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2025 Consolidated financial information as of December 31

legrand®

08

Consolidated financial information concerning the Group's assets, liabilities, financial position and results

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8.1 - Consolidated financial statements in accordance with IFRS for the years ended December 31, 2025 and December 31, 2024

8.1.1 - Consolidated statement of income

	12 months ended	
(in € millions)	December 31, 2025	December 31, 2024
Net sales (Notes 2.1 and 2.2)	**9,480.6**	**8,648.9**
Operating expenses (Note 2.3)		
Cost of sales	(4,662.0)	(4,182.8)
Administrative and selling expenses	(2,448.5)	(2,277.6)
Research and development costs	(409.3)	(406.1)
Other operating income (expenses)	(152.3)	(139.7)
Operating profit	**1,808.5**	**1,642.7**
Financial expenses	(167.9)	(153.9)
Financial income	75.7	103.0
Exchange gains (losses)	(25.2)	(13.9)
Financial profit (loss)	**(117.4)**	**(64.8)**
Profit before tax	**1,691.1**	**1,577.9**
Income tax expense (Note 2.4)	(438.8)	(409.0)
Share of profits (losses) of equity-accounted entities	**0.0**	**0.0**
Profit for the period	**1,252.3**	**1,168.9**
Of which:		
– **Net profit attributable to the Group**	**1,244.6**	**1,166.4**
– **Minority interests**	**7.7**	**2.5**
Basic earnings per share *(euros)* (Note 4.1.3)	4.750	4.452
Diluted earnings per share *(euros)* (Note 4.1.3)	4.705	4.423

The accompanying Notes are an integral part of these consolidated financial statements.

8.1.2 - Consolidated statement of comprehensive income

	12 months ended	
(in € millions)	**December 31, 2025**	**December 31, 2024**
Profit for the period	1,252.3	1,168.9
Items that may be reclassified subsequently to profit or loss		
Translation reserves	(676.1)	259.9
Cash flow hedges (Note 5.1.1.1)	(10.3)	(12.9)
Income tax relating to components of other comprehensive income	0.0	4.7
Items that will not be reclassified to profit or loss		
Actuarial gains and losses (Note 4.5.1.1)	15.8	1.0
Deferred taxes on items that will not be reclassified to profit or loss	(4.0)	(0.3)
Other	(32.9)	(0.4)
Comprehensive income for the period	**544.8**	**1,420.9**
Of which:		
– **Comprehensive income attributable to the Group**	**537.2**	**1,419.9**
– **Minority interests**	**7.6**	**1.0**

The accompanying Notes are an integral part of these consolidated financial statements.

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8.1.3 - Consolidated balance sheet

ASSETS

(in € millions)	December 31, 2025	December 31, 2024
Non-current assets		
Intangible assets (Note 3.1)	2,587.3	2,644.3
Goodwill (Note 3.2)	7,629.7	6,897.2
Property, plant and equipment (Note 3.3)	970.9	913.8
Right-of-use assets (Note 3.4)	410.3	294.9
Investments in equity-accounted entities	0.0	0.0
Other investments	27.2	43.0
Other non-current assets	187.2	142.4
Deferred tax assets (Note 4.7)	210.8	178.7
TOTAL NON-CURRENT ASSETS	**12,023.4**	**11,114.3**
Current assets		
Inventories (Note 3.5)	1,466.7	1,320.9
Trade receivables (Note 3.6)	1,226.9	1,051.0
Income tax receivables	158.9	212.5
Other current assets (Note 3.7)	334.9	294.3
Other current financial assets	0.8	1.3
Cash and cash equivalents (Note 3.8)	2,381.2	2,080.7
TOTAL CURRENT ASSETS	**5,569.4**	**4,960.7**
TOTAL ASSETS	**17,592.8**	**16,075.0**

The accompanying Notes are an integral part of these consolidated financial statements.

EQUITY AND LIABILITIES

(in € millions)	December 31, 2025	December 31, 2024
Equity		
Share capital (Note 4.1)	1,049.0	1,049.0
Retained earnings (Notes 4.2 and 4.3.1)	7,119.7	6,679.9
Translation reserves (Note 4.3.2)	(874.5)	(198.5)
Equity attributable to equity holders of Legrand	7,294.2	7,530.4
Minority interests	39.8	17.7
TOTAL EQUITY	**7,334.0**	**7,548.1**
Non-current liabilities		
Long-term provisions (Notes 4.4 and 4.5.2)	177.9	167.1
Provisions for post-employment benefits (Note 4.5.1)	125.3	137.6
Long-term borrowings (Note 4.6.1)	6,059.3	4,642.7
Deferred tax liabilities (Note 4.7)	1,012.0	1,004.0
TOTAL NON-CURRENT LIABILITIES	**7,374.5**	**5,951.4**
Current liabilities		
Trade payables	1,064.0	963.6
Income tax payables	55.3	48.1
Short-term provisions (Note 4.4)	162.1	178.1
Other current liabilities (Note 4.8)	1,058.3	941.8
Short-term borrowings (Note 4.6.2)	544.5	443.5
Other current financial liabilities	0.1	0.4
TOTAL CURRENT LIABILITIES	**2,884.3**	**2,575.5**
TOTAL EQUITY AND LIABILITIES	**17,592.8**	**16,075.0**

The accompanying Notes are an integral part of these consolidated financial statements.

8.1.4 - Consolidated statement of cash flows

	12 months ended	
(in € millions)	December 31, 2025	December 31, 2024
Profit for the period	**1,252.3**	**1,168.9**
Adjustments for non-cash movements in assets and liabilities:		
– Depreciation and impairment of tangible assets (Note 2.3)	146.6	140.4
– Amortization and impairment of intangible assets (Note 2.3)	145.3	131.0
– Amortization and impairment of capitalized development costs (Note 2.3)	23.7	24.4
– Depreciation and impairment of right-of-use assets (Note 3.4)	93.5	83.9
– Amortization of financial expenses	6.1	5.2
– Impairment of goodwill (Note 3.2)	0.0	0.0
– Changes in long-term deferred taxes	(9.5)	6.7
– Changes in other non-current assets and liabilities (Notes 4.4 and 4.5)	40.9	28.8
– Unrealized exchange (gains)/losses	1.0	0.1
– Share of (profits) losses of equity-accounted entities	0.0	0.0
– Other adjustments	11.3	7.8
– Net (gains)/losses on sales of activities and assets	4.4	1.4
Changes in working capital requirement:		
– Inventories (Note 3.5)	(137.4)	(56.5)
– Trade receivables (Note 3.6)	(120.4)	11.4
– Trade payables	63.8	(11.7)
– Other operating assets and liabilities (Notes 3.7 and 4.8)	55.2	(18.5)
Net cash from operating activities	**1,576.8**	**1,523.3**
– Net proceeds on asset disposals	2.7	6.8
– Capital expenditure (Notes 3.1 and 3.3)	(221.1)	(210.3)
– Capitalized development costs	(27.6)	(29.3)
– Changes in non-current financial assets and liabilities	(47.3)	7.4
– Acquisitions and disposals of subsidiaries, net of cash (Note 1.4.2)	(1,314.4)	(1,510.4)
Net cash from investing activities	**(1,607.7)**	**(1,735.8)**
– Proceeds from issues of share capital and premium (Note 4.1.1)	0.0	0.0
– Net sales / (buybacks) of treasury shares and transactions under the liquidity contract (Note 4.1.2)	(111.2)	(46.3)
– Dividends paid to equity holders of Legrand (Note 4.1.3)	(575.7)	(547.0)
– Dividends paid by Legrand subsidiaries	(0.3)	0.0
– Proceeds from long-term financing (Note 4.6)	1,550.0	801.5
– Repayment of long-term financing* (Note 4.6)	(96.7)	(94.4)
– Debt issuance costs	(15.7)	(15.4)
– Increase / (reduction) in short-term financing (Note 4.6)	(330.0)	(613.9)
– Acquisitions of ownership interests with no gain of control (Note 1.4.2)	(26.7)	(20.3)
Net cash from financing activities	**393.7**	**(535.8)**
Translation net change in cash and cash equivalents	(62.3)	13.6
Increase / (decrease) in cash and cash equivalents	**300.5**	**(734.7)**
Cash and cash equivalents at the beginning of the period	2,080.7	2,815.4
Cash and cash equivalents at the end of the period (Note 3.8)	**2,381.2**	**2,080.7**
Items included in cash flows:		
– Interest paid during the period**	106.6	91.7
– Income taxes paid during the period	432.2	437.0

* *Of which €87.1 million corresponding to lease financial liabilities repayment for the 12 months ended December 31, 2025 (€80.0 million for the 12 months ended December 31, 2024).*

** *Interest paid is included in the net cash from operating activities; of which €16.1 million interests on lease financial liabilities for the 12 months ended December 31, 2025 (€11.9 million for the 12 months ended December 31, 2024).*

The accompanying Notes are an integral part of these consolidated financial statements.

8.1.5 - Consolidated statement of changes in equity

		Equity attributable to the Group					
(in € millions)	Share capital	Retained earnings	Translation reserves	Actuarial gains and losses*	Total	Minority interests	Total equity
As of December 31, 2023	**1,056.1**	**6,181.2**	**(459.9)**	**(54.7)**	**6,722.7**	**12.0**	**6,734.7**
Profit for the period		*1,166.4*			***1,166.4***	*2.5*	***1,168.9***
Other comprehensive income		*(8.6)*	*261.4*	*0.7*	***253.5***	*(1.5)*	***252.0***
Total comprehensive income		**1,157.8**	**261.4**	**0.7**	**1,419.9**	**1.0**	**1,420.9**
Dividends paid		(547.0)			**(547.0)**		**(547.0)**
Issues of share capital and premium	0.0	0.0			**0.0**		**0.0**
Cancellation of shares held in treasury	(7.1)	(152.9)			**(160.0)**		**(160.0)**
Net sales / (buybacks) of treasury shares and transactions under the liquidity contract		113.7			**113.7**		**113.7**
Change in scope of consolidation**		(56.6)			**(56.6)**	4.7	**(51.9)**
Current taxes on share buybacks		0.0			**0.0**		**0.0**
Share-based payments		37.7			**37.7**		**37.7**
As of December 31, 2024	**1,049.0**	**6,733.9**	**(198.5)**	**(54.0)**	**7,530.4**	**17.7**	**7,548.1**
Profit for the period		*1,244.6*			***1,244.6***	*7.7*	***1,252.3***
Other comprehensive income		*(43.2)*	*(676.0)*	*11.8*	***(707.4)***	*(0.1)*	***(707.5)***
Total comprehensive income		**1,201.4**	**(676.0)**	**11.8**	**537.2**	**7.6**	**544.8**
Dividends paid		(576.0)			**(576.0)**		**(576.0)**
Issues of share capital and premium (Note 4.1.1)	0.0	0.0			**0.0**		**0.0**
Issue of OCEANEs		101.5			**101.5**		**101.5**
Cancellation of shares held in treasury (Note 4.1.1)	0.0	0.0			**0.0**		**0.0**
Net sales / (buybacks) of treasury shares and transactions under the liquidity contract (Note 4.1.2)		(111.2)			**(111.2)**		**(111.2)**
Change in scope of consolidation**		(225.4)			**(225.4)**	14.5	**(210.9)**
Current taxes on share buybacks		(0.6)			**(0.6)**		**(0.6)**
Share-based payments (Note 4.2)		38.3			**38.3**		**38.3**
As of December 31, 2025	**1,049.0**	**7,161.9**	**(874.5)**	**(42.2)**	**7,294.2**	**39.8**	**7,334.0**

** Net of deferred taxes.*

*** Corresponds mainly to acquisitions of additional shares in companies already consolidated and to puts on minority interests.*

The accompanying Notes are an integral part of these consolidated financial statements.

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KEY FIGURES

(in € millions)	2025	2024
Net sales	**9,480.6**	**8,648.9**
Adjusted operating profit	1,962.3	1,776.0
As % of net sales	20.7% 20.6% before [(1)] acquisitions	20.5%
Operating profit	1,808.5	1,642.7
As % of net sales	19.1%	19.0%
Net profit attributable to the Group	1,244.6	1,166.4
As % of net sales	13.1%	13.5%
Free cash flow	1,330.8	1,290.5
As % of net sales	14.0%	14.9%
Net financial debt at December 31	**4,222.6**	**3,005.5**

(1) At 2024 scope of consolidation.

Adjusted operating profit is defined as operating profit adjusted for: amortization and depreciation of revaluation of assets at the time of acquisitions and for other P&L impacts relating to acquisitions, and, where applicable, impairment of goodwill.

Free cash flow is defined as the sum of net cash from operating activities and net proceeds on asset disposals, less capital expenditure and capitalized development costs.

Net financial debt is defined as the sum of short-term borrowings and long-term borrowings, less cash and cash equivalents and marketable securities.

The reconciliation of key figures with the financial statements is available in Note 5.8.

NOTE 1 - Basis of preparation of the consolidated financial statements

NOTE 1.1 General information

Legrand ("the Company") along with its subsidiaries (together "Legrand" or "the Group") is the global specialist in electrical and digital building infrastructures.

The Group has manufacturing and/or distribution subsidiaries and offices in close to 90 countries and sells its products in about 170 countries.

The Company is a French *société anonyme* (K65D) incorporated and domiciled in France. Its registered office is located at 128, avenue du Maréchal de Lattre de Tassigny – 87000 Limoges (France).

On April 9, 2025, the universal registration document for fiscal year 2024 was filed with the AMF (French Financial Markets Authority) under number D.25-0236.

The consolidated financial statements cover the period from January 1, 2025 to December 31, 2025, they were approved by the Board of Directors on February 11, 2026.

All amounts are presented in millions of euros with a figure after the decimal point, unless otherwise specified. Some totals may include rounding differences.

NOTE 1.2 Accounting policies

As a company incorporated in France, Legrand is governed by French company laws, including the provisions of the *Code de commerce* (French Commercial Code).

The consolidated financial statements cover the 12 months ended December 31, 2025. They have been prepared in accordance with the International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee publications adopted by the European Union and applicable or authorized for early adoption from January 1, 2025.

IFRS issued by the International Accounting Standards Board (IASB) that have not been adopted for use in the European Union are not applicable to the Group.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying accounting policies. The areas involving a specific degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 1.2.3.

The consolidated financial statements have been prepared using the historical cost convention, except for some classes of assets and liabilities in accordance with IFRS. The classes concerned are mentioned in Note 5.1.1.2.

NOTE 1.2.1 New standards, amendments and interpretations that may impact the Group's financial statements

NOTE 1.2.1.1 New standards, amendments and interpretations with mandatory application from January 1, 2025 that have a material impact on the Group's 2025 financial statements

Not applicable.

NOTE 1.2.1.2 New standards, amendments and interpretations with mandatory application from January 1, 2025 that have no material impact on the Group's 2025 financial statements

Amendment to IAS 21 – "Lack of Exchangeability"

In August 2023, the IASB published "Lack of Exchangeability (Amendment to IAS 21)" containing guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

The amendment had no material impact on the Group's consolidated financial statements as of December 31,2025.

NOTE 1.2.1.3 New standards, amendments and interpretations adopted by the European Union and not applicable to the Group until future periods

Amendment to IFRS 9 and IFRS 7 – Classification and Measurement Requirements for Financial Instruments

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 concerning the classification and measurement of financial instruments.

The IFRS 9 amendments clarify requirements related to the timing of recognition and derecognition of certain financial assets and liabilities, introducing a new exception for specific financial liabilities settled through an electronic funds transfer system.

The IFRS 7 amendments introduce additional disclosure requirements for:

- instruments with contractual terms that may alter the timing or amount of cash flows,
- equity instruments designated at fair value through other comprehensive income.

These amendments will come into effect for periods beginning on or after January 1, 2026.

These amendments are not expected to have a significant impact on the Group's consolidated financial statements.

Amendments to IFRS 9 – "Contracts Referencing Nature– dependent Electricity"

In December 2024, the IASB issued amendments to IFRS 9 "Contracts Referencing Nature– dependent Electricity".

These amendments to IFRS 9 include guidelines on the use of power purchase agreements (PPAs) as hedging instruments in eligible hedging relationships.

These amendments will come into effect for periods beginning on or after January 1, 2026.

These amendments are not expected to have a significant impact on the Group's consolidated financial statements.

Annual Improvements to IFRS Accounting Standards — Volume 11

On July 2024, the IASB issued the annual Improvements to IFRS Accounting Standards – Volume 11, including amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 et IAS 7.

These amendments will come into effect for periods beginning on or after January 1, 2026.

These amendments are not expected to have a significant impact on the Group's consolidated financial statements.

NOTE 1.2.1.4 New standards, amendments and interpretations not yet adopted by the European Union and not applicable to the Group until future periods

New IFRS 18 Standard – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 aimed at improving the comparability, quality, and transparency of financial information. This standard enhances the role of structured presentation of primary financial statements and emphasizes the importance of notes to the financial statements. It introduces aggregation and disaggregation rules for better granularity of information.

This standard which has not yet been adopted by the European Union, is expected to come into effect for periods beginning on or after January 1, 2027.

The main issues and impacts of this standard on the presentation of financial statements are currently under review.

NOTE 1.2.1.5 Standards newly applicable to the Group

Not applicable.

NOTE 1.2.2 Basis of consolidation

Subsidiaries are consolidated if they are controlled by the Group.

The Group has exclusive control over an entity when it has power over the entity, i.e., it has substantive rights to govern the entity's key operations, is exposed to variable returns from its involvement with the entity and has the ability to affect those returns.

Such subsidiaries are fully consolidated from the date when effective control is transferred to the Group. They are deconsolidated from the date on which control ceases.

An entity over which the Group has either:

- significant influence (a situation that occurs in principal when the Group holds more than 20% of the voting rights without providing it with substantive rights to govern the entity's key operations); or
- joint control (a situation where the Group's participation gives it substantive rights to govern the entity's key operations jointly with a partner but does not provide exclusive control to the Group)

is consolidated using the equity method.

Such subsidiaries are initially recognized at acquisition cost and consolidated from the date when significant influence or joint control is transferred to the Group. They are deconsolidated from the date on which control ceases.

Items included in the financial statements of each Group entity are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in euros, which is the Group's functional and presentation currency.

NOTE 1.2.3 Use of judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that are reflected in the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events, and are believed to be reasonable under the circumstances.

NOTE 1.2.3.1 Impairment of goodwill and intangible assets

Trademarks with indefinite useful lives and goodwill are tested for impairment at least once a year and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. These circumstances are identified based on external or internal criteria.

Intangible assets with finite useful lives are amortized over their estimated useful lives and are tested for impairment when there is an indication that their recoverable amount may be less than their carrying amount.

Future events could cause the Group to conclude that evidence exists that certain intangible assets acquired in a business combination are impaired. Any resulting impairment loss could have a material adverse effect on the Group's consolidated financial statements and in particular on the Group's operating profit.

Discounted cash flow estimates (used for impairment tests on goodwill and trademarks with indefinite useful lives) are based on management's estimates of key assumptions, especially discount rates, medium-term growth and profitability rates.

NOTE 1.2.3.2 Accounting for income taxes

As part of the process of preparing the consolidated financial statements, the Group is required to estimate income taxes in each of the jurisdictions in which it operates. This involves estimating the actual current tax exposure and assessing temporary differences resulting from differing treatment of items such as deferred revenue or prepaid expenses for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are reported in the consolidated balance sheet.

The Group must then assess the probability that deferred tax assets will be recovered from future taxable profit. Deferred tax assets are recognized only when it is probable that sufficient taxable profit will be available, based on management-approved taxable profit forecasts.

The Group has not recognized all of its deferred tax assets because it is not probable that some of them will be recovered before they expire. The amounts involved mainly concern operating losses carried forward and foreign income tax credits. The assessment is based on management's estimates of future taxable profit by jurisdiction in which the Group operates and the period over which the deferred tax assets are recoverable.

NOTE 1.2.3.3 Other assets and liabilities based on estimates

Other assets and liabilities based on estimates include provisions for pensions and other post-employment benefits, impairment of trade receivables, inventories and financial assets, share-based payments, provisions for contingencies and charges, right-of-use assets, capitalized development costs, and any annual volume rebates offered to customers.

NOTE 1.3 Significant transactions and events for the period

No significant transactions or events are to be reported during the period.

NOTE 1.4 Scope of consolidation

NOTE 1.4.1 List of main consolidated companies

The consolidated financial statements comprise the financial statements of Legrand and its 273 subsidiaries.

The following list shows the main operating subsidiaries that are fully consolidated as of December 31, 2025. They are all owned 100%, with the exception of Davenham Switchgear Limited, Clamper Industria e Comercio S.A and Linkk Busway Systems, which are respectively owned at 90%, 84.5% and 51%.

Europe

Legrand France	France	Limoges
Legrand SNC	France	Limoges
Legrand ZRT	Hungary	Szentes
Davenham Switchgear Ltd	Ireland	Dublin
Bticino SpA	Italy	Varese
Legrand Polska Factory Service	Poland	Zabkowice
Legrand Group España	Spain	Madrid
Legrand Elektrik	Turkey	Gebze
Legrand Electric	United Kingdom	Birmingham
Starline Holding Technology Ltd	United Kingdom	London

North and Central America

Power Bus Way	Canada	Ontario
Bticino de Mexico SA de CV	Mexico	Querétaro
Avtron Power Solutions	United States	Cleveland
Cablofil Inc	United States	Mascoutah
Finelite Inc.	United States	Union City
Focal Point LLC	United States	Chicago
Kenall Manufacturing Co.	United States	Kenosha
Legrand AV Inc.	United States	Eden Prairie
Legrand DPC, LLC	United States	West Hartford
Pass & Seymour Inc.	United States	Syracuse
Raritan Technologies Inc.	United States	Somerset
Starline Holdings LLC	United States	Canonsburg
The WattStopper Inc.	United States	Santa Clara
The Wiremold Company	United States	West Hartford

Rest of the World

Australian Plastic Profiles Pty Ltd	Australia	Sydney
Pipe King Pty Ltd	Australia	Caringbah
Clamper Industria e Comercio S.A	Brazil	Belo Horizonte
Legrand Brazil LTDA	Brazil	São Paulo
Servicios de Respaldo de Energía Teknica Spa	Chile	Antofagasta
DongGuan Rocom Electric	China	Dongguan
Legrand Intelligent Electrical (Huizhou) Co., Ltd	China	Huizhou
Legrand Low Voltage Electrical (Wuxi) Co., Ltd	China	Wuxi
Novateur Electrical and Digital Systems	India	Mumbai
Numeric Lanka Technoloies Private Ltd	India	Vadapalani
Linkk Busway Systems	Malaysia	Beranang

NOTE 1.4.2 Changes in the scope of consolidation

The contributions to the Group's consolidated financial statements of companies acquired since the end of 2023 were as follows:

2024	March 31	June 30	September 30	December 31
Full consolidation method				
MSS	Balance sheet only	6 months' profit	9 months' profit	12 months' profit
ZPE Systems	Balance sheet only	Balance sheet only	Balance sheet only	12 months' profit
Enovation		Balance sheet only	Balance sheet only	7 months' profit
Netrack		Balance sheet only	Balance sheet only	9 months' profit
Davenham		Balance sheet only	Balance sheet only	6 months' profit
VASS		Balance sheet only	Balance sheet only	7 months' profit
UPSistemas			Balance sheet only	Balance sheet only
APP				Balance sheet only
Power Bus Way				Balance sheet only

2025	March 31	June 30	September 30	December 31
Full consolidation method				
MSS	3 months' profit	6 months' profit	9 months' profit	12 months' profit
ZPE Systems	3 months' profit	6 months' profit	9 months' profit	12 months' profit
Enovation	3 months' profit	6 months' profit	9 months' profit	12 months' profit
Netrack	3 months' profit	6 months' profit	9 months' profit	12 months' profit
Davenham	3 months' profit	6 months' profit	9 months' profit	12 months' profit
VASS	3 months' profit	6 months' profit	9 months' profit	12 months' profit
UPSistemas	3 months' profit	6 months' profit	9 months' profit	12 months' profit
APP	Balance sheet only	6 months' profit	9 months' profit	12 months' profit
Power Bus Way	Balance sheet only	6 months' profit	9 months' profit	12 months' profit
Performation	Balance sheet only	Balance sheet only	Balance sheet only	11 months' profit
Computer Room Solutions	Balance sheet only	Balance sheet only	Balance sheet only	9 months' profit
Linkk Busway Systems			Balance sheet only	6 months' profit
Amperio Project			Balance sheet only	Balance sheet only
Quitérios			Balance sheet only	5 months' profit
Cogelec				Balance sheet only
Avtron Power Solutions				2 months' profit

The main acquisitions of 2025 were as follows:

- Performation, specialized in connected healthcare software. Based in Zeist, Netherlands Performation has over 140 employees and reporting annual sales of over €20 million;
- Computer Room Solutions (CRS), leading player in the design, development, manufacturing and commissioning of white space infrastructure for datacenters. Based in Mascot, Sydney, CRS employs nearly 80 people with an annual revenue of around €30 million;
- Linkk Busway Systems, an Asian reference specialist in power busbars, particularly for datacenters' grey space. Based in Malaysia, in Beranang, Selangor, Linkk Busway Systems employs over 240 people and generated sales of around €45 million in 2024;
- Amperio Project, a Swiss specialist in busbars. Based in Murten, the company employs around 20 people and has annual sales of over €4 million;
- Quitérios, a leading Portuguese player in electrical and digital modular distribution boards. Based in Mira, the company employs more than 100 people and has annual sales of nearly €20 million;
- Cogelec, a company listed on Euronext Growth in Paris and specializing in access control in buildings, with revenue of €74 million in 2024. Following a draft simplified tender offer, the Group owns 97.9% of Cogelec's shares at the end of December 2025, and a mandatory squeeze-out was initiated on January 21, 2026, to acquire the remaining 2.1%; and
- Avtron Power Solutions, based in Cleveland, Ohio (USA), Avtron is a global leader in load banks and power quality solutions for datacenters and other critical applications. In 2025, the company generated nearly $350 million in sales with high profitability, employs 600 people across North America and Europe, and the purchase price paid is $1,125 million.

The impact of the consolidated acquisitions during the 2025 financial year on the Group's accounts is detailed in the table below:

(in € millions)	**2025**
Trademarks	42.6
Customer relationships	31.3
Other non current assets	105.0
Total non-current assets	**178.9**
Cash and cash equivalents	83.0
Other Current assets	285.3
Total current assets	**368.3**
Equity - Minority interests	**7.5**
Non-current liabilities	**82.3**
Current liabilities	**209.4**
Net assets	**248.0**
Purchase price	**1,589.9**
Goodwill	**1,341.9**
including temporary goodwill	*1,089.7*

NOTE 2 - Results for the year

NOTE 2.1 Segment information

In accordance with IFRS 8, operating segments are determined based on the reporting made available to the chief operating decision maker of the Group and to the Group's management.

Given that Legrand's activities are carried out locally, the Group is organized for management purposes by countries or groups of countries which have been allocated for internal reporting purposes into three operating segments:

- Europe, mainly including Benelux, France, Germany, Iberia (Portugal and Spain), Ireland, Italy, Poland, Scandinavia, Turkey, and the United Kingdom;
- North and Central America, including Canada, Mexico, the United States, and Central American countries; and
- Rest of the World, mainly including Australia, China, India, Malaysia and South America (in particular, Brazil, Chile and Colombia).

These three operating segments are under the responsibility of three segment managers who are directly accountable to the chief operating decision maker of the Group.

12 months ended December 31, 2025

(in € millions)	Europe	North and Central America	Rest of the World	Total
Net sales to third parties	**3,834.1** [1]	**4,012.3** [2]	**1,634.2**	**9,480.6**
Cost of sales	(1,749.2)	(1,988.3)	(924.5)	(4,662.0)
Administrative and selling expenses, R&D costs	(1,219.5)	(1,225.2)	(413.1)	(2,857.8)
Other operating income (expenses)	(54.7)	(67.0)	(30.6)	(152.3)
Operating profit	**810.7**	**731.8**	**266.0**	**1,808.5**
– of which acquisition-related amortization, expenses and income				
• accounted for in administrative and selling expenses, R&D costs	(54.1)	(89.7)	(10.0)	(153.8)
• accounted for in other operating income (expenses)	0.0	0.0	0.0	0.0
– of which goodwill impairment	0.0	0.0	0.0	0.0
Adjusted operating profit	**864.8**	**821.5**	**276.0**	**1,962.3**
– of which depreciation and impairment expense of tangible assets	(90.3)	(26.4)	(29.5)	(146.2)
– of which amortization and impairment expense of intangible assets	(17.2)	(1.5)	(2.1)	(20.8)
– of which amortization and impairment of development costs	(22.2)	0.0	(1.5)	(23.7)
– of which amortization and impairment of right-of-use assets	(36.9)	(32.8)	(23.8)	(93.5)
– of which restructuring costs	(31.8)	(16.8)	(16.0)	(64.6)
Capital expenditure	(127.9)	(46.9)	(46.3)	(221.1)
Capitalized development costs	(25.2)	0.0	(2.4)	(27.6)
Net tangible assets	600.0	198.4	172.5	970.9
Total current assets	3,156.7	1,367.0	1,045.7	5,569.4
Total current liabilities	1,617.4	748.4	518.5	2,884.3

(1) Of which France: €1,165.6 million.
(2) Of which United States: €3,646.7 million.

12 months ended December 31, 2024

(in € millions)	Europe	North and Central America	Rest of the World	Total
Net sales to third parties	**3,634.0** (1)	**3,504.7** (2)	**1,510.2**	**8,648.9**
Cost of sales	(1,668.2)	(1,686.7)	(827.9)	(4,182.8)
Administrative and selling expenses, R&D costs	(1,128.8)	(1,153.6)	(401.3)	(2,683.7)
Other operating income (expenses)	(35.8)	(86.0)	(17.9)	(139.7)
Operating profit	**801.2**	**578.4**	**263.1**	**1,642.7**
– of which acquisition-related amortization, expenses and income				
• accounted for in administrative and selling expenses, R&D costs	(34.6)	(83.0)	(13.5)	(131.1)
• accounted for in other operating income (expenses)	(2.2)	0.0	0.0	(2.2)
– of which goodwill impairment	0.0	0.0	0.0	0.0
Adjusted operating profit	**838.0**	**661.4**	**276.6**	**1,776.0**
– of which depreciation and impairment expense of tangible assets	(86.5)	(26.4)	(26.9)	(139.8)
– of which amortization and impairment expense of intangible assets	(14.2)	(2.6)	(2.0)	(18.8)
– of which amortization and impairment of development costs	(22.4)	0.0	(2.0)	(24.4)
– of which amortization and impairment of right-of-use assets	(33.1)	(29.2)	(21.6)	(83.9)
– of which restructuring costs	(28.7)	(35.4)	(10.5)	(74.6)
Capital expenditure	(134.5)	(33.9)	(41.9)	(210.3)
Capitalized development costs	(27.6)	0.0	(1.8)	(29.4)
Net tangible assets	580.4	174.4	159.0	913.8
Total current assets	2,966.1	1,136.3	858.3	4,960.7
Total current liabilities	1,441.0	649.6	484.9	2,575.5

(1) Of which France: €1,184.5 million.
(2) Of which United States: €3,196.0 million.

NOTE 2.2 Net sales

The Group derives the large majority of its revenue from product sales to generalist and specialist distributors. The Group considers that no individual customer represents more than 10% of consolidated net sales.

Contracts with distributors are signed for a one-year period. As a general rule, there is only one performance obligation in these contracts, which is to sell and deliver products to the customer (the performance obligation related to delivery is not material within the context of customer contracts).

Within the context of these contracts, the Group owns the main risks and benefits resulting from the product sales, and therefore acts as the principal (and not as an agent).

Net sales are generally recognized at one point in time, corresponding to the date on which the control of the asset (products or, more rarely, services) is transferred to the customer, usually the date of shipment in the case of product sales. In the specific case of service sales where the customer consumes the service benefits over the period in which they are provided, net sales are recognized over time, *i.e.* spread over the period in which the services are provided to the customer.

Contracts with customers generally include variable payments in their favor, primarily deferred discounts and rebates, and occasionally commercial returns. These variable payments to customers are estimated at their most likely amount and accounted for when net sales are recognized. By default, variable payments to customers are accounted for as a deduction from net sales. Only payments made to customers in exchange for the transfer of products or services by these customers are accounted for as selling expenses, for the portion of these payments corresponding to the transferred products' or services' fair value.

In 2025, the Group's consolidated net sales came to €9,480.6 million, up +9.6% in total compared with 2024 due to an organic growth of +7.7%, change in scope of +5.1%, and the unfavorable impact of exchange rates (3.1%).

Changes in net sales by destination are as follows:

	12 months ended December 31,					
Net sales *(in € million, except %)*	2025	2024	Total change	Change in scope	Organic growth[(1)]	Exchange-rate effect
Europe	3,603.7	3,458.4	4.2%	3.1%	1.9%	(0.8%)
North and Central America	4,001.8	3,465.8	15.5%	4.0%	16.0%	(4.3%)
Rest of the World	1,875.1	1,724.7	8.7%	11.2%	2.7%	(4.8%)
Consolidated total	**9,480.6**	**8,648.9**	**9.6%**	**5.1%**	**7.7%**	**(3.1%)**

(1) At constant scope of consolidation and exchange rates.

The Group sells its products in mature countries as well as many new economies (Eastern Europe and Turkey in the Europe operating segment, Central America and Mexico in the North and Central America operating segment, Asia excluding South Korea, Japan and Australia, South America, Africa and the Middle East in the Rest of the World operating segment).

Net sales by destination in these two geographical areas are as follows:

	12 months ended	
(in € millions)	December 31, 2025	December 31, 2024
Mature countries	7,283.9	6,484.2
New economies	2,196.7	2,164.7
TOTAL	**9,480.6**	**8,648.9**

NOTE 2.3 Operating expenses

Operating expenses include the following main categories of costs:

	12 months ended	
(in € millions)	December 31, 2025	December 31, 2024
Raw materials and component costs	(3,253.3)	(2,876.4)
Personnel costs	(2,158.8)	(2,049.0)
Other external costs	(1,698.6)	(1,561.5)
Depreciation of right-of-use assets	(93.5)	(83.9)
Depreciation of tangible assets	(146.6)	(140.4)
Amortization of intangible assets	(169.0)	(155.4)
Restructuring costs	(64.6)	(74.6)
Goodwill impairment	0.0	0.0
Other	(87.7)	(65.0)
OPERATING EXPENSES	**(7,672.1)**	**(7,006.2)**

"Other" operating expenses primarily include impairment losses and reversals on inventories (Note 3.5), on trade receivables (Note 3.6) and provisions for contingencies (Note 4.4).

The Group had an average of 39,611 employees in 2025 (versus 38,306 in 2024), of which 32,000 back-office employees and 7,611 front-office employees (versus 30,725 and 7,581, respectively, in 2024).

NOTE 2.4 Income tax expense

Income tax expense consists of the following:

(in € millions)	12 months ended	
	December 31, 2025	December 31, 2024
Current taxes	(488.7)	(420.9)
Deferred taxes	49.9	11.9
TOTAL INCOME TAX EXPENSE	**(438.8)**	**(409.0)**

The reconciliation of total income tax expense for the period to income tax calculated at the standard tax rate in France is as follows, based on profit before tax of €1,691.1 million in 2025 (versus €1,577.9 million in 2024):

(Tax rate)	12 months ended	
	December 31, 2025	December 31, 2024
Standard French income tax rate	**28.4%**	**25.8%**
Increases (reductions):		
– Effect of foreign income tax rates	(4.5%)	(1.7%)
– Non-taxable items	0.6%	0.2%
– Income taxable at specific rates	0.0%	0.0%
– Other	1.2%	1.4%
	25.7%	**25.7%**
Impact on deferred taxes of:		
– Changes in tax rates	0.0%	0.0%
– Recognition or non-recognition of deferred tax assets	0.2%	0.2%
EFFECTIVE TAX RATE	**25.9%**	**25.9%**

NOTE 3 - Details of non-current and current assets

NOTE 3.1 Intangible assets

(in € millions)	December 31, 2025	December 31, 2024
Trademarks	1,862.4	1,888.4
Patents	198.3	176.5
Customer relationships	362.3	421.9
Other intangible assets	164.3	157.5
NET VALUE AT THE END OF THE PERIOD	**2,587.3**	**2,644.3**

NOTE 3.1.1 Trademarks with indefinite and finite useful lives

The Legrand and Bticino brands represent close to 98% of the total value of trademarks with indefinite useful lives. These trademarks with indefinite useful lives are used internationally, and therefore contribute to all of the Group's cash-generating units.

They should contribute indefinitely to future consolidated cash flows because management plans to continue using them indefinitely. The Group performs periodical reviews of these trademarks' useful lives.

Trademarks with finite useful lives are amortized over their estimated useful lives ranging:

- from 10 years when management plans to gradually replace them by other major trademarks owned by the Group;
- to 20 years when management plans to replace them by other major trademarks owned by the Group only over the long term or when, in the absence of such an intention, management considers that the trademarks may be threatened by a major competitor in the long term.

Amortization of trademarks is recognized in the income statement under administrative and selling expenses.

Trademarks can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Gross value at the beginning of the period	2,468.3	2,365.6
– Acquisitions	66.5	62.1
– Disposals	0.0	0.0
– Translation adjustments	(97.0)	40.6
Gross value at the end of the period	**2,437.8**	**2,468.3**
Accumulated amortization and impairment at the beginning of the period	(579.9)	(507.6)
– Amortization expense	(50.3)	(51.1)
– Reversals	0.0	0.0
– Translation adjustments	54.8	(21.2)
Accumulated amortization and impairment at the end of the period	**(575.4)**	**(579.9)**
NET VALUE AT THE END OF THE PERIOD	**1,862.4**	**1,888.4**

The carrying value of trademarks with indefinite useful lives amounts to €1,408 million as of December 31, 2025.

To date, no material impairment has been recognized for these trademarks.

For the purposes of impairment tests, the net book values of trademarks with an indefinite useful life are included in the impairment tests of goodwill at the level of CGU (Note 3.2). These tests are carried out in the fourth quarter of each year as well as whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

NOTE 3.1.2 Patents

Patents can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Gross value at the beginning of the period	920.9	802.1
– Acquisitions	62.2	103.4
– Disposals	0.0	0.0
– Translation adjustments	(32.1)	15.4
Gross value at the end of the period	**951.0**	**920.9**
Accumulated amortization and impairment at the beginning of the period	(744.4)	(709.2)
– Amortization expense	(28.8)	(26.0)
– Reversals	0.0	0.0
– Translation adjustments	20.5	(9.2)
Accumulated amortization and impairment at the end of the period	**(752.7)**	**(744.4)**
NET VALUE AT THE END OF THE PERIOD	**198.3**	**176.5**

To date, no material impairment has been recognized for these patents.

NOTE 3.1.3 Customer relationships

Customer relationships acquired in business combinations are recognized when they correspond to contractual relationships with key customers. Such customer relationships are measured using the excess earnings method and are amortized over a period ranging from 5 to 20 years.

Customer relationships can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Gross value at the beginning of the period	705.7	567.5
– Acquisitions	21.2	109.0
– Adjustments	0.0	0.0
– Disposals	0.0	0.0
– Translation adjustments	(66.3)	29.2
Gross value at the end of the period	**660.6**	**705.7**
Accumulated amortization and impairment at the beginning of the period	(283.8)	(234.2)
– Amortization expense	(46.5)	(35.4)
– Reversals	0.0	0.0
– Translation adjustments	32.0	(14.2)
Accumulated amortization and impairment at the end of the period	**(298.3)**	**(283.8)**
NET VALUE AT THE END OF THE PERIOD	**362.3**	**421.9**

To date, no material impairment has been recognized for these customer relationships.

NOTE 3.1.4 Other Intangible assets

Other intangible assets are recognized at cost less accumulated amortization and impairment. They include in particular:

- costs incurred for development projects (relating to the design and testing of new or improved products). They are amortized from the date of sale of the product on a straight-line basis over the period in which the asset's future economic benefits are consumed, not exceeding 10 years. Costs incurred for projects that do not meet the IAS 38 definition of an intangible asset are recorded in research and development costs for the year in which they are incurred;
- software, which is generally purchased from an external supplier and amortized over 3 years.

Other intangible assets can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Capitalized development costs	535.9	517.9
Software	221.3	202.1
Other	38.9	40.9
Gross value at the end of the period	**796.1**	**760.9**
Accumulated amortization and impairment at the end of the period	(631.8)	(603.4)
NET VALUE AT THE END OF THE PERIOD	**164.3**	**157.5**

To date, no material impairment has been recognized for these items.

NOTE 3.2 Goodwill

To determine the goodwill for each business combination, the Group applies the partial goodwill method whereby goodwill is calculated as the difference between the consideration paid to acquire the business combination and the portion of the fair value of the identifiable net assets acquired and liabilities assumed that is attributable to the Group at the date of acquisition.

Under this method no goodwill is allocated to minority interests. Changes in the percentage of interest held in a controlled entity are recorded directly in equity without recognizing any additional goodwill.

Goodwill is tested for impairment annually, in the fourth quarter of each year, and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Each CGU (cash-generating unit) corresponds to individual countries or to groups of countries, when they either have similar market characteristics or are managed as a single unit. Within the Legrand Group, the level at which the goodwill carrying amount is measured corresponds to groups of CGUs, namely the three operating segments (Note 2.1), these three operating segments corresponding to the level of performance monitoring and allocation of resources by the Management Committee.

Value in use is estimated based on discounted cash flows for the next five years and a terminal value calculated from the final year of the projected period. The cash flow data used for the calculation is taken from the most recent medium-term business plans approved by Group management. Business plan projections are based on the latest available external forecasts of trends in the Group's markets. Cash flows beyond the projection period of five years are estimated by applying a growth rate to perpetuity. Estimations and judgements impact these flows, notably the revenue projections as well as the operational margin rates and the evaluation of the discount rate and long-term growth rate applied to future treasury flows.

The discount rates applied derive from the capital asset pricing model. They are calculated for each individual country, based on financial market and/or valuation services firm data (average data over the last three years). The cost of debt used in the calculations is the same for all individual countries (being equal to the Group's cost of debt).

Goodwill can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Europe	2,855.0	2,602.4
North and Central America	3,914.7	3,389.8
Rest of the World	860.0	905.0
NET VALUE AT THE END OF THE PERIOD	**7,629.7**	**6,897.2**

The North and Central America group corresponds to a single cash-generating unit (CGU), while the Europe and Rest of the World groups each include several CGUs.

Changes in goodwill can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Gross value at the beginning of the period	6,953.0	5,533.1
– Acquisitions	1,333.4	1,236.2
– Adjustments*	(164.0)	(3.3)
– Translation adjustments	(438.3)	187.0
Gross value at the end of the period	**7,684.1**	**6,953.0**
Impairment value at the beginning of the period	(55.8)	(56.9)
– Impairment losses	0.0	0.0
– Translation adjustments	1.4	1.1
Impairment value at the end of the period	**(54.4)**	**(55.8)**
NET VALUE AT THE END OF THE PERIOD	**7,629.7**	**6,897.2**

* *Adjustments correspond to the difference between provisional and final goodwill.*

Purchase price allocations, which are performed within one year of each business combination, are as follows (excluding inventory revaluation):

	12 months ended	
(in € millions)	December 31, 2025	December 31, 2024
– Trademarks	66.5	64.3
– Deferred taxes on trademarks	(16.3)	(7.6)
– Patents	62.2	103.4
– Deferred taxes on patents	(16.2)	(13.7)
– Other intangible assets	21.2	109.0
– Deferred taxes on other intangible assets	1.1	(28.4)

The following goodwill impairment testing parameters were used in the period ended December 31, 2025:

			Value in use	
(in € millions)	Recoverable amount	Carrying amount of goodwill	Discount rate (before tax)	Growth rate to perpetuity
Europe	Value in use	2,855.0	10.2% to 30.7%	1.9% to 11.0%
North and Central America		3,914.7	11.6%	2.0%
Rest of the World		860.0	10.1% to 17.5%	1.5% to 4.0%
NET VALUE AT THE END OF THE PERIOD		**7,629.7**		

No goodwill impairment losses were identified in the period ended December 31, 2025.

In addition, a sensitivity analysis was performed on revenue variances, discount rates, long-term growth rates, and operating margin rates. An unfavorable evolution of 100 base points of any of these factors (deterioration serving as a reasonably possible hypothesis) taken separately or together at the level of each cash generating unit (CGUs) would not result in the recognition of an impairment loss.

The following goodwill impairment testing parameters were used in the period ended December 31, 2024:

(in € millions)	Recoverable amount	Carrying amount of goodwill	Value in use	
			Discount rate (before tax)	Growth rate to perpetuity
Europe	Value in use	2,602.4	10.0% to 30.1%	2.0% to 13,0%
North and Central America	Value in use	3,389.8	11.2%	2.1%
Rest of the World	Value in use	905.0	11.8% to 17,1%	2.0% to 4.0%
NET VALUE AT THE END OF THE PERIOD		**6,897.2**		

NOTE 3.3 Property, plant and equipment

Depreciation is calculated on a straight-line basis over the estimated useful lives of the respective assets; the most commonly adopted useful lives are the following:

Lightweight buildings	25 years
Standard buildings	40 years
Machinery and equipment	8 to 10 years
Tooling	5 years
Building fixtures	15 years

Changes in property, plant and equipment in 2025 are analyzed as follows:

(in € millions)	December 31, 2025				
	Land	Buildings	Machinery and equipment	Assets under construction and other	Total
Gross value					
At the beginning of the period	54.7	744.4	2,089.7	453.0	3,341.8
– Acquisitions	0.0	9.4	52.0	141.0	202.4
– Disposals	0.0	(5.6)	(57.2)	(11.8)	(74.6)
– Transfers and changes in scope of consolidation	4.0	80.0	122.3	(115.6)	90.7
– Translation adjustments	(3.4)	(20.9)	(63.1)	(24.3)	(111.7)
At the end of the period	**55.3**	**807.3**	**2,143.7**	**442.3**	**3,448.6**
Depreciation and impairment					
At the beginning of the period	(0.2)	(499.2)	(1,712.3)	(216.3)	(2,428.0)
– Depreciation expense	(0.2)	(25.3)	(99.9)	(21.1)	(146.5)
– Reversals	0.0	5.0	55.1	9.3	69.4
– Transfers and changes in scope of consolidation	0.2	0.5	(39.8)	(4.3)	(43.4)
– Translation adjustments	0.1	13.0	43.8	13.9	70.8
At the end of the period	**(0.1)**	**(506.0)**	**(1,753.1)**	**(218.5)**	**(2,477.7)**
Net value					
At the beginning of the period	54.5	245.2	377.4	236.7	913.8
– Acquisitions/depreciation	(0.2)	(15.9)	(47.9)	119.9	55.9
– Disposals/reversals	0.0	(0.6)	(2.1)	(2.5)	(5.2)
– Transfers and changes in scope of consolidation	4.2	80.5	82.5	(119.9)	47.3
– Translation adjustments	(3.3)	(7.9)	(19.3)	(10.4)	(40.9)
At the end of the period	**55.2**	**301.3**	**390.6**	**223.8**	**970.9**

Changes in property, plant and equipment in 2024 were analyzed as follows:

	December 31, 2024				
(in € millions)	**Land**	**Buildings**	**Machinery and equipment**	**Assets under construction and other**	**Total**
Gross value					
At the beginning of the period	54.0	715.2	1,987.4	432.8	3,189.4
– Acquisitions	0.0	7.0	52.7	135.1	194.8
– Disposals	(0.3)	(7.2)	(54.6)	(14.5)	(76.6)
– Transfers and changes in scope of consolidation	0.1	24.0	100.4	(104.1)	20.4
– Translation adjustments	0.9	5.4	3.8	3.7	13.8
At the end of the period	**54.7**	**744.4**	**2,089.7**	**453.0**	**3,341.8**
Depreciation and impairment					
At the beginning of the period	(0.2)	(477.6)	(1,650.7)	(212.6)	(2,341.1)
– Depreciation expense	(0.1)	(22.9)	(97.6)	(19.8)	(140.4)
– Reversals	0.0	6.1	53.2	13.3	72.6
– Transfers and changes in scope of consolidation	0.1	(0.9)	(13.0)	6.5	(7.3)
– Translation adjustments	0.0	(3.9)	(4.2)	(3.7)	(11.8)
At the end of the period	**(0.2)**	**(499.2)**	**(1,712.3)**	**(216.3)**	**(2,428.0)**
Net value					
At the beginning of the period	53.8	237.6	336.7	220.2	848.3
– Acquisitions/depreciation	(0.1)	(15.9)	(44.9)	115.3	54.4
– Disposals/reversals	(0.3)	(1.1)	(1.4)	(1.2)	(4.0)
– Transfers and changes in scope of consolidation	0.2	23.1	87.4	(97.6)	13.1
– Translation adjustments	0.9	1.5	(0.4)	0.0	2.0
At the end of the period	**54.5**	**245.2**	**377.4**	**236.7**	**913.8**

NOTE 3.4 Right-of-use assets

Right-of-use assets are initially measured at an amount equal in principle to the sum of:

- initial values of the lease financial liability;
- prepayments (including the first lease payment in case of lease payments made at the beginning of lease periods); and
- restoration costs.

Right-of-use assets value is subsequently revalued whenever the lease financial liability value is remeasured.

Right-of-use assets are depreciated using the straight-line method over the estimated lease contract duration. This latter is determined by taking into account the existence of lease renewal options and early termination options whose exercise is subject solely to the Group's decision.

More specifically, regardless of the nature of these options, whenever there is significant capital expenditure on leased buildings, the depreciation period applied to the tangible assets resulting from these expenditures is used to determine the estimated lease contract duration of these buildings.

Lease financial liabilities are initially valued at the present value of future lease payments (excluding variable lease payments and service payments whenever it is possible to identify these payments within total lease payments, while including, when applicable, the purchase option value if the exercise of this option is deemed probable), using as the discount rate the borrowing rate available for a Group entity for both the currency and the maturity corresponding to the estimated duration of the lease contract.

Lease financial liabilities are revalued when there is a change in future lease payments arising from a change in an index or rate, or a change in the lease term (following the subsequent exercise of an extension or an early termination option).

Lease financial liabilities are analyzed in Note 4.6.1.

The Group has elected not to recognize right-of-use assets and lease financial liabilities for short-term leases (not exceeding a one-year period) and/or leases of low-value assets.

Right-of-use assets in 2025 can be analyzed as follows:

	December 31, 2025			
(in € millions)	**Buildings**	**Machinery and equipment**	**Other**	**Total**
Gross value				
At the beginning of the period	563.3	7.8	90.7	661.8
– Increases	197.7	1.8	23.5	223.0
– Decreases	(90.1)	(0.7)	(14.9)	(105.7)
– Transfers and changes in scope of consolidation	72.3	(1.8)	(17.5)	53.0
– Translation adjustments	(49.4)	(0.4)	(2.4)	(52.2)
At the end of the period	**693.8**	**6.7**	**79.4**	**779.9**
Depreciation and impairment				
At the beginning of the period	(312.4)	(4.2)	(50.3)	(366.9)
– Depreciation expense	(73.1)	(1.4)	(19.0)	(93.5)
– Reversals	55.7	0.5	13.6	69.8
– Transfers and changes in scope of consolidation	(24.1)	1.6	17.5	(5.0)
– Translation adjustments	24.9	0.1	1.0	26.0
At the end of the period	**(329.0)**	**(3.4)**	**(37.2)**	**(369.6)**
Net value				
At the beginning of the period	250.9	3.6	40.4	294.9
– Increases/depreciation	124.6	0.4	4.5	129.5
– Decreases/reversals	(34.4)	(0.2)	(1.3)	(35.9)
– Transfers and changes in scope of consolidation	48.2	(0.2)	0.0	48.0
– Translation adjustments	(24.5)	(0.3)	(1.4)	(26.2)
At the end of the period	**364.8**	**3.3**	**42.2**	**410.3**

"Buildings" right-of-use assets in principle concern lease contracts for production sites, commercial offices and warehouses. Most of these lease contracts offer both extension and early termination options, while very few of them include purchase options or restoration costs. Therefore, the corresponding right-of-use assets do not include any material amount for purchase options or restoration costs.

"Machinery and equipment" right-of-use assets comprise mainly industrial machinery.

"Other" right-of-use assets mainly concern vehicles, forklifts and some IT equipment. Although most of these lease contracts include purchase options, these options are generally not exercised.

Renewal options not included in lease financial liabilities' value as of December 31, 2025 represent a discounted value of approximately €33 million.

A significant portion of this value corresponds to renewal options related to building lease contracts in the United States, the exercise of which is subject solely to the Group's decision. The exercise of these renewal options, which represent an additional lease period ranging from 5 to 10 years according to lease contracts, is not currently deemed certain by management and would not occur for several years.

Changes in right-of-use assets in 2024 were analyzed as follows:

	December 31, 2024			
(in € millions)	**Buildings**	**Machinery and equipment**	**Other**	**Total**
Gross value				
At the beginning of the period	510.1	4.9	73.9	588.9
– Increases	97.9	1.3	15.8	115.0
– Decreases	(48.0)	(0.6)	(7.8)	(56.4)
– Changes in scope of consolidation	(7.4)	2.0	7.1	1.7
– Translation adjustments	10.7	0.2	1.7	12.6
At the end of the period	**563.3**	**7.8**	**90.7**	**661.8**
Depreciation and impairment				
At the beginning of the period	(287.6)	(2.7)	(37.8)	(328.1)
– Depreciation expense	(67.6)	(0.9)	(10.9)	(79.4)
– Reversals	42.1	0.6	6.8	49.5
– Changes in scope of consolidation	7.5	(1.1)	(7.2)	(0.8)
– Translation adjustments	(6.8)	(0.1)	(1.2)	(8.1)
At the end of the period	**(312.4)**	**(4.2)**	**(50.3)**	**(366.9)**
Net value				
At the beginning of the period	222.5	2.2	36.1	260.8
– Increases/depreciation	30.3	0.4	4.9	35.6
– Decreases/reversals	(5.9)	0.0	(1.0)	(6.9)
– Changes in scope of consolidation	0.1	0.9	(0.1)	0.9
– Translation adjustments	3.9	0.1	0.5	4.5
At the end of the period	**250.9**	**3.6**	**40.4**	**294.9**

NOTE 3.5 Inventories

Inventories are measured at the lower of cost (of acquisition or production) and net realizable value, with cost determined principally on a first-in, first-out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

An impairment provision for inventories is recognized when the net realizable value of the inventories is lower than their carrying amount.

By default, the Group considers any inventory quantity exceeding one year of forecast consumption as surplus. This assumption serves as the basis for calculating the provision, except in duly justified specific cases.

Inventories can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Purchased raw materials and components	686.9	611.5
Sub-assemblies, work in progress	246.4	164.5
Finished products	801.4	810.7
Gross value at the end of the period	**1,734.7**	**1,586.7**
Impairment	**(268.0)**	**(265.8)**
NET VALUE AT THE END OF THE PERIOD	**1,466.7**	**1,320.9**

NOTE 3.6 Trade receivables

Trade receivables are initially recognized at fair value and are subsequently measured at amortized cost.

In accordance with IFRS 9, expected credit losses on trade receivables are estimated based on a provision table, by applying provision rates depending on the receivables aging.

Furthermore, a provision can be recognized in the income statement when there is objective evidence of impairment such as:

- when a debtor has defaulted; or
- when a debtor's credit rating has been downgraded or its business environment has deteriorated.

Trade receivables can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Trade receivables	1,329.4	1,147.3
Impairment	(102.5)	(96.3)
NET VALUE AT THE END OF THE PERIOD	**1,226.9**	**1,051.0**

The Group uses factoring contracts to reduce the risk of late payments.

As of December 31, 2025, these factoring contracts allowed the Group to derecognize trade receivables for an amount of €151.9 million (€117.7 million as of December 31, 2024), as they transfer all credit and late payment risks to the factoring companies. The only risk that is not transferred is dilution risk, which is historically very low.

Overdue trade receivables can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Less than 3 months past due receivables	231.7	208.0
From 3 to 12 months past due receivables	54.2	43.4
More than 12 months past due receivables	46.8	39.0
TOTAL	**332.7**	**290.4**

Provisions for impairment of overdue trade receivables amounted to €80.4 million as of December 31, 2025 (€71.4 million as of December 31, 2024). These provisions break down as follows:

(in € millions)	December 31, 2025	December 31, 2024
Provisions for less than 3 months past due receivables	9.4	6.9
Provisions for 3 to 12 months past due receivables	27.8	25.5
Provisions for more than 12 months past due receivables	43.2	39.0
TOTAL	**80.4**	**71.4**

NOTE 3.7 Other current assets

Other current assets can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Employee advances	2.2	4.3
Prepayments	87.6	71.3
Tax receivables other than income tax	152.1	155.7
Other receivables	93.0	63.0
NET VALUE AT THE END OF THE PERIOD	**334.9**	**294.3**

These assets are valued at amortized cost.

NOTE 3.8 Cash and cash equivalents

Cash and cash equivalents consist of cash, short-term deposits and other liquid financial assets (possibility to realize the assets in less than three months at any time), readily convertible to known amounts of cash and are not subject to any material risk of change in value. Some of these other financial assets may have an initial maturity of one year or more, as they are easily convertible.

Cash and cash equivalents that are unavailable in the short term for the Group correspond to the bank accounts of certain subsidiaries facing complex, short-term fund repatriation conditions due mainly to regulatory reasons.

Cash and cash equivalents totaled €2,381.2 million as of December 31, 2025 (versus €2,080.7 million as of December 31, 2024). Of this amount, €8.7 million is not available to the Group in the short term as of December 31, 2025 (versus €5.5 million as of December 31, 2024).

NOTE 4 - Details of non-current and current liabilities

NOTE 4.1 Share capital and earnings per share

Share capital as of December 31, 2025 amounted to €1,048,982,932, represented by 262,245,733 ordinary shares with a par value of €4 each, for 262,245,733 theoretical voting rights and 261,633,259 exercisable voting rights (after subtracting shares held in treasury by the Group as of this date).

As of December 31, 2025, the Group held 612,474 shares in treasury, versus 114,876 shares as of December 31, 2024, *i.e.* 497,598 additional shares corresponding to:

- the net acquisition of 975,000 shares outside of the liquidity contract mainly for transfer under performance share plans;
- the transfer of 483,386 shares to employees under performance share plans;
- the net purchase of 5,984 shares under the liquidity contract (Note 4.1.2.2).

As of December 31, 2025, among the 612,474 shares held in treasury by the Group, 548,624 shares have been allocated according to the allocation objectives described in Note 4.1.2.1, and 63,850 shares are held under the liquidity contract.

	Number of shares	of which number of shares held by the Group
As of December 31, 2024	262,245,733	*114,876*
Transfer to employees		*(483,386)*
Share buybacks		*975,000*
Transactions under the liquidity contract		*5,984*
Share cancellations		–

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	Number of shares	of which number of shares held by the Group
As of December 31, 2025	**262,245,733**	***612,474***
of which for transfer to employees		*548,624*
of which liquidity contract		*63,850*
of which for share cancellations		–

NOTE 4.1.1 Changes in share capital

Changes in share capital in 2025 were as follows:

	Number of shares	Par value	Share capital *(euros)*	Premiums *(euros)*
As of December 31, 2024	262,245,733	4	1,048,982,932	110,351,249
As of December 31, 2025	**262,245,733**	**4**	**1,048,982,932**	**110,351,249**

NOTE 4.1.2 Share buybacks and transactions under the liquidity contract

As of December 31, 2025, the Group held 612,474 shares in treasury (114,876 as of December 31, 2024, of which 57,010 under the share buyback program and 57,866 under the liquidity contract) which can be analyzed as follows:

NOTE 4.1.2.1 Share buybacks

As of December 31, 2025, the Group held 548,624 shares, acquired at a total cost of €69.6 million. These shares are being held for allocation, upon exercise of performance share plans.

During 2025, transactions under share buybacks, net of disposals, led to a cash outflow of €111.0 million.

NOTE 4.1.2.2 Liquidity contract

The Group appointed a financial institution to maintain a liquid market for its shares on the Euronext Paris market under a liquidity contract. This contract is compliant with the AMF decision on June 22, 2021 relating to the establishment of liquidity contracts on equity securities under accepted market practice.

As of December 31, 2025, the Group held 63,850 shares under this contract, purchased at a total cost of €8.1 million.

During 2025, transactions under the liquidity contract led to a cash outflow of €0.2 million corresponding to the net purchase of 5,984 shares.

NOTE 4.1.3 Earnings per share

Basic earnings per share are calculated by dividing net profit attributable to the Group by the weighted average number of ordinary shares outstanding (excluding shares held in treasury) during the period.

Diluted earnings per share are calculated according to the treasury stock method, by dividing profit attributable to the Group restated with interest charges net of tax linked to OCEANEs by the weighted average number of ordinary shares outstanding (excluding shares held in treasury) during the period, plus the number of dilutive potential ordinary shares. The weighted average number of ordinary shares outstanding used in these calculations is adjusted for the share buybacks and sales carried out during the period.

Basic and diluted earnings per share, calculated on the basis of the average number of ordinary shares outstanding during the period, are as follows:

	12 months ended	
	December 31, 2025	**December 31, 2024**
Average number of shares (excluding shares held in treasury)	262,029,398	261,976,092
Average dilution from:		
– *Performance shares*	*1,773,438*	*1,733,269*
– *OCEANEs*	*2,632,397*	
Shares transferred during the period under performance share plans	266,435,233	263,709,361
Basic earnings per share *(in euros)*	4.750	4.452
Diluted earnings per share (*in euros*)	4.705	4.423
Dividend per share (*in euros*)	2.200	2.090

During 2025, the Group:

- acquired 975,000 shares for transfer under performance share plans;
- transferred 483,386 shares under performance share plans, out of which 426,376 shares were bought back in the year and 57,010 shares were bought back in previous years for this purpose; and
- purchased a net 5,984 shares under the liquidity contract.

These movements were accounted on an accruals basis in the computation of the average number of ordinary shares outstanding during the period, in accordance with IAS 33. If the shares had been issued and bought back on January 1, 2025, earnings per share and diluted earnings per share would have amounted to €4.757 and €4.665 respectively for the 12 months ended December 31, 2025.

During 2024, the Group:

- acquired 750,000 shares for transfer under performance share plans and employee share ownership plans;
- transferred 744,103 shares under performance share plans and employee share ownership plan, out of which 692,990 shares were bought back in the year, and 51,113 shares were bought back in previous years for this purpose;
- purchased a net 31,060 shares under the liquidity contract; and
- cancelled 1,789,559 shares.

These movements were taken into account on an accruals basis in calculating the average number of ordinary shares outstanding during the period, in accordance with IAS 33. If the shares had been issued and bought back on January 1, 2024, basic earnings per share and diluted earnings per share would have amounted to €4.450 and €4.416 respectively for the 12 months ended December 31, 2024.

NOTE 4.2 Stock option plans and performance share plans

The cost of stock options or performance shares is measured at the fair value of the award on the grant date, using the Black & Scholes option pricing model or the binomial model, and is recognized in the income statement under personnel costs on a straight-line basis over the vesting period with a corresponding adjustment to equity. Changes in the fair value of stock options after the grant date are not taken into account.

The expense recognized by crediting equity is adjusted at each period-end during the vesting period to take into account changes in the number of shares that are expected to be delivered to employees when the performance shares vest or the stock options are exercised, except when performance criteria is linked to stock market performance.

NOTE 4.2.1 Performance share plans

The following performance share plans were approved by the Company's Board of Directors:

	2021 Plans	2022 Plans	2023 Plans	2024 Plans	2025 Plans
Date approved by shareholders	May 26, 2021	May 26, 2021	May 26, 2021	May 29, 2024	May 27, 2025
Grant date	May 26, 2021	May 25, 2022	May 31, 2023	May 29, 2024	May 27, 2025
Total number of performance share rights initially granted	491,477	514,981	506,455	449,920	416,957
o/w number of performance share rights granted to Executive Officer	20,544	22,534	20,390	17,700	16,644
– *Benoît Coquart*	20,544	22,534	20,390	17,700	16,644
Total IFRS 2 expense *(in € millions)*	35.2 [1]	31.9 [1]	34.3 [1]	36.5 [1]	33.8 [1]
End of vesting period	June 14, 2024 [2]	June 11, 2025 [6]	June 10, 2026 [6]	June 09, 2027 [6]	June 08, 2028 [6]
	June 12, 2025 [3]	June 10, 2026 [7]	June 09, 2027 [7]	June 07, 2028 [7]	June 07, 2029 [7]
End of lock-up period	May 27, 2026 [2]	May 26, 2027 [6]	May 31, 2028 [6]	June 04, 2029 [6]	May 29, 2030 [6]
	June 12, 2025 [3]	June 11, 2026 [7]	June 9, 2027 [7]	June 07, 2028 [7]	June 07, 2029 [7]
Number of performance shares adjusted for the performance criteria fulfillment	86,601 [4]	56,920 [5]	69,549 [5]		
Number of performance share rights cancelled or forfeited	(62,251)	(60,627)	(37,697)	(21,348)	(1,382)
Number of performance shares acquired as of December 31, 2025	(515,827)	(41,582)	(679)	(276)	
PERFORMANCE SHARE RIGHTS OUTSTANDING AS OF DECEMBER 31, 2025	**0**	**469,692**	**537,628**	**428,296**	**415,575**

(1) Total charge estimated at the grant date assuming 100% achievement for each performance criteria. This charge is spread over the vesting periods.
(2) Date applicable to the Executive Officer and members of the Executive Committee.
(3) Date applicable to beneficiaries other than the Executive Officer and members of the Executive Committee.
(4) Percentage of performance criteria achievement: see Note 4.2.1.2.
(5) Adjustments estimated at the date when the consolidated financial statements were prepared.
(6) Date applicable to the Executive Officer and to some members of the Executive Committee.
(7) Date applicable to some members of the Executive Committee and other beneficiaries.

If all the performance shares from the 2022 to 2025 plans were granted (*i.e.*, 1,851,191 shares) and if those shares were transferred following capital increases, the Company's capital would be diluted by 0.7% as of December 31, 2025.

The final number of shares granted to beneficiaries is determined on the condition that the beneficiary is present within the Group at the time the vesting period expires and according to several performance criteria.

For the Executive Officer and members of the Executive Committee, the term of the vesting period is three years, with an additional two-year holding period; for other beneficiaries, the vesting period is four years, with no holding period.

Starting from 2022 plans, for some members of the Executive Committee living abroad, the vesting period is four years, with no holding period.

NOTE 4.2.1.1 2021, 2022, 2023 and 2024 performance share plans

Performance criteria applicable to the Executive Officer and members of the Executive Committee

The performance criteria applicable to the Executive Officer and members of the Executive Committee are defined as follows:

Type of performance criteria	Description of performance criteria and target-setting method	Weight of performance criteria
Target for organic sales growth	Target: 3-year arithmetic mean of the upper and lower bounds of the annual target ranges concerned. Comparison between the target and the average achievement over three years.	1/4
Target for adjusted operating margin before acquisitions[1]	Target: 3-year arithmetic mean of the upper and lower bounds of the annual target ranges concerned. Comparison between the target and the average achievement over three years.	1/4
Annual rates of achievement of the Group's CSR Roadmap	Target: arithmetic mean over 3 years of the annual CSR Roadmap achievement rates.	1/4
Legrand's share price performance relative to the performance of the CAC 40 index	Performance gap between Legrand's share price and the CAC 40 index over a 3-year period.	1/4

(1) The adjusted operating margin before acquisitions corresponds to the adjusted operating profit (see key figures).

Performance criteria applicable to beneficiaries other than the Executive Officer and members of the Executive Committee

The performance criteria applicable to beneficiaries other than the Executive Officer and members of the Executive Committee are defined as follows:

Type of performance criteria	Description of performance criteria and target-setting method	Weight of performance criteria
Target for organic sales growth	The target to be reached for this criterion, set annually corresponds to the lower and upper ranges of the relevant annual target. The annual rate of achievement is measured in relation to the annual target. The final pay-out rate for this criterion corresponds to the arithmetic average over a three-year period of the annual rates of achievement.	1/3
Target for adjusted operating margin before acquisitions[1]	The target to be reached for this criterion, set annually corresponds to the lower and upper ranges of the relevant annual target. The annual rate of achievement is measured in relation to the annual target. The final pay-out rate for this criterion corresponds to the arithmetic average over a three-year period of the annual rates of achievement.	1/3
Annual rates of achievement of the Group's CSR Roadmap	The annual rate of achievement corresponds to the rate of achievement of the CSR annual Roadmap. The final pay-out rate for this criterion corresponds to the arithmetic average over a three-year period of the annual rates of attainment.	1/3

(1) The adjusted operating margin before acquisitions corresponds to the adjusted operating profit (see key figures).

The final pay-out rate for each criterion corresponds to the arithmetic average over a three-year period of the annual achievement rates.

NOTE 4.2.1.2 2025 performance share plan

Performance criteria applicable to the Executive Officer and members of the Executive Committee

The performance criteria applicable to the Executive Officer and members of the Executive Committee are defined as follows:

Type of performance criteria	Description of performance criteria and target-setting method	Weight of performance criteria
Sales growth target excluding currency effects	Comparison between the target and the average achievement over 3 years.	1/4
Target for adjusted operating margin after acquisitions[1]	Comparison between the target and the average achievement over 3 years.	1/4
Annual rates of achievement of the Group's CSR Roadmap	Target: arithmetic mean over 3 years of the annual rates of achievement of the Group's CSR Roadmap.	1/4
Legrand stock market performance compared with the performance of the EURO STOXX Industrial Goods & Services index	Difference in performance between Legrand share price and the EURO STOXX Industrial Goods & Services index over a 3-year period.	1/4

(1) The adjusted operating margin after acquisitions corresponds to the adjusted operating profit (see key figures).

Performance criteria applicable to beneficiaries other than the Executive Officer and members of the Executive Committee

The performance criteria applicable to beneficiaries other than the Executive Officer and members of the Executive Committee are defined as follows:

Type of performance criteria	Description of performance criteria and target-setting method	Weight of performance criteria
Sales growth target excluding currency effects	Comparison between the target and the average achievement over 3 years.	1/3
Target for adjusted operating margin after acquisitions[1]	Comparison between the target and the average achievement over 3 years.	1/3
Annual rates of achievement of the Group's CSR Roadmap	Target: arithmetic mean over 3 years of the annual rates of achievement of the Group's CSR Roadmap.	1/3

(1) The adjusted operating margin after acquisitions corresponds to the adjusted operating profit (see key figures).

The first two performance criteria are aligned with the Company's 2030 Ambitions as announced at the Capital Markets Day on September 24, 2024. These indicators based on profitable growth lie at the heart of Legrand's business model.

The final pay-out rate for each criterion corresponds to the arithmetic average over a three-year period of the annual achievement rates.

NOTE 4.2.1.3 Monitoring of performance criteria performance share plans

Monitoring of the performance criteria under the 2021 plan applicable to the Executive Officer and members of the Executive Committee can be detailed as follows:

	2021		2022		2023		3-year average		
Criteria	Target[1]	Actual	Target[1]	Actual	Target[1]	Actual	Target[1]	Actual	Performance
Organic sales growth	3.5%	13.6%	5.0%	9.7%	1.0%	2.7%	3.2%	8.7%	**150.0%**
Adjusted operating margin before acquisitions[2]	19.7%	20.8%	20.3%	20.7%	20.0%	21.2%	20.0%	20.9%	**147.3%**
Annual rates of achievement of the Group's CSR Roadmap	100%	131%	100%	123%	100%	118%	100%	124%	**104.8%**
Legrand's share price performance relative to the performance of the CAC 40 index							**+8.8%**	**Not achieved**	**0.0%**
Performance									**100.5%**

(1) *100% achievement target for the criterion.*
(2) *The adjusted operating margin before acquisitions corresponds to the adjusted operating profit (see key figures).*

Monitoring of the performance criteria under the 2021 plan applicable to beneficiaries other than the Executive Officer and members of the Executive Committee can be detailed as follows:

	2021			2022			2023			
Criteria	Target[1]	Actual	Performance	Target[1]	Actual	Performance	Target[1]	Actual	Performance	Performance by criterion
Organic sales growth	3.5%	13.6%	**150.0%**	5.0%	9.7%	**150.0%**	1.0%	2.7%	**108.5%**	**136.2%**
Adjusted operating margin before acquisitions[2]	19.7%	20.8%	**150.0%**	20.3%	20.7%	**110.0%**	20.0%	21.2%	**150.0%**	**136.7%**
Annual rates of achievement of the Group's CSR Roadmap	100%	131%	**108.6%**	100.0%	123%	**104.6%**	100%	118%	**103.6%**	**105.6%**
Performance by year			**136.2%**			**121.5%**			**120.7%**	**126.1%**

(1) *100% achievement target for the criterion.*
(2) *The adjusted operating margin before acquisitions corresponds to the adjusted operating profit (see key figures).*

Monitoring of the performance criteria under the 2022 plan applicable to the Executive Officer and members of the Executive Committee can be detailed as follows:

	2022		2023		2024		3-year average		
Criteria	Target[1]	Actual	Target[1]	Actual	Target[1]	Actual	Target[1]	Actual	Performance
Organic sales growth	5.0%	9.7%	1.0%	2.7%	0.0%	1.0%	2.0%	4.5%	**119.3%**
Adjusted operating margin before acquisitions[2]	20.3%	20.7%	20.0%	21.2%	20.4%	20.6%	20.2%	20.8%	**126.0%**
Annual rates of achievement of the Group's CSR Roadmap	100%	123%	100%	118%	100%	113%	100%	118%	**103.6%**
Legrand's share price performance relative to the performance of the CAC 40 index							**+8.8%**	**Not achieved**	**0.0%**
Performance									**87.2%**

(1) *100% achievement target for the criterion.*
(2) *The adjusted operating margin before acquisitions corresponds to the adjusted operating profit (see key figures).*

Monitoring of the performance criteria under the 2022 plan applicable to beneficiaries other than the Executive Officer and members of the Executive Committee can be detailed as follows:

	2022			2023			2024			
Criteria	**Target(1)**	**Actual**	**Performance**	**Target(1)**	**Actual**	**Performance**	**Target(1)**	**Actual**	**Performance**	**Performance by criterion**
Organic sales growth	5.0%	9.7%	**150.0%**	1.0%	2.7%	**108.5%**	0.0%	1.0%	**105.0%**	**121.2%**
Adjusted operating margin before acquisitions(2)	20.3%	20.7%	**110.0%**	20.0%	21.2%	**150.0%**	20.4%	20.6%	**105.0%**	**121.7%**
Annual rates of achievement of the Group's CSR Roadmap	100%	123%	**104.6%**	100%	118%	**103.6%**	100%	113%	**102.6%**	**103.6%**
Performance by year			**121.5%**			**120.7%**			**104.2%**	**115.5%**

(1) 100% achievement target for the criterion.
(2) The adjusted operating margin before acquisitions corresponds to the adjusted operating profit (see key figures).

Monitoring of the performance criteria under the 2023 plan applicable to the Executive Officer and members of the Executive Committee can be detailed as follows:

	2023		2024		2025		3-year average		
Criteria	**Target(1)**	**Actual**	**Target(1)**	**Actual**	**Target(1)**	**Actual**	**Target(1)**	**Actual**	**Performance**
Organic sales growth	1.0%	2.7%	0.0%	1.0%	3.0%	7.7%	1.3%	3.8%	**119.3%**
Adjusted operating margin before acquisitions(2)	20.0%	21.2%	20.4%	20.6%	20.6%	20.6%	20.3%	20.8%	**115.3%**
Annual rates of achievement of the Group's CSR Roadmap	100%	118%	100%	113%	100%	110%	100%	114%	**102.7%**
Legrand's share price performance relative to the performance of the CAC 40 index							**8.8%**	**above 15 pts**	**150.0 %**
Performance									**121.9%**

(1) 100% achievement target for the criterion.
(2) The adjusted operating margin before acquisitions corresponds to the adjusted operating profit (see key figures).

Monitoring of the performance criteria under the 2023 plan applicable to beneficiaries other than the Executive Officer and members of the Executive Committee can be detailed as follows:

	2023			2024			2025			
Criteria	**Target(1)**	**Actual**	**Performance**	**Target(1)**	**Actual**	**Performance**	**Target(1)**	**Actual**	**Performance**	**Performance by criterion**
Organic sales growth	1.0%	2.7%	**108.5%**	0.0%	1.0%	**105.0%**	3.0%	7.7%	150.0%	**121.2%**
Adjusted operating margin before acquisitions(2)	20.0%	21.2%	**150.0%**	20.4%	20.6%	**105.0%**	20.6%	20.6%	100.0%	**118.3%**
Annual rates of achievement of the Group's CSR Roadmap	100%	118%	**103.6%**	100%	113%	**102.6%**	100%	110%	102.0%	**102.7%**
Performance by year			**120.7%**			**104.2%**			**117.3%**	**114.1%**

(1) 100% achievement target for the criterion.
(2) The adjusted operating margin before acquisitions corresponds to the adjusted operating profit (see key figures).

NOTE 4.2.2 Share-based payments (IFRS 2 expense)

In accordance with IFRS 2, an expense of €38.3 million was recorded in 2025 (€37.7 million in 2024) for all of these plans combined.

NOTE 4.3 Retained earnings and translation reserves

NOTE 4.3.1 Retained earnings

The Group's consolidated retained earnings as of December 31, 2025 amounted to €7,119.7 million.

As of the same date, the Company had retained earnings including profit for the period of €1,678.6 million available for distribution.

NOTE 4.3.2 Translation reserves

Assets and liabilities of Group entities whose functional currency is different from the presentation currency are translated using the exchange rate at the balance sheet date. Statements of income are translated using the average exchange rate for the period. Gains or losses arising from the translation of the financial statements of foreign subsidiaries are recognized directly in equity under "Translation reserves", until the potential Group's loss of control over these entities.

Translation reserves record the impact of fluctuations in the following currencies:

(in € millions)	December 31, 2025	December 31, 2024
US dollar	(214.5)	366.9
Other currencies	(660.0)	(565.4)
TOTAL	**(874.5)**	**(198.5)**

The Group operates in close to 90 countries. It is mainly exposed to a dozen currencies other than the euro and the US dollar, including the Australian dollar, Brazilian real, British pound, Chilean peso, Chinese yuan, Indian rupee, Egyptian pound, Mexican peso and Turkish lira.

Under IFRS 9, non-derivative financial instruments may be designated as hedges only when they are used to hedge foreign currency risk and provided that they qualify for hedge accounting. Accordingly, in the case of hedges of a net investment in a foreign operation, the portion of the gain or loss of the hedging instrument that is deemed to be an effective hedge is recognized in equity.

As such, the counterpart of the foreign exchange gains and losses on Yankee debt amounting to €2.0 million in 2025, was recorded as an increase in translation reserves. As of December 31, 2025, a total balance of €88 million was recorded as a decrease in translation reserves, under the Yankee loan.

In accordance with IAS 21, translation gains and losses on receivables or payables considered as part of a net investment in a foreign Group entity are recognized in translation reserves. Losses recognized in translation reserves in 2025 amounted to €1.9 million, resulting in a net positive balance of €8.5 million as of December 31, 2025.

The Group applies IAS 29 – "Financial Reporting in Hyperinflationary Economies" to companies whose functional currency is that of a hyperinflationary economy. Financial statements of related companies are restated for the effects of inflation (using the historical cost convention) before being converted into the Group's presentation currency at the closing rate. Legrand applies the standard to Turkey. As of December 31, 2025, a total balance of €103 million was recorded as an increase in translation reserves.

NOTE 4.4 Provisions

Changes in provisions in 2025 are as follows:

	December 31, 2025					
(in € millions)	Product warranties	Claims and litigation	Tax and employee risks	Restructuring	Other	Total
At the beginning of the period	70.6	116.8	46.9	57.6	53.3	345.2
Changes in scope of consolidation	2.1	–	1.7	–	0.7	4.5
Increases	24.6	17.4	3.4	36.4	27.0	108.8
Utilizations	(9.3)	(7.0)	(0.8)	(38.2)	(13.5)	(68.8)
Reversals of surplus provisions	(14.4)	(8.9)	–	(1.9)	(8.1)	(33.3)
Reclassifications	(0.8)	0.7	–	1.5	0.1	1.5
Translation adjustments	(4.6)	(2.7)	(5.1)	(3.7)	(1.8)	(17.9)
AT THE END OF THE PERIOD	**68.2**	**116.3**	**46.1**	**51.7**	**57.7**	**340.0**
Of which non-current portion	*27.4*	*79.3*	*14.0*	*11.4*	*45.8*	*177.9*

Changes in provisions in 2024 were as follows:

	December 31, 2024					
(in € millions)	Product warranties	Claims and litigation	Tax and employee risks	Restructuring	Other	Total
At the beginning of the period	58.5	135.3	44.0	36.2	56.7	330.7
Changes in scope of consolidation	1.8	5.5	0.0	1.2	2.0	10.5
Increases	21.3	18.5	4.7	52.3	16.9	113.7
Utilizations	(6.4)	(14.1)	(1.1)	(33.0)	(12.4)	(67.0)
Reversals of surplus provisions	(6.0)	(34.7)	0.0	(0.4)	(5.3)	(46.4)
Reclassifications	0.0	5.1	0.1	0.0	(4.3)	0.9
Translation adjustments	1.4	1.2	(0.8)	1.3	(0.3)	2.8
AT THE END OF THE PERIOD	**70.6**	**116.8**	**46.9**	**57.6**	**53.3**	**345.2**
Of which non-current portion	*16.6*	*82.4*	*13.2*	*12.3*	*42.6*	*167.1*

NOTE 4.5 Provision for post-employment benefits and other long-term employee benefits

NOTE 4.5.1 Pension and other post-employment benefit obligations

Group companies operate various pension plans. The plans are funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined contribution and defined benefit plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Contributions are recognized as an expense for the period of payment. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in current and prior periods.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and end-of-career salary.

The liability recognized in the balance sheet for defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date, less the fair value of plan assets. The past service cost arising from changes to pension benefit plans is expensed in full as incurred.

In accordance with IAS 19, the Group recognizes all actuarial gains and losses outside profit or loss, in the consolidated statement of comprehensive income.

Defined benefit obligations are calculated using the projected unit credit method. This method takes into account estimated years of service at retirement, final salaries, life expectancy and staff turnover, based on actuarial assumptions. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of investment grade corporate bonds that are denominated in the currency in which the benefits will be paid

and have terms to maturity approximating the period to payment of the related pension liability.

Some Group entities provide post-employment healthcare benefits to their retirees. Entitlement to these benefits is usually conditional on the employee remaining with one of these Group entities up to retirement age and completion of a minimum service period. These benefits are treated as post-employment benefits under the defined benefit scheme.

Pension and other post-employment defined benefit obligations can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
France (Note 4.5.1.2)	86.2	92.4
Italy (Note 4.5.1.3)	24.1	25.8
United Kingdom (Note 4.5.1.4)	63.8	78.3
United States (Note 4.5.1.5)	51.1	60.5
Other countries	56.5	58.8
TOTAL PENSION AND OTHER POST-EMPLOYMENT DEFINED BENEFIT OBLIGATIONS	**281.7**	**315.8**

NOTE 4.5.1.1 Analysis of pension and other post-employment defined benefit obligations

The total (current and non-current) obligation under the Group's pension and other post-employment defined benefit plans, consisting primarily of plans in France, Italy, the United States and United Kingdom, is as follows:

(in € millions)	December 31, 2025	December 31, 2024
Defined benefit obligation		
Projected benefit obligation at the beginning of the period	315.8	307.3
Service cost	9.2	9.5
Interest cost	13.2	13.6
Benefits paid or unused	(22.5)	(25.0)
Employee contributions	0.4	0.8
Actuarial losses/(gains)	(18.5)	3.3
Curtailments, settlements, special termination benefits	0.0	(0.5)
Translation adjustments	(15.9)	7.2
Other	0.0	(0.4)
PROJECTED BENEFIT OBLIGATION AT THE END OF THE PERIOD	**281.7**	**315.8**
Fair value of plan assets		
Fair value of plan assets at the beginning of the period	194.4	179.3
Expected return on plan assets	8.9	9.0
Employer contributions	7.4	7.1
Employee contributions	0.4	0.3
Benefits paid	(11.1)	(14.4)
Actuarial (losses)/gains	(2.7)	4.3
Translation adjustments	(15.5)	8.2
Other	0.0	0.6
FAIR VALUE OF PLAN ASSETS AT THE END OF THE PERIOD	**181.8**	**194.4**
PROVISION RECOGNIZED IN THE BALANCE SHEET	**131.9**	**143.4**
Current liability	6.6	5.8
Non-current liability	125.3	137.6
Non-current asset	32.2	22.0

Actuarial gains recognized in equity in 2025 amounted to €15.8 million.

These €15.8 million actuarial gains resulted from:

- €12,3 million in gains from changes in financial assumptions;
- €0,9 million in gains from changes in demographic assumptions; and
- €2,6 million in experience gains.

The discount rates used are determined by reference to the yield on high-quality bonds based on the following benchmark indices:

- Euro zone: iBoxx € Corporates AA 10+;
- United Kingdom: iBoxx £ Corporates AA 15+;
- United States: Citigroup Pension Liability Index.

Sensitivity tests were performed on:

- the discount rate. According to the results of these tests, a 50-basis point reduction in the rate would lead to the recognition of a reduction in the actuarial gain of around €13,8 million and would increase the provision as of December 31, 2025 by the same amount; and
- the rate of future salary increases. According to the results of these tests, a 50-basis point increase in the rate would lead to the recognition of a reduction in the actuarial gain of around €9,5 million and would increase the provision as of December 31, 2025 by the same amount.

Discounted future payments for the Group's pension and other post-employment benefit plans are as follows:

(in € millions)	
2026	18.5
2027	16.5
2028	19.2
2029	19.7
2030 and beyond	207.8
TOTAL	**281.7**

The impact of service costs and interest costs on profit before tax for the period is as follows:

	12 months ended	
(in € millions)	December 31, 2025	December 31, 2024
Service cost	(9.2)	(9.5)
Net interest cost	(4.3)	(4.6)
TOTAL	**(13.5)**	**(14.1)**

The weighted average allocation of pension plan assets is as follows as of December 31, 2025:

(as a percentage)	United Kingdom	United States
Equity instruments	29.9	28.2
Debt instruments	63.5	61.8
Insurance funds	6.6	10.0
TOTAL	**100.0**	**100.0**

These assets are marked to market.

NOTE 4.5.1.2 Provisions for retirement benefits and supplementary pension benefits in France

The provisions recorded in the consolidated balance sheet concern the unvested entitlements of active employees. The Group has no obligation with respect to the vested entitlements of former employees, as the benefits were settled at the time of their retirement, either directly or through payments to insurance companies in full discharge of the liability.

The main defined benefit plan applicable in France concerns statutory length-of-service awards, under which all retiring employees are eligible for a lump-sum payment calculated according to their length of service.

This payment is defined either in the collective bargaining agreement to which their company is a party or in a separate company-level agreement, whichever is more advantageous to the employee. The amount generally varies depending on the employee category (manager/non-manager).

In France, provisions recorded in the consolidated balance sheet amounted to €86.2 million as of December 31, 2025 (€92.4 million as of December 31, 2024) corresponding to the difference between the projected benefit obligation of €86.2 million as of December 31, 2025 (€92.4 million as of December 31, 2024), and the fair value of the related plan assets of €0.0 million as of December 31, 2025 (€0.0 million as of December 31, 2024).

The projected benefit obligation is calculated based on staff turnover and mortality assumptions, estimated rates of salary increases and an estimated discount rate. In France, the calculation as of December 31, 2025 was based on a salary increase rate of 3.5% and a discount rate of 4.0% (respectively 3.5% and 3.2% in 2024).

NOTE 4.5.1.3 Provisions for termination benefits in Italy

In Italy, a termination benefit is awarded to employees regardless of the reason for their departure.

Since January 2007, such benefits have been paid either into an independently managed pension fund or to the Italian social security service (INPS). As from that date, the Italian termination benefit plans have been qualified as defined contribution plans under IFRS.

Termination benefit obligations arising prior to January 2007 continue to be accounted for under IFRS as defined benefit plans, based on revised actuarial estimates that exclude the effect of future salary increases.

The resulting provisions for termination benefits, which correspond to the obligation as of December 31, 2006 plus the ensuing actuarial revisions, amounted to €24.1 million as of December 31, 2025 (€25.8 million as of December 31, 2024).

The calculation as of December 31, 2025 was based on a discount rate of 3.4% (3.2% in 2024).

NOTE 4.5.1.4 Provisions for retirement benefits and other post-employment benefits in the United Kingdom

The UK plan is a trustee-administered plan governed by article 153 of the 2004 Finance Act and is managed in a legal entity outside of the Group.

Benefits are paid directly out of funds consisting of contributions paid by the company and by plan participants.

The plan has been closed to new entrants since May 2004.

Active plan participants account for 1.1% of the projected benefit obligation, participants who are no longer accumulating benefit entitlements for 31.6% and retired participants for 67.3%.

The provisions recorded in the consolidated balance sheet amounted to €0.0 million as of December 31, 2025 (€0 million as of December 31, 2024) reflecting the fact that the fair-value of the plan assets is higher than the value of the projected benefit obligation.

The projected benefit obligation is calculated based on staff turnover and mortality assumptions, estimated rates of salary increases and an estimated discount rate. The calculation as of December 31, 2025 was based on a salary increase rate of 3.8% and a discount rate and an expected return on plan assets of 5.5% (respectively 4.2% and 5.2% in 2024).

NOTE 4.5.1.5 Provisions for retirement benefits and other post-employment benefits in the United States

In the United States, the Group provides pension benefits for employees and health care and life insurance for certain retired employees.

The Legrand North America Retirement Plan is covered by a plan document in force since January 2002 that was last amended in January 2008. The minimum funding requirement is determined based on Section 430 of the Internal Revenue Code.

To meet its obligations under the plan, the Group has set up a trust with Prudential Financial, Inc. The trust assets include several different investment funds. The current trustee is Legrand North America. The Wiremold Company is the Plan Administrator and the Custodian is Prudential Financial, Inc.

The plan has been closed to new entrants since August 2006 for salaried employees and since April 2009 for hourly employees. Since January 1, 2018, active plan participants can no longer cumulate new rights.

Active plan participants account for 8.4% of the projected benefit obligation, other participants who are no longer accumulating benefit entitlements for 20.0% and retired participants for 71.6%.

The funding policy consists of ensuring that the legal minimum funding requirement is met at all times.

The provisions recorded in the consolidated balance sheet amounted to €0.0 million as of December 31, 2025 (€0.0 million as of December 31, 2024) reflecting the fact that the fair value of the plan assets is higher than the value of the projected benefit obligation.

The calculation as of December 31, 2025 was based on a discount rate and an expected return on plan assets of 5.1% (5.0% in 2024).

NOTE 4.5.2 Other long-term employee benefits

The Group implemented cash-settled long-term employee benefit plans for employees deemed to be key for the Group, subject to the grantees' continued presence within the Group after a vesting period of three years.

In addition to the grantee still being present within the Group, these plans can, in certain cases, depend on the Group's achievement of future economic performance conditions.

Due to their gradual replacement by equity-settled long-term employee benefit plans detailed in Note 4.2.1, these plans no longer represent material amounts in the Group's financial statements.

NOTE 4.6 Long-term and short-term borrowings

The Group actively manages its debt through diversified sources of financing available to support its medium-term business growth while guaranteeing a robust financial position over the long term.

Negotiable commercial paper

Legrand France has a short-term marketable securities program (NEU CP) whose package was increased from €700.0 million to €1,200.0 million on March 25, 2020.

A complementary medium-term marketable securities program (NEU MTN) was opened on March 18, 2021 with a package of €1,200.0 million.

Bonds

In December 2015, the Group carried out a €300.0 million 1.875% twelve-year bond issue. An additional €55.0 million in nominal value was issued in January 2024. The bonds will be redeemed at maturity on December 16, 2027.

In July 2017, the Group carried out a bond issue for a total of €1.0 billion, in two tranches of €500.0 million each, with maturities of seven and fifteen years. The first tranche of €500.0 million was reimbursed on July 6, 2024. The second tranche will be redeemed at maturity on July 6, 2032 with an annual coupon of 1.875%.

In March 2018, the Group carried out a €400.0 million 1.0% eight-year bond issue. The bonds will be redeemed at maturity on March 6, 2026.

In June 2019, the Group carried out a €400.0 million 0.625% nine-year bond issue. An additional €75.0 million in nominal value was issued in March 2024. The bonds will be redeemed at maturity on June 24, 2028.

In May 2020, the Group carried out a €600.0 million 0.75% ten-year bond issue. The bonds will be redeemed at maturity on May 20, 2030.

In October 2021, the Group carried out its first sustainability-linked bond issue indexed to its carbon neutrality metrics. The 0.375% ten-year bonds were issued for a total amount of €600.0 million and will be redeemed at maturity on October 6, 2031.

The issue is indexed to the Group's carbon trajectory by applying a potential additional coupon of 0.50% only over the final year in which the bond reaches maturity, in the event that the related objectives are not achieved.

In May 2023, the Group carried out a sustainability-linked bond issue indexed to CSR engagements of the Group. The 3.5% six-year bonds were issued for a total amount of €700 million and will be redeemed at maturity on May 29, 2029.

The issue is indexed to CSR engagements of the Group by applying an additional coupon of 0.125% over the four last year in which the bond reaches maturity, following the failure to achieve one of the related objectives.

In June 2024, the Group carried out a €600.0 million 3.5% ten-year bond issue. The bonds will be redeemed at maturity on June 26, 2034.

In March 2025, the Group carried out a €500 million 3.625% ten-year bond issue. The bonds will be redeemable at maturity on March 19, 2035.

In June 2025, the Group carried out a €800.0 million bond issue convertible into new shares and/or exchangeable for existing shares (OCEANEs), with a duration of 8 years. The bonds carry an annual coupon of 1.5% and an initial conversion premium of 45% *(i.e.*, an initial conversion price of €159.03 per share). The bonds will be either redeemable at maturity on June 23, 2033, or convertible into shares. Standard early redemption options are attached to these bonds.

The OCEANEs have:

- a debt component, assessed on inception date on the basis of the market interest rate applied to an equivalent non-convertible bond and recognized in long-term borrowings, and
- an optional component recognized in equity.

As of December 31, 2025, the debt component recorded at net book value amounts to €704.5 million and the optional component to €101.5 million.

Yankee bonds

On February 14, 1995, Legrand France issued $400.0 million worth of 8.5% debentures due in February 2025, through a public placement in the United States. Interest on Yankee bonds was payable semi-annually on February 15 and August 15 of each year, beginning August 15, 1995.

The remaining balance of the Yankee bond issue, $291.3 million, was fully reimbursed on February 18, 2025.

2011 Credit Facility

In October 2011, the Group signed a Credit Facility with six banks to set up a €900.0 million revolving multicurrency credit line for a five-year period with two successive one-year period renewal options. As per this contract, the margin applied to market rates is determined on the basis of the Group's credit rating.

In July 2014, the Group signed an agreement that amends and extends this Credit Facility with all banks party to this contract. This agreement extends the maximum maturity of the €900.0 million revolving credit line by three years, i.e., up to July 2021, including two successive one-year period extension options, and at improved financing terms compared with October 2011.

In December 2019, the Group signed a new agreement that amends and extends this Credit Facility with all banks party to this contract. Following this agreement, the maturity of the €900.0 million revolving credit line is extended to December 2026.The margin applied to market rates is still determined on the basis of the Group's credit rating, but it is increased or decreased each year according to the Group yearly achievement rate on its CSR roadmap.

In June 2025, the Group signed a new agreement that amends and extends this Credit Facility with seven banks, compared to six previously. Under this agreement, the nominal amount of this revolving credit facility has been raised to €1,050 million and its maturity has been extended to June 2030, with extension options to June 2032. The financial terms are substantially unchanged compared to those agreed in December 2019. The margin applied to market rates is still determined on the basis of the Group's credit rating and on the achievement rate of the Group's CSR roadmap.

The Credit Facility does not contain any covenants.

As of December 31, 2025, the Credit Facility had not been drawn down.

NOTE 4.6.1 Long-term borrowings

Long-term borrowings are initially recognized at fair value, taking into account any transaction costs directly attributable to the issue, and are subsequently measured at amortized cost, using the effective interest method.

Long-term borrowings can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Negotiable commercial paper	321.5	71.5
Bonds	5,034.5	4,230.0
Lease financial liabilities	344.5	241.2
Other borrowings	393.8	125.4
Long-term borrowings excluding debt issuance costs	**6,094.3**	**4,668.1**
Debt issuance costs	(35.0)	(25.4)
TOTAL	**6,059.3**	**4,642.7**

No guarantees have been given with respect to these borrowings.

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Long-term borrowings (excluding debt issuance costs) break down by currency as follows, after hedging (see Note 5.1.2.2):

(in € millions)	December 31, 2025	December 31, 2024
Euro	5,517.8	4,402.8
US dollar	205.0	94.2
Other currencies	371.5	171.1
LONG-TERM BORROWINGS EXCLUDING DEBT ISSUANCE COSTS	**6,094.3**	**4,668.1**

Long-term borrowings (excluding debt issuance costs) as of December 31, 2025 can be analyzed by maturity as follows:

(in € millions)	Negotiable commercial paper	Lease financial liabilities	Other borrowings	Bonds	*Bonds - undiscounted contractual cash flows*
Due in one to two years	321.5	93.1	140.4	355.0	*457.1*
Due in two to three years	0.0	55.3	231.6	475.0	*569.1*
Due in three to four years	0.0	40.0	10.9	700.0	*777.8*
Due in four to five years	0.0	33.1	9.6	600.0	*664.5*
Due beyond five years	0.0	123.0	1.3	3,000.0	*3,195.6*
LONG-TERM BORROWINGS EXCLUDING DEBT ISSUANCE COSTS	**321.5**	**344.5**	**393.8**	**5,130.0**	***5,664.0***

Long-term borrowings (excluding debt issuance costs) as of December 31, 2024 can be analyzed by maturity as follows:

(in € millions)	Negotiable commercial paper	Lease financial liabilities	Other borrowings	Bonds	*Bonds - undiscounted contractual cash flows*
Due in one to two years	0.0	63.9	28.6	400.0	*472.0*
Due in two to three years	71.5	48.5	65.0	355.0	*426.1*
Due in three to four years	0.0	34.7	20.7	475.0	*538.1*
Due in four to five years	0.0	22.4	10.1	700.0	*747.3*
Due beyond five years	0.0	71.7	1.0	2,300.0	*2,423.7*
LONG-TERM BORROWINGS EXCLUDING DEBT ISSUANCE COSTS	**71.5**	**241.2**	**125.4**	**4,230.0**	***4,607.2***

Average interest rates on borrowings are as follows:

	12 months ended	
	December 31, 2025	December 31, 2024
Negotiable commercial paper	3.00%	3.22%
Bonds	2.21%	1.77%
Lease financial liabilities	4.40%	3.99%
Other borrowings	1.96%	3.09%

NOTE 4.6.2 Short-term borrowings

Short-term borrowings can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Negotiable commercial paper	0.0	50.0
Bonds	400.0	0.0
Yankee bonds	0.0	279.8
Lease financial liabilities	89.1	77.7
Other borrowings	55.4	36.0
TOTAL	**544.5**	**443.5**

NOTE 4.6.3 Changes in long-term and short-term borrowings

Changes in long-term and short-term borrowings can be analyzed as follows:

			Variations not impacting cash flows				
(in € millions)	December 31, 2025	Cash flows	Acquisitions	Reclassifications	Translation adjustments	Other*	December 31, 2024
Long-term borrowings	6,059.3	1,546.0	332.5	(530.4)	(21.7)	90.2	4,642.7
Short-term borrowings	544.5	(438.4)	19.8	530.4	(11.7)	0.9	443.5
Gross financial debt	**6,603.8**	**1,107.6**	**352.3**	**0.0**	**(33.4)**	**91.1**	**5,086.2**

* *Including €(101.5) millions related to OCEANEs recognized in equity.*

NOTE 4.7 Deferred taxes

In accordance with IAS 12, deferred taxes are recognized on temporary differences between the tax bases of assets and liabilities and their carrying amount in the consolidated balance sheet.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled.

Deferred tax assets and deferred tax liabilities are offset when the entity has a legally enforceable right of offset and they relate to income taxes levied by the same taxation authority.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. The recognized deferred tax assets are expected to be utilized no later than five years from the period-end.

Deferred taxes recorded in the balance sheet result from temporary differences between the carrying amount of assets and liabilities and their tax base and can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Deferred tax assets (liabilities) recorded by French companies	(290.6)	(299.3)
Deferred tax assets (liabilities) recorded by foreign companies	(510.6)	(526.0)
TOTAL	**(801.2)**	**(825.3)**
Origin of deferred tax:		
– Impairment losses on inventories and trade receivables	89.8	88.4
– Margin on inventories	26.4	27.8
– Recognized operating losses carried forward	8.5	5.5
– Leases	7.9	8.1
– Fixed assets	(388.0)	(391.2)
– Trademarks	(434.5)	(433.9)
– Patents	(42.2)	(21.5)
– Other provisions	(64.7)	(105.4)
– Pensions and other post-employment benefits	28.5	32.9
– Fair value adjustments to derivative instruments	0.0	(0.1)
– Other	(32.9)	(35.9)
TOTAL	**(801.2)**	**(825.3)**
– Of which deferred tax assets	210.8	178.7
– Of which deferred tax liabilities	(1,012.0)	(1,004.0)

The timing of expected reversal of deferred taxes can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Deferred tax assets (liabilities) reversing in the short term	160.3	132.9
Deferred tax assets (liabilities) reversing in the long term	(961.5)	(958.2)
TOTAL	**(801.2)**	**(825.3)**

Tax losses carried forward break down as follows:

(in € millions)	December 31, 2025	December 31, 2024
Recognized operating losses carried forward	**46.3**	**32.5**
Recognized deferred tax assets	8.5	5.5
Unrecognized operating losses carried forward	**171.0**	**157.5**
Unrecognized deferred tax assets	36.7	33.1
Total net operating losses carried forward	**217.3**	**190.0**

NOTE 4.8 Other current liabilities

Other current liabilities can be analyzed as follows:

(in € millions)	December 31, 2025	December 31, 2024
Tax payable other than income tax	107.6	106.5
Accrued employee benefits expense	402.4	379.8
Statutory and discretionary profit-sharing reserve	29.3	34.3
Payables related to fixed asset purchases	41.6	38.7
Accrued expenses	315.4	244.9
Accrued interest	55.9	49.7
Deferred revenue	69.7	51.3
Other current liabilities	36.4	36.6
TOTAL	**1,058.3**	**941.8**

NOTE 5 - Other information

NOTE 5.1 Financial instruments and management of risks

NOTE 5.1.1 Financial instruments

NOTE 5.1.1.1 Impact of financial instruments

	12 months ended				
	December 31, 2025			December 31, 2024	
		Impact on equity			
(in € millions)	Impact on financial profit (loss)	Fair value	Translation adjustment	Impact on financial profit (loss)	Impact on equity
Other investments		(38.7)			
Trade receivables					
Cash and cash equivalents	53.4		(62.3)	78.9	13.6
Trade payables					
Borrowings	(136.3)		33.2	(113.5)	(17.9)
Derivatives	3.1	(10.3)		12.6	(12.9)
TOTAL	**(79.8)**	**(49.0)**	**(29.1)**	**(22.0)**	**(17.2)**

In accordance with IFRS 9, other investments are valued at fair value through equity. Therefore, changes in the fair value of other investments only impact the consolidated balance sheet and the consolidated statement of comprehensive income.

Yankee bonds denominated in US dollars are treated as net investment hedges (see Note 4.3.2).

NOTE 5.1.1.2 Breakdown of balance sheet items by type of financial instrument

	December 31, 2025						December 31, 2024
				Levels of valuation			
(in € millions)	Carrying amount	Amortized cost	Fair value	Level 1[(1)]	Level 2[(2)]	Level 3[(3)]	Carrying amount
ASSETS							
Non-current assets							
Other investments	27.2		27.2			27.2	43.0
Other non-current assets	187.2	155.0	32.2		32.2		142.4
TOTAL NON-CURRENT ASSETS	**214.4**	**155.0**	**59.4**	**0.0**	**32.2**	**27.2**	**185.4**
Current assets							
Trade receivables	1,226.9	1,226.9					1,051.0
Other current financial assets	0.8		0.8		0.8		1.3
Cash and cash equivalents	2,381.2		2,381.2		2,381.2		2,080.7
TOTAL CURRENT ASSETS	**3,608.9**	**1,226.9**	**2,382.0**	**0.0**	**2,382.0**	**0.0**	**3,133.0**
EQUITY AND LIABILITIES							
Non-current liabilities							
Long-term borrowings	6,059.3	5,715.6	343.7			343.7	4,642.7
TOTAL NON-CURRENT LIABILITIES	**6,059.3**	**5,715.6**	**343.7**	**0.0**	**0.0**	**343.7**	**4,642.7**
Current liabilities							
Short-term borrowings	544.5	528.9	15.6			15.6	443.5
Trade payables	1,064.0	1,064.0					963.6
Other current financial liabilities	0.1		0.1		0.1		0.4
TOTAL CURRENT LIABILITIES	**1,608.6**	**1,592.9**	**15.7**	**0.0**	**0.1**	**15.6**	**1,407.5**

(1) Level 1: quoted prices on an active market.
(2) Level 2: valuation derived from directly observable market data.
(3) Level 3: valuation derived from non-observable market data.

Most of the financial instruments listed on the balance sheet have a fair value close to their carrying amount. The fair value of the bonds, included in long-term borrowings for which the amortized cost on the balance sheet amounts to €5,034.5 million, is €5,005.7 million as of December 31, 2025 (the amortized cost was €4,230 million and the fair value of €4,023 million as of December 31, 2024).

In accordance with IFRS 13, fair value measurement takes counterparty default risk into account.

In light of the Group's credit rating, the measurement of other current financial liabilities is subject to insignificant credit risk.

NOTE 5.1.2 Management of financial risks

The Group's cash management strategy is based on overall financial risk management principles and involves taking specific measures to manage the risks associated with interest rates, exchange rates, commodity prices and the investment of available cash. The Group does not conduct any trading in financial instruments, in line with its policy of not carrying out any speculative transactions. All transactions involving derivative financial instruments are conducted with the sole purpose of managing interest rate, exchange rate and commodity risks and as such are limited in duration and value.

This strategy is centralized at Group level. Its implementation is deployed by the Financing and Treasury Department which recommends appropriate measures and implements them after they have been validated by the Corporate Finance Department and Group management. A detailed reporting system has been set up to enable permanent close tracking of the Group's positions and effective oversight of the management of the financial risks described in this note.

NOTE 5.1.2.1 Interest rate risk

As part of an interest rate risk management policy aimed mainly at managing the risk of a rate increase, the Group has structured its debt into a combination of fixed and variable rate financing. The Group may be required to subscribe to hedging instruments for its future funding.

Net debt (excluding debt issuance costs) breaks down as follows between fixed and variable interest rates before the effect of hedging instruments:

	December 31, 2025							December 31, 2024
(in € millions)	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in 3 to 4 years	Due in 4 to 5 years	Due beyond 5 years	Total	Total
Financial assets*								
Fixed rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Variable rate	2,381.2	0.0	0.0	0.0	0.0	0.0	2,381.2	2,080.7
Financial liabilities**								
Fixed rate	(509.4)	(659.3)	(761.4)	(750.4)	(642.2)	(3,027.5)	(6,350.2)	(5,080.0)
Variable rate	(35.1)	(250.7)	(0.5)	(0.5)	(0.5)	(1.3)	(288.6)	(31.6)
Net exposure								
Fixed rate	(509.4)	(659.3)	(761.4)	(750.4)	(642.2)	(3,027.5)	(6,350.2)	(5,080.0)
Variable rate	2,346.1	(250.7)	(0.5)	(0.5)	(0.5)	(1.3)	2,092.6	2,049.1

* *Financial assets: cash and marketable securities.*

** *Financial liabilities: borrowings (excluding debt issuance costs).*

The following table shows the sensitivity of net debt costs to changes in interest rates, before hedging instruments:

	December 31, 2025		December 31, 2024	
(in € millions)	Impact on profit before tax	Impact on equity before tax	Impact on profit before tax	Impact on equity before tax
Impact of a 100-bps increase in interest rates	21.9	21.9	22.1	22.1
Impact of a 100-bps decrease in interest rates	(21.9)	(21.9)	(22.1)	(22.1)

The impact on profit before tax of a 100-basis point increase in interest rates would result in a gain of €21.9 million due to a net positive variable-rate exposure.

Conversely, the impact on profit before tax of a 100-basis point decrease in interest rates would result in a loss of €21.9 million.

NOTE 5.1.2.2 Foreign currency risk

The Group operates in international markets and is therefore exposed to risks through its use of several different currencies.

When relevant, "natural" hedges are preferred. If required, when the acquisition of an asset is financed using a currency other than the functional currency of the country concerned, the Group may enter into forward contracts to hedge its foreign currency risk.

As of December 31, 2025, the Group has set up forward contracts in British pounds, Canadian dollars, Chinese yuan, Mexican pesos, Polish zloty, Singaporean dollars and US dollars which are accounted for in the balance sheet at their fair value.

The following table shows the breakdown of net debt (excluding debt issuance costs) by reporting currency:

	December 31, 2025					December 31, 2024
(in € millions)	Financial assets*	Financial liabilities**	Net exposure before hedging	Hedging	Net exposure after hedging	Net exposure after hedging
Euro	1,433.2	(5,996.9)	(4,563.7)	(205.1)	(4,768.8)	(3,374.4)
US dollar	604.1	(234.9)	369.2	160.2	529.4	182.3
Other currencies	343.9	(407.0)	(63.1)	44.9	(18.2)	161.2
TOTAL	**2,381.2**	**(6,638.8)**	**(4,257.6)**	**0.0**	**(4,257.6)**	**(3,030.9)**

* *Financial assets: cash and marketable securities.*

** *Financial liabilities: borrowings (excluding debt issuance costs).*

The following table shows the sensitivity of gross debt to changes in the exchange rate of the euro against other currencies, before hedging instruments:

	December 31, 2025		December 31, 2024	
	Impact on profit before tax	Impact on equity before tax	Impact on profit before tax	Impact on equity before tax
(in € millions)	10% increase		10% increase	
US dollar	0.0	23.3	0.0	40.6
Other currencies	(0.2)	40.3	(0.2)	13.7

	December 31, 2025		December 31, 2024	
	Impact on profit before tax	Impact on equity before tax	Impact on profit before tax	Impact on equity before tax
(in € millions)	10% decrease		10% decrease	
US dollar	0.0	(21.2)	0.0	(36.9)
Other currencies	0.2	(36.7)	0.2	(12.4)

Operating assets and liabilities break down as follows by reporting currency:

	December 31, 2025			December 31, 2024
(in € millions)	Current operating assets excluding taxes	Current operating liabilities excluding taxes	Net exposure	Net exposure
Euro	844.3	1,002.9	(158.6)	(142.1)
US dollar	1,058.7	683.9	374.8	332.7
Other currencies	1,125.5	597.6	527.9	392.1
TOTAL	**3,028.5**	**2,284.4**	**744.1**	**582.7**

The table below presents the breakdown of net sales and operating expenses by reporting currency as of December 31, 2025:

(in € millions)	Net sales		Operating expenses	
Euro	3,074.9	32.4%	2,396.7	31.2%
US dollar	3,806.3	40.1%	3,108.4	40.5%
Other currencies	2,599.4	27.5%	2,167.0	28.3%
TOTAL	**9,480.6**	**100.0%**	**7,672.1**	**100.0%**

When relevant, natural hedges are also set up by matching costs and revenues in each of the Group's operating currencies. Residual amounts are hedged by options to limit the Group's exposure to fluctuations in the main currencies concerned. These hedges are for periods of less than 18 months.

The Group estimates that, all other things being equal, a 10% increase in the exchange rate of the euro against all other currencies would have resulted in 2025 in a decrease in net sales of approximately €582 million (€519 million in 2024) and a decrease in operating profit of approximately €103 million (€87 million in 2024), while a 10% decrease would have resulted in 2025 in an increase in net sales of approximately €641 million (€571 million in 2024) and an increase in operating profit of approximately €113 million (€95 million in 2024).

NOTE 5.1.2.3 Commodity risk

The Group is exposed to commodity risk arising from changes in the price of raw materials, mainly plastics and metals (steel, copper, brass, aluminum).

Raw materials consumption (except components) amounted to around €908 million in 2025.

A 10% increase in the price of the above-mentioned consumption would theoretically feed through to around a €91 million increase in annual purchasing costs. The Group believes that it could, circumstances permitting, raise the prices of its products to offset the adverse impact of any such increases over the long term.

Additionally, the Group can set up specific derivative financial instruments (options) for limited amounts and periods to hedge part of the risk of an unfavorable change in copper and certain other raw material prices. The Group did not set up any such hedging contracts in 2025.

NOTE 5.1.2.4 Credit risk

As explained in Note 2.2, a substantial portion of Group revenue is generated with two major distributors. Other revenue is essentially derived from distributors of electrical products but sales are diversified due to the large number of customers and their geographic dispersion. The Group actively manages its credit risk by establishing regularly reviewed individual credit limits for each customer, constantly monitoring collection of its outstanding receivables and systematically chasing up overdue receivables. In addition, the situation is reviewed regularly with the Corporate Finance Department. When the Group is in a position to do so, it can resort to either credit insurance or factoring.

NOTE 5.1.2.5 Counterparty risk

Financial instruments that may potentially expose the Group to counterparty risk are principally cash and cash equivalents, short-term investments and hedging instruments. These assets are placed with well-rated financial institutions or corporates with the aim of fragmenting the exposure to these counterparties. Those strategies are decided and monitored by the Corporate Finance Department, which ensures a regular follow up of ratings and credit default swap rates of these main counterparties.

NOTE 5.1.2.6 Liquidity risk

The Group considers that managing liquidity risk depends primarily on having access to diversified sources of financing as to their origin and maturity. This approach represents the basis of the Group's financing policy.

The total amount of net financial debt (€4,222.6 million as of December 31, 2025) is fully financed by financing facilities expiring at the earliest in 2026 and at the latest in 2035. The average maturity of gross debt is 4.8 years.

Legrand is rated "A-" with a stable outlook by Standard & Poor's.

Rating agency	Long-term debt	Outlook
S&P	A-	Stable

NOTE 5.2 Climate issues

The Group aims to contribute to the fight against climate change by reducing its carbon footprint and providing its customers with innovative and sustainable solutions.

NOTE 5.2.1 Climate commitments

For many years, the Group has set up ambitions to reduce its environmental impact, specifically concerning climate change.

Legrand's Net Zero 2050 target was validated by the Science Based Targets initiative (SBTi) in 2024.

This commitment involves reducing the Group's greenhouse gas (GHG) emissions by 90% by 2050 across its entire value chain and neutralizing residuals emissions.

The Group has adopted more ambitious targets for 2030, including:

- a 42% reduction in Scopes 1&2 emissions against a 2022 baseline,
- a 25% reduction in Scope 3 emissions in current data based on 2022, incorporating emissions related to purchased goods and services and the usage phase of Group's products.

Legrand has also signed up to the RE100 initiative, with the aim of using 100% renewable electricity by 2030.

To achieve all these targets, Legrand intends to continue with and expand its action plans such as improving energy efficiency and deploying solar panels on its sites, reducing emissions from its products during their use phase, committing its suppliers to reducing their GHG emissions, and increasing the use of recycled materials in its products.

The 2025-2027 CSR roadmap, launched in March 2025, includes a climate pillar with specific commitments to reducing greenhouse gas emissions by 2027:

- a 10% reduction in Scope 1 & 2 in GHG emissions compared to 2024;
- an average 30% reduction in GHG emissions from our suppliers' operations by 2030, representing 70% of emissions related to purchased goods compared to 2022.

And a circular economy pillar that contributes to reducing the Group's GHG emissions, notably through the following objectives:

- Eco-design: achieve 50% of new or redesigned (product ranges) that comply with Legrand's eco-design index criteria, helping to reduce Scope 3 emissions during the usage phase of Legrand products;
- Use 37% sustainable materials in products manufactured by the Group, thereby lowering the carbon footprint of the products offered by the Group.

The Group's financing supports its non-financial and climate commitments, in the form of:

- a multi-currency syndicated loan, the margin of which has been partly linked to the CSR roadmaps' yearly success rate since 2019;
- two sustainability-linked bond issues in 2021 and 2023, with a maturity of 10 years and 6 years respectively, both indexed to the Group's targets for decarbonization and gender diversity.

NOTE 5.2.2 Climate change challenges faced by the Group

Physical risks

To assess Legrand's exposure, an analysis of physical climate risks that may impact its production plants, distribution centers and offices has been conducted in 2024, and completed with an additional risk analysis in 2025.

The analysis focused on the acute and chronic risks in relation to the following hazards:

- Temperature- related: cold/freezing spells and heat waves, extreme temperatures, forest fires, heat stress;
- Water-related: flooding (coastal, rivers, surface water groundwater), drought, extreme precipitation;
- Wind-related: snowstorms, hail, tornadoes, cyclones and hurricanes;
- Soil-related: landslides, subsidence, earthquakes.

The main physical climate-related risks affecting the Group are heat stress, pluvial flooding, heatwaves, and tornadoes.

The results of this analysis show that the gross risk (before adaptation measures) remains reasonable for the Group's activity. In the short term, it represents slightly less than 6% of the Group's net sales, spread across about fifteen sites. Adaptation plans are currently being implemented at the most exposed sites. In the medium term, it could affect approximately 10% of the Group's net sales and about thirty sites. Based on this study, Legrand is deploying additional mitigation measures to reduce these impacts.

Opportunities

In response to the climate emergency and changing needs, the Group provides a wide range of (connected and standard) solutions for controlling energy consumption in all types of buildings.

Sales from energy efficiency programs represented around 20% of net sales in 2025.

Regulatory challenges

The regulatory framework is changing to take into account climate change, notably through the EU's new Corporate Sustainability Reporting Directive (CSRD).

The regulations to which the Group is subject do not currently entail any risk for its business or financial situation. Climate change regulations are driving demand for Group products.

NOTE 5.2.3 Accounting and financial implications

The Group's current exposure to the consequences of climate change is limited. Accordingly, the impact of climate change on its financial statements is currently immaterial.

To meet its climate commitments, the Legrand Group is deploying additional resources that have had no material impact on its financial model at this stage.

The short- and medium-term effects have been integrated into the Group's strategic plans, on the basis of which impairment tests are carried out on indefinite-lived intangible assets (Note 3.2). The long-term effects of these changes are not quantifiable to date.

The Group's studies and analyses have not led to any other impacts on assets and are unlikely to cast doubt on its fair value measurement methods or the associated sensitivity tests.

NOTE 5.3 Related-party information

The only individuals qualifying as related parties within the meaning of IAS 24 are the corporate officers who serve on the Executive Committee and the Chairman of the Board of Directors.

Compensation and benefits provided to the members of the Executive Committee and to the Chairman of the Board of Directors for their services are detailed in the following table:

	12 months ended	
(in € millions)	December 31, 2025	December 31, 2024
Compensation (amounts paid during the period)	**8.8**	**9.9**
of which fixed compensation	4.8	5.3
of which variable compensation	3.8	4.4
of which other short-term benefits [(1)]	0.2	0.2
Long-term compensation (charge for the period) [(2)]	**5.5**	**5.8**
Termination benefits (charge for the period)	**0.0**	**0.0**
Pension and other post-employment benefits (charge for the period) [(3)]	**0.2**	**(0.1)**

(1) Other short-term benefits include benefits in kind.
(2) As per the equity-settled benefit plans described in Note 4.2.1, with a 100% pay-out rate assumption.
(3) Change in the obligation present value (in accordance with IAS 19).

NOTE 5.4 Off-balance sheet commitments

(in € millions)	December 31, 2025	December 31, 2024
Guarantees given to banks	83.2	105.6
Guarantees given to third parties	52.4	45.1
Commitments related to operating activities	26.2	21.4
Commitments related to fixed assets	22.1	22.9
TOTAL	**183.9**	**195.0**
Commitments & guarantees received from banks	1,051.8	900.0
Commitments & guarantees received related to operating activities	0.0	0.0
TOTAL	**1,051.8**	**900.0**

Most of these guarantees are given by the Company to banks for Group entities located outside of France.

NOTE 5.5 Claims and contingent liabilities

The Group is involved in a number of claims and legal proceedings arising in the normal course of business. In the opinion of management, all such matters have been adequately provided for, being specified that no provision is recorded for claims and legal proceedings for which the Group considers that the provision recognition criteria under IFRS are not met.

On September 6, 2018, a search of Legrand premises took place. During the search, Legrand fully cooperated with the relevant authorities.

On July 4, 2022, Legrand received a statement of objections (notification de griefs) from the French Competition Authority, concerning the derogation mechanism with its distributors on the French market.

On October 20, 2022, Legrand reported that, as part of the investigation on the derogation mechanism on the French market, one of Legrand's French entities has been indicted and ordered to provide security in the amount of €80.5 million. As of December 31, 2024, only €60 million paid as deposits remained on the balance sheet, and there were no off-balance sheet commitments remaining.

On October 30, 2024, Legrand has taken note of the enforceable decision of the French Competition Authority ordering Legrand to pay a fine of €43 million for the application of derogated prices on the French market between 2012 and 2015. Legrand categorically rejects the allegation made against it and has appealed this decision on December 16, 2024. This enforceable decision has no material impact on the Group's 2024 and 2025 financial statements. Disbursement has been made in the first half of the year 2025.

Legrand reiterates its firm commitment to comply strictly with applicable law, in particular competition law.

NOTE 5.6 Statutory Auditors' fees

The total amount of Statutory Auditors' fees invoiced to the Group in 2025 can be detailed as follows:

(in thousand euros excluding taxes)	PricewaterhouseCoopers Audit SAS		Forvis Mazars & Associés	
Statutory audit and related services	766	94%	665	92%
Non-audit services	50	6%	60	8%
TOTAL	**816**	**100%**	**725**	**100%**

(in thousand euros excluding taxes)	PricewaterhouseCoopers Audit SAS	Forvis Mazars & Associés
Sustainability Audit	210	290

NOTE 5.7 Subsequent events

In February 2026, Legrand announced the following acquisitions:

- Green4T, a Brazilian specialist in the installation, maintenance and operation of technical infrastructure for datacenters. Based in São Paulo, Green4T employs nearly 750 people and generates annual sales of around €45 million;
- Kratos Industries, a U.S. specialist in low- and medium-voltage power distribution systems primarily serving datacenters. Based in Denver, Colorado, in the United States, Kratos Industries employs nearly 250 people and generates annual sales of around $100 million.

NOTE 5.8 Key figures reconciliation

Reconciliation of adjusted operating profit with profit for the period:

	12 months ended	
(in € millions)	December 31, 2025	December 31, 2024
Profit for the period	**1,252.3**	**1,168.9**
Share of profits (losses) of equity-accounted entities	0.0	0.0
Income tax expense	438.8	409.0
Exchange (gains) / losses	25.2	13.9
Financial income	(75.7)	(103.0)
Financial expense	167.9	153.9
Operating profit	**1,808.5**	**1,642.7**
Amortization & depreciation of revaluation of assets at the time of acquisitions and other P&L impacts relating to acquisitions	153.8	133.3
Impairment of goodwill	0.0	0.0
Adjusted operating profit	**1,962.3**	**1,776.0**

Reconciliation of cash flow from operations and free cash flow with profit for the period:

	12 months ended	
(in € millions)	December 31, 2025	December 31, 2024
Profit for the period	**1,252.3**	**1,168.9**
Adjustments for non-cash movements in assets and liabilities:		
Depreciation, amortization and impairment	415.2	384.9
Changes in other non-current assets and liabilities and long-term deferred taxes	31.4	35.5
Unrealized exchange (gains)/losses	1.0	0.1
(Gains)/losses on sales of assets, net	4.4	1.4
Other adjustments	11.3	7.8
Cash flow from operations	**1,715.6**	**1,598.6**
Decrease (Increase) in working capital requirement	(138.8)	(75.3)
Net cash provided from operating activities	**1,576.8**	**1,523.3**
Capital expenditure (including capitalized development costs)	(248.7)	(239.6)
Net proceeds on asset disposals	2.7	6.8
Free cash flow	**1,330.8**	**1,290.5**

Reconciliation of EBITDA with profit for the period:

	12 months ended	
(in € millions)	December 31, 2025	December 31, 2024
Profit for the period	**1,252.3**	**1,168.9**
Share of profits (losses) of equity-accounted entities	0.0	0.0
Income tax expense	438.8	409.0
Exchange (gains) / losses	25.2	13.9
Financial income	(75.7)	(103.0)
Financial expense	167.9	153.9
Operating profit	**1,808.5**	**1,642.7**
Depreciation and impairment of tangible assets	240.1	224.3
Amortization and impairment of intangible assets (including capitalized development costs)	169.0	155.4
Impairment of goodwill	0.0	0.0
EBITDA	**2,217.6**	**2,022.4**

Calculation of net financial debt:

	12 months ended	
(in € millions)	December 31, 2025	December 31, 2024
Short-term borrowings	544.5	443.5
Long-term borrowings	6,059.3	4,642.7
Cash and cash equivalents	(2,381.2)	(2,080.7)
Net financial debt	**4,222.6**	**3,005.5**

Calculation of working capital requirement:

(in € millions)	December 31, 2025	December 31, 2024
Trade receivables	1,226.9	1,051.0
Inventories	1,466.7	1,320.9
Other current assets	334.9	294.3
Income tax receivables	158.9	212.5
Deferred tax assets / (liabilities) reversing in the short term	166.0	132.9
Trade payables	(1,064.0)	(963.6)
Other current liabilities	(1,058.3)	(941.8)
Income tax payables	(55.3)	(48.1)
Short-term provisions	(162.1)	(178.1)
Working capital required	**1,013.7**	**880.0**

Siège social
128, avenue de Lattre de Tassigny
87045 Limoges Cedex, France
+33 (0) 5 55 06 87 87
www.legrandgroup.com
@legrand

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