Directors have opportunities to meet with the key managers of the Group and the statutory auditors, as provided herein.

More generally, the Lead Director ensures that Directors receive relevant information to exercise their duties in the best way, as provided herein.

Each year, the Lead Director makes a report to the Board of Directors to present his/her actions.

ARTICLE 3 OPERATION OF THE BOARD OF DIRECTORS

Article 3.1 Meetings of the Board of Directors

The Board of Directors is to meet as often as the interests of the Company may require and at least five times a year.

Notice of meetings, which may be conveyed by the Board Secretary, may be by letter, telex, telegram, fax, electronic mail or verbal.

If the convening notices so provide, meetings of the Board of Directors may be held by videoconference or other means of telecommunication, provided that these means ensure at least the transmission of participants' voices and satisfy technical requirements enabling the simultaneous and continuous transmission of deliberations. Directors participating in meetings by such means are deemed present for the purposes of quorum and majority.

When one or more Directors inform the Chairman of the Board of Directors that they will be unable to attend a meeting, the Chairman is to endeavour to organize the meeting using the means referred to in the previous paragraph.

Meetings may not be held by such means when they concern decisions of a kind for which the law prohibits their use.

The Chairman is to endeavour to allow a lapse of five days between convening notices and meeting dates and to allow for the constraints on members' schedules so as to ensure the presence of as many members as possible at each meeting.

Article 3.2 Assessment of the Board of Directors

At least once a year, an item on the agenda is to be devoted to assessment of the Board's operations, and an account of this is to be included in the Company's annual report, so that the shareholders are informed each year of the evaluations carried out and, if applicable, of any steps taken as a result.

The assessment of the Board's operations is supervised by the Lead Director, if applicable.

Article 3.3 Information of the Board of Directors

In fulfillment of the duties of the office, the Chairman is to supply each Director in good time with a documentation set containing all the documents and information necessary for the consideration of the items on the agenda.

Each Director may obtain all the documents he/she considers relevant for the preparation of meetings provided he/she makes the request in reasonable time.

Where the need for confidentiality so requires, in particular in the case of sensitive financial information, the documents may be circulated at the meeting.

Directors receive all relevant information on significant events or transactions for the Company between meetings.

Directors have the opportunity to meet with the Company's principal executive managers, even outside the presence of corporate officers. In the latter case, these should be given prior notice.

Article 3.4 Directors' training

Each Director may be provided, at the time of appointment and throughout the term of office, with training relating to the specific features of the Company, its businesses and the sector it operates in.

New Directors are provided with an induction programme aiming at facilitating their assumption of their new duties. The induction programme includes site guided tours and meetings with Company senior and operational management.

Upon request, the Audit Committee members are provided, at the time of appointment, with information relating to the Company's specific accounting, financial and operational features.

Directors representing employees or Directors representing employee shareholders are provided with training adapted to the performance of their duties.

Article 3.5 Compensation

Attendance fees are apportioned to Directors, upon the proposal of the Compensation Committee and based on the global amount allocated to Directors' attendance fees by the general meeting of shareholders. This allocation takes into account the effective attendance of Directors and their participation in specialized Board committees.

Undertaking individual tasks such as those of Lead Director may give rise to additional fees or payment of extraordinary compensation subject to the application of the procedure for related parties agreements.

Article 3.6 Miscellaneous provisions

3.6.1 Attendance register

An attendance register is to be kept at the Company's registered office identifying the members of the Board of Directors who attended, either physically or by means of telecommunications or teletransmission, or were represented, excused or absent. The proxies granted by letter, fax, telex, telegram or electronic mail are to be appended to the attendance register.

3.6.2 Minutes of meetings

The proceedings of Board meetings are to be recorded in minutes drawn up, signed and kept in accordance with applicable regulations.

The minutes of each meeting are to record:

- the names of the Directors who attended, either physically or by means of telecommunications or teletransmission, or were represented, excused or absent;
- the occurrence of any disruptive technical incident arising during a videoconference or conference call;

- the name of any other persons who attended all or part of the meeting;
- a summary of the discussions and decisions of the Board of Directors;
- any questions raised and any reserves expressed by the members present.

3.6.3 English versions of documents

If a member so requests, the convening notices and minutes of Board meetings are to be translated into English. Such translation will be for information purposes only, and only the French version is binding.

ARTICLE 4 COMMON REGULATIONS

Article 4.1 Permanent Board committees

In order to facilitate the work of the Board of Directors and the preparation of deliberations, there are specialized committees that examine matters within their respective areas of competence and submit opinions, proposals and recommendations to the Board of Directors.

There are four such permanent special committees:

- the Audit Committee
- the Nominating and Governance Committee
- the Compensation Committee
- the Strategy and Social Responsibility Committee.

Article 4.2 Membership of permanent committees

The Board of Directors appoints committee members with the advice of the Nominating and Governance Committee. The Board of Directors may remove them after consultation with the Nominating and Governance Committee for advice.

The chairman of the Audit Committee is chosen by the members of the Audit Committee at the proposal of the Nominating and Governance Committee, from among the independent members of the Committee. The appointment of the Audit Committee's chairman should be specially reviewed by the Board of Directors. The same procedure shall apply for the extension of the term of office.

The chairman of the Strategy and Social Responsibility Committee is chosen by the members of the Strategy and Social Responsibility Committee at the proposal of the Nominating and Governance Committee, from among the members of the Strategy and Social Responsibility Committee.

The chairman of the Nominating and Governance Committee is chosen by the members of the Nominating and Governance Committee, from among its independent members.

The chairman of the Compensation Committee is chosen by the members of the Compensation Committee at the proposal of the Nominating and Governance Committee, from among the members of the Compensation Committee.

Committee members are appointed for a term of office which is determined by the Board of Directors and may not exceed the term of office as Directors.

Article 4.3 Operation of permanent committees

Each committee is to establish its own annual schedule for meetings in relation to the schedules for Board meetings and general meetings of shareholders.

Each committee meets as often as may be necessary, at the call of its chairman or half of its members, to consider any matter within its area of competence. If the Chairman of the Board of Directors observes that a committee has not met as often as required under the rules set out below, he may summon a meeting of that committee. He may do the same if he considers that a committee should provide the Board of Directors with an opinion or recommendation on a particular issue.

It is the duty of the chairman of each committee to draw up the agenda for its meetings and circulate this to the members of that committee sufficiently in advance to allow each committee member the time needed to prepare for the meeting. The chairman must supply all the documents and information needed for the consideration of the items concerned along with the agenda.

Meetings may be held at the Company's registered office or in any other place. The committees' secretariat tasks shall be undertaken by the persons appointed by the chairman of the committee or by agreement with the chairman.

In the exercise of its duties, each committee may, after informing the Chairman of the Board of Directors and with the duty to make a subsequent report to the Board, contact the Company's principal managers.

Article 4.4 Services offered by external consultants

The committees of the Board may request external technical studies relating to matters within their competence, at the Company's expense, after informing the Chairman of the Board of Directors or the Board of Directors itself, and subject to reporting back to the Board thereon.

In the event of committees having recourse to services offered by external consultants, the committees must ensure that the consultant concerned is objective

Article 4.5 *Ad hoc* committees and the executive committee

In addition to the permanent committees, the Board of Directors may at any time set up one or several *ad hoc* committees, which may or may not be temporary, and determine their membership and operation as it sees fit.

Finally, the Chief Executive Officer may create an executive committee and determine its membership and scope.

ARTICLE 5 THE AUDIT COMMITTEE

Article 5.1 Assignments of the Audit Committee

The Committee assists the Board of Directors in the conduct of its mission as regards the adoption of annual Company's and consolidated financial statements and the preparation of information for shareholders and the market. It monitors the efficiency of internal controls and risk management. It is also charged with monitoring issues relating to the establishment and control of accounting and financial information, as well as legally required verification of accounts.

The Audit Committee must conduct regular hearings of the statutory auditors, including hearings without the presence of corporate officers.

Should the Audit Committee call upon outside experts, it has to make sure that they have the requisite skills and independence.

- As regards internal control procedures and risk management, the Board of Directors entrusts the Audit Committee with the following tasks:
 - To ensure that the internal control and risk management systems exist;
 - To assess the efficiency and quality of the Group's internal control procedures, in order to ensure that these contribute to the production of annual Company's and consolidated financial statements providing a true and fair presentation of the Company and its Group, and complying with applicable accounting standards;
 - To give its opinion on the organization of the internal audit and risk control departments;
 - To monitor the implementation and effectiveness of risk management procedures;
 - To ensure that corrective actions are implemented in the event of significant weaknesses or flaws;
 - To examine the risks and the material off-balance-sheet commitments, to assess the importance of any failures or weaknesses which are communicated to it and if necessary, to inform the Board of Directors;
 - To ensure the relevance and quality of the Company's financial communications;
 - To conduct hearings of the person in charge of Corporate Social Responsibility (CSR) issues about (i) risks, especially for the CSR risk mapping, (ii) the conclusions of the independent third-party body in charge of reviewing extra-financial data, and (iii) the methods of construction and analysis of the roadmap. In this framework, the Audit Committee may decide, with approval from the Board of Directors, to entrust special assignments to one of its members, it being specified that in accordance with the provisions of article 3.5 of these regulations, undertaking such tasks may give rise to additional fees;
 - To receive the internal control and risk management report drawn up in compliance with Article L. 225-37 of the French Commercial Code and to make any observations it sees fit.

The statutory auditors must be heard at the Audit Committee meetings dealing with evaluation of the process for preparing financial information and review of the financial statements in order to report on the execution of their tasks and the conclusions of their work.

The Audit Committee is informed of the main findings of the statutory auditors and the internal audit as regards the effectiveness of internal control and risk management systems. It hears the views of the persons responsible for the internal audit and for risk control. It is informed of the internal audit programme and it receives internal audit reports or a regular summary of those reports.

- As regards reviewing of financial statements, the Board of Directors entrusts the Audit Committee with the following tasks:
 - To carry out a prior examination of draft Company and consolidated financial statements, both annual, half-yearly and quarterly, in order to ascertain the conditions in which they were prepared and to ensure the relevance and consistency of the accounting rules and principles adopted;

- To examine the method and scope of consolidation applied in the financial statements;
- To ensure the proper accounting treatment of significant transactions at Group level;
- To regularly gather information on the financial position, cash flow and significant commitments of the Company and the Group.

The review of financial statements by the Audit Committee is accompanied by a presentation from the statutory auditors stressing the essential points not only of the results of the statutory audit, in particular the adjustments resulting from the audit and significant weaknesses in internal control identified during the auditor's works, but also of the accounting methods chosen. At the time of review of the financial statements, the Audit Committee may consider the major transactions in connection with which conflicts of interest could have arisen.

The review of financial statements by the Audit Committee should also be accompanied by a presentation from the Chief Financial Officer describing the Company's risk exposures and its material off-balance-sheet commitments.

More generally, for the review of financial statements, the Audit Committee may question, without the presence of the corporate officers or, more generally, of Directors playing an active role in the Company, any person who, in one capacity or another, participates in preparing or auditing the financial statements (finance department, internal audit department, statutory auditors).

- As regards external control procedures, the Audit Committee's main task is to ensure the proper examination of annual Company's and consolidated financial statements by statutory auditors and the independence and objectivity of these auditors:
 - By ensuring that statutory auditors carry out their duties in the legally required examination of annual Company's and consolidated financial statements;
 - By organizing processes for the selection of statutory auditors and examining the issues relating to the appointment, renewal or removal of the Company's statutory auditors. The Audit Committee shall suggest to the Board of Directors a procedure for the selection of the statutory auditors. In the event of a call for tenders, the Audit Committee must supervise it and approve the specifications and the choice of firms consulted, making sure that the selection results in the appointment of the "best bidder". The Audit Committee also submits a recommendation to the Board of Directors regarding the statutory auditors proposed for appointment by the shareholders' meeting;
 - By receiving each year, from the statutory auditors, (i) their statement of independence; (ii) the amount of the fees paid to the network of statutory auditors by the companies controlled by the Company or the entity controlling the Company, in respect of services not directly related to the statutory auditors' assignment and (iii) information concerning the services supplied in respect of the tasks directly related to the statutory auditors' engagement ;
 - By examining the amount and details of the remuneration paid by the Group to the statutory auditors' firm and to the network to which the firm may belong. In this respect, the Audit Committee is to obtain details of the fees paid by the Company and its Group to the statutory auditors' firm and to the network to which it belongs, and to ensure that the amount of such fees, or the fraction they represent of the total revenues of the statutory auditors' firm and of the firm's network, are not such that the independence of the statutory auditors might be affected.

Article 5.2 Membership of the Audit Committee

The Audit Committee has a maximum of five members.

Members of the Audit Committee may not be executive directors or managers holding salaried positions with the Company or any of its subsidiaries.

Members of the Audit Committee should be competent in finance or accounting.

Article 5.3 Operation of the Audit Committee

The Audit Committee may properly conduct business at its meetings only if at least half of its members are present. The Committee takes its decisions by simple majority, with its chairman having a casting vote.

To the extent possible, the Audit Committee meets 48 hours before the review of the financial statements by the Board of Directors, it being specified that this period of time may be reduced from time to time, with the agreement of the chairman and of the members of the Audit Committee.

The Audit Committee is required to make regular reports to the Board of Directors, and at least in connection with the approval of annual and half-yearly financial statements. The reports of the Audit Committee to the Board of Directors aim at keeping the Board of Directors fully informed in order to facilitate its deliberations.

ARTICLE 6 NOMINATING AND GOVERNANCE COMMITTEE

Article 6.1 Assignments of the Nominating and Governance Committee

The Nominating and Governance Committee is tasked with:

- Examining the different available options in terms of how to organise the operation of the Company's management and supervisory bodies, and submitting suggestions to the Board of Directors in this regard;
- Considering and submitting proposals to the Board of Directors for appointment to the positions of Directors, of Lead Director, of Chief Executive Officer, of Chief Operating Officer, of the Chairman of the Board, of the members and chairman of the special committees; to that end, it must assess the levels of expertise and experience required, define assignments and assess the amount of time needed to carry them out;
- Making proposals to the Board of Directors in relation to the assignment of each of the special committees;
- Considering proposals submitted by interested parties including management and shareholders;
- Preparing, under the supervision of the Lead Director, for the periodical self-assessment of the work of the Board of Directors, and for any such assessment by outside consultants, or of the governance bodies;
- Producing a plan for replacement of corporate officers in order to be able to submit to the Board of Directors solutions for replacement in particular in the event of an unforeseeable vacancy;

- Examining the position of each Director each year relative to the criteria for independence set out in these regulations;
- Reviewing developments in rules of corporate governance, monitoring the application of said rules by the Company (in particular the implementation of the code of corporate governance to which the Company refers), assisting the Board of Directors in adapting the Company's corporate governance and submitting suggestions in this regard;
- Scrutinising the draft of the Chairman's report on corporate governance as well as any other documents required by applicable laws and regulations in this matter and, in general, ensuring the accuracy of information provided to shareholders on topics of corporate governance.

The CEO shall be associated in particular with the committee's proceedings relating to the selection of new Directors and the succession planning for corporate officers.

Article 6.2 Membership of the Nominating and Governance Committee

The Nominating and Governance Committee has a maximum of five members.

The Nominating and Governance Committee should not include any executive directors.

Article 6.3 Operation of the Nominating and Governance Committee

The Nominating and Governance Committee may only properly meet if at least half of its members are present. Decisions are taken by simple majority, with its chairman having a casting vote.

The Nominating and Governance Committee meets at least twice a year and, in any event, before approval of the agenda for the annual general meeting, this being to consider the proposed resolutions to be submitted to the meeting that are within its competence.

ARTICLE 7 COMPENSATION COMMITTEE

Article 7.1 Assignments of the Compensation Committee

As regards the compensation of corporate officers, the Compensation Committee is required to:

- Assess all forms of compensation, including benefits in kind, insurance and pension entitlements received from any company in the Group and any affiliated company;
- Examine and submit proposals to the Board of Directors regarding the compensation of the corporate officers, in particular as regards the calculation of the variable portions of compensation. To this end, it is to define the rules for calculating this variable portion, taking into due account the need for consistency with annual assessments of corporate officers' performance and the Group's medium-term strategy; it also oversees proper application of these rules;
- Ensure the Company's fulfillment of obligations relating to the transparency of compensation. In particular, it draws up an annual report of its activity, which is submitted to the approval of the Board of Directors for inclusion in the Company's annual report, and assures itself that all legally required information concerning compensation is fully and clearly set forth in the annual report.

As regards Directors' compensation, the Compensation Committee:

- Draws up proposals for the allocation of Directors' fees in accordance with the provisions of article 3.5 of these regulations;
- Makes recommendations concerning the compensation that may be appropriate for Directors entrusted with exceptional assignments.

As regards stock-option plans for the purchase of existing shares or subscription to new share issues and all other compensation in the form of shares or indexed on or otherwise linked to shares, the Compensation Committee is tasked with:

- Examining general policies governing the benefit of such systems and submitting any proposals it may have on this to the Board of Directors;
- Reviewing the information on this subject provided in the annual report and to the general meeting of shareholders;
- Submitting proposals to the Board of Directors regarding the choice among alternatives allowed by law and explaining the reasons for such choice, together with its consequences;
- Preparing for the Board of Directors' decisions on such systems

Furthermore, the committee must be informed of the compensation policy applicable to the principal executive managers who are not executive directors of the company.

Article 7.2 Membership of the Compensation Committee

The Compensation Committee has a maximum of five members.

The Compensation Committee should not include any executive directors.

Article 7.3 Operation of the Compensation Committee

The Compensation Committee may only properly meet if at least half of its members are present. Decisions are taken by simple majority, with its chairman having a casting vote.

The Compensation Committee meets at least twice a year and, in any event, before approval of the agenda for the annual general meeting, this being to consider the proposed resolutions to be submitted to the meeting that are within its competence.

ARTICLE 8 STRATEGY AND SOCIAL RESPONSIBILITY COMMITTEE

Article 8.1 Assignments of the Strategy and Social Responsibility Committee

The mission of the Strategy and Social Responsibility Committee is to assist the Board of Directors in its decisions on strategic directions for the Company's business, and in particular to:

- Examine all significant projects concerning the Group's development and strategic positioning, in particular projects for strategic partnerships and significant investments or divestments;

- Examine proposed annual budgets submitted to the Board of Directors. For this purpose, the Strategy and Social Responsibility Committee may hear the views of Company managers regarding assumptions used to draw up or amend these budgets;
- Assess consistency between Group strategy and the CSR principles espoused by the Group; ensure that management conducts an analysis of internal or external factors related to CSR stakes (risks and opportunities) which have an influence on the Group, such as regulations, third-party expectations and sectorial comparisons and evaluate the adequacy of means available to the Group in the fulfillment of its CSR strategy, in connection with the aims pursued;
- Take cognizance of the main findings and observations of the independent third-party body under the CSR rules, assess them and examine related management action plan.

Article 8.2 Membership of the Strategy and Social Responsibility Committee

The Strategy and Social Responsibility Committee has a maximum of five members.

Article 8.3 Operation of the Strategy and Social Responsibility Committee

The Strategy and Social Responsibility Committee may only properly meet if at least half of its members are present. Decisions are taken by simple majority, with its chairman having a casting vote.

The Strategy and Social Responsibility Committee meets as often as may be necessary and in all events at least twice a year.

Part III Directors' Charter

In keeping with its corporate governance responsibilities, the Board of Directors has included in these regulations a Directors' Charter setting out the rights and duties incumbent on all Directors.

Before taking up their positions, all Directors must assure themselves that they are properly apprised of their general and particular duties, in particular as these results from legislation and regulation, Company articles, Board regulations and the Charter set out below, as well as from any other text of a compulsory nature.

1. Directors must be competent, active and committed.
2. Directors must at all times act in the corporate interest of the business. They undertake to promote and defend the Company's values.
3. Directors are to devote the necessary time and attention to their tasks.

In this regard, they undertake to :

- Not hold more than four other directorships in listed companies, including foreign companies, not affiliated with the Group; it being specified that an executive director should not hold more than two other directorships in listed companies including foreign companies, not affiliated with the Group. However, the limit of two other directorships applicable to the executive directors does not apply to directorships held by an executive director in subsidiaries and holdings, held alone or together with others, of companies whose main activity is to acquire and manage such holdings,
 - Keep the Board of Directors informed of directorships held in other companies, including participation on committees of the Boards of these companies, both in France and abroad, it being specified that an executive director must seek the opinion of the Board of Directors before accepting a new directorship in a listed company;
 - Be assiduous and as far as possible attend all meetings of the Board of Directors and any committee they may belong to.
4. In the interest of transparency, the annual report includes a report on Directors' attendance at meetings of the Board of Directors and its committees.
 5. Directors are to make their best efforts to be present at general meetings of shareholders.
 6. In the course of his/her term of office, each Director is proposed to gradually acquire a number of shares equivalent to one full year of his/her share of Directors' fees. For calculation purposes, the assumption will be participation, over one financial year, at all meetings of the Board and of the special committee(s) to which the relevant Director belongs, the Legrand share price unit value being the average Legrand share price over the previous financial year. The minimum number of shares to be held personally and kept throughout the term of office is set at 500.
 7. Directors have a duty of loyalty and diligence.

In this regard, they undertake to:

- Apprise the Lead Director and the Board of any, even potential, conflict of interest, and to abstain from related discussions and votes;
- Avoid any personal engagement with businesses that are competitors of the Company and its Group without having informed the Board of Directors and obtained its consent.

8. Directors are subject to a duty of confidentiality concerning the unpublished information of which they are apprised as a result of their position.

9. Directors are to assure themselves of receiving in good time all the documents and information necessary to the performance of their duties. It is their responsibility to ask the Chairman to supply all documents they consider necessary for their proper information.

Directors who consider the information supplied inadequate may ask for additional information from the Chairman or the Board of Directors.

10. Directors are to have the broadest possible knowledge of the specific features of the Company, its businesses and the sector it operates in.

11. Directors are to comply with any code of conduct on stock trading adopted by the Company.

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