

Benoît Coquart,
Chief Executive Officer, Legrand,
128 avenue du Maréchal de Lattre-de-Tassigny,
87000 Limoges,
FRANCE.

CC. Legrand's Executive Team and Board of Directors

01/12/22

Legrand operations in Russia

Dear Benoît Coquart,

We write to you as a coalition of Ukrainian and international civil society organisations working to curtail the financial resources enabling the Russian invasion of Ukraine. In the spirit of respect for the fundamental rights of all people, the rules-based international order, and a prosperous global economy, the Coalition expects companies to demonstrate public support for the people, democracy, and territorial integrity of Ukraine; opposition to Russia's war of aggression; and alignment with the UN Guiding Principles on Business and Human Rights (UNGPs).

We request an urgent dialogue regarding potential inconsistencies between Legrand's obligations under international humanitarian and human rights law, as articulated by the UNGPs, and the company's ongoing business operations and relationships in Russia that may contribute to, or be linked with, human rights harms.

Legrand's 2022-2024 CSR Roadmap formalizes the company's commitment to corporate social responsibility, with 'responsible business' named as one of the plan's key pillars. Further, as a Global Compact participant,¹² Legrand should comply with the Compact's core principles; in particular, with Principle 1 (Businesses should support and respect the protection of internationally proclaimed human rights) and Principle 2 (make sure that they are not complicit in human rights abuses). Finally, we note that the Legrand Group Guide to Good Business Practices,³ commits the company to make no transactions with people or entities included on the blacklists drawn up by the United States or the European Union and your CEO Pascal Stutz's September 16 2021 letter of commitment that Legrand will "avoid conducting business with countries subject to embargoes".

It has been nine months since Russia invaded Ukraine and the devastating impacts continue to shock the world. Russia is committing war crimes and crimes against humanity through attacks on civilians and civilian infrastructure, including mass executions, the bombing of schools, hospitals, and apartment buildings, sexual violence, torture, and forcible transfer of civilians. Tens of thousands have been killed and millions of Ukrainians have been forced to flee their homes, creating one of the largest humanitarian disasters and refugee crises of modern times.

¹ UN Global Compact Corporate Social Responsibility <<https://www.legrand.co.uk/about/corporate-social-responsibility/#63705>>.

² The Ten Principles of the UN Global Compact <<https://www.unglobalcompact.org/what-is-gc/mission/principles>> .

³ pp14-15 <<https://www.legrand.co.uk/media/5907/legrand-group-guide-to-good-business-practices.pdf>>.

On September 21, President Vladimir Putin further escalated the war by announcing a “partial mobilisation” of the Russian population. The accompanying legislation ([Article 9 of Federal Law No. 31-FZ](#)) mandates all organisations, including the 1,610 international companies that are currently operating on a full or limited scale in Russia, to conduct military registration of the staff if at least one of the employees is eligible for military service.⁴ They must also assist with delivering the military summons to their employees, ensure the delivery of equipment to assembly points or military units, and provide information, buildings, communications, land plots, transport, and other material means of support to the war effort.

This legislation entails new and significant legal risks for companies remaining in Russia, including potential civil and criminal liability under comprehensive sanctions regimes and recent international jurisprudence holding corporations and their officers responsible for human rights abuses abroad.⁵ Companies may also be exposed to financially material risks through operational restrictions, such as limitations of future government contracts.⁶

In response to this unprovoked and unjustified war,⁷ hundreds of companies have committed to leaving Russia. Yet, according to the respected Kyiv School of Economics Institute's [#LeaveRussia company tracker](#), Legrand has chosen to remain in-country. Through the continuation of your operations and relationships, the company is at risk of enabling and financing Russia's violations of international law during the ongoing invasion and occupation of Ukraine.⁸

In a statement early this month (November 3, 2022), Legrand submitted that the company has little impact on Russia.⁹ However, according to recent analysis of publicly available data, Legrand remains an important player in the Russian market, holding “leading positions in wiring devices, cable management and modular circuit breakers and, potentially, other important verticals. Given

⁴ Federal Law No. 31-FZ of February 26, 1997 "On mobilization training and mobilization in the Russian Federation" (as amended), <https://base.garant.ru/136945/> (accessed September 9, 2022).

⁵ The new legislation creates significant risk of international companies violating sanctions regimes as providing direct services and goods to Russian actors involved in executing the invasion will likely involve transacting with sanctioned individuals or entities. Furthermore, several domestic civil and criminal cases against companies involved in violations of international law, including supporting governmental war crimes and crimes against humanity, demonstrate the risk of significant liability for facilitating state-sponsored human rights abuses abroad (e.g. Lafarge case, Lundin case, Castel Group indictment, Amesys Indictment, Nevsun holding, and Dassault Aviation, Thales, and MBDA France criminal complaint.) See, France 24, “French court upholds Syria ‘complicity in crimes against humanity’ charge against Lafarge,” May 18, 2022, <https://www.france24.com/en/live-news/20220518-paris-court-upholds-charges-of-complicity-in-crimes-against-humanity-linked-to-lafarge-s-cement-plant-in-syria> (accessed September 26, 2022); Victoria Riello and Larissa Furtwengler, “Corporate Criminal Liability for International Crimes: France and Sweden Are Poised To Take Historic Steps Forward,” September 6, 2021, <https://www.iustsecurity.org/78097/corporate-criminal-liability-for-human-rights-violations-france-and-sweden-are-poised-to-take-historic-steps-forward/> (accessed September 26, 2022); The Sentry, “Breaking: France Opens War Crimes Inquiry Focused on Iconic Food and Beverage Conglomerate,” July 1, 2022, <https://thesentry.org/2022/07/01/7216/breaking-france-opens-war-crimes-inquiry-focused-iconic-food-beverage-conglomerate/> (accessed September 26, 2022); Rfi “French technology firm charged over Libya cyber-spying,” July 2, 2022, <https://www.rfi.fr/en/business-and-tech/20220701-french-tech-firm-charged-over-libya-cyber-spying> (accessed September 26, 2022); Preston Lim, “Canadian Supreme Court Allows Corporate Liability for International Law Violations,” Lawfare, March 12, 2022, <https://www.lawfareblog.com/canadian-supreme-court-allows-corporate-liability-international-law-violations> (accessed September 26, 2022); Sherpa, “Aiding and abetting war crimes in Yemen: Criminal complaint submitted against French arms companies,” June 2, 2022, <https://www.asso-sherpa.org/aiding-and-abetting-war-crimes-in-yemen-criminal-complaint-submitted-against-french-arms-companies> (accessed September 26, 2022).

⁶ Venable LLP, “Do You Contract with State Governments? If So, Beware of Emerging State Sanctions' Obligations Related to Russia and Belarus,” JD Supra, June 3, 2022, <https://www.jdsupra.com/legalnews/do-you-contract-with-state-governments-6537229/> (accessed September 26, 2022).

⁷ The UN General Assembly condemned Russia's “aggression against Ukraine” and demanded that Moscow “unconditionally withdraw all of its military forces from the territory of Ukraine within its internationally recognized borders.”

⁸ The UN Working Group on Transnational Corporations, Business, human rights and conflict-affected regions states: “Businesses are not neutral actors; their presence is not without impact. Even if business does not take a side in the conflict, the impact of their operations will necessarily influence conflict dynamics.”

⁹ Release for the first nine months of 2022, p 4.

<https://www.legrandgroup.com/sites/default/files/Documents_PDF_Legrand/Finance/2022/9m/Legrand_Press_Release_Results_9M2022_1667397186.pdf>.

Legrand's products are of mass use, they could potentially be used by the Russian military (there are at least seven military bases¹⁰ in Ulyanovsk, where Legrand has factories) and Russian state-owned companies."¹¹ In 2007, Legrand acquired a c.80% stake in Ulyanovsk-based producer of electrical equipment JSC "Kontaktor" (as per Vedomosti) for an estimated \$10 25m.¹² JSC Kontaktor's key customer is "Vostsibugol" LLC, coal company, a part of EN+ Group owned by Oleg Deripaska , sanctioned by the UK and the EU in March 2022 and April 2022, respectively.¹³

These activities risk enabling and financing Russia's violations of IHL and human rights law during the ongoing invasion and occupation of Ukraine and violating Legrand's own stated commitment to corporate social responsibility. It remains to be seen how directly Legrand will be impacted by the partial mobilization and the heightened legal, regulatory, operational, and financial risks associated with companies being required to provide direct support to the internationally sanctioned Russian military.

We seek to understand how Legrand has conducted and continues to conduct heightened Human Rights Due Diligence, as required by the Global Compact , and how the findings of such a process has resulted in these continued business activities and relationships. As noted by the UNGPs:

...the more severe the abuse, the more quickly the enterprise will need to see change before it takes a decision on whether it should end the relationship. In any case, for as long as the abuse continues and the enterprise remains in the relationship, it should be able to demonstrate its own ongoing efforts to mitigate the impact and be prepared to accept any consequences – reputational, financial or legal – of the continuing connection.

With the above points in mind and in consideration of B4Ukraine's [Declaration](#), we request an urgent dialogue with Legrand's relevant senior management and staff to discuss the company's ongoing operations and relationships in Russia, associated risks to the people of Ukraine and the company, and potential steps to prevent/mitigate these risks. Please contact Eleanor Nichol at enichol@b4ukraine.org to schedule a call. We kindly ask for your response by 5:00pm CET, 7th December 2022.

Please do not hesitate to get in touch if you require any further information

Sincerely,

Eleanor Nichol
Executive Director
B4Ukraine

¹⁰ Unités militaires de la ville d'Oulianovsk et de la région d'Oulianovsk

<<https://voinskaya-chast.ru/voinskie-chasti-v-gorodax/voinskie-chasti-goroda-ulyanovska-i-ulyanovskoj-oblasti.html>>.

¹¹ SBWR, 'Legrand: a global specialist in electrical and digital infrastructure: A call to live up to high moral and ESG standards and exit the Russian market, p 9

<<https://stopbusinesswithrussia.com/wp-content/uploads/2022/07/Legrand-Call-to-live-up-to-high-moral-and-ESG-standards-and-exit-the-Ru.pdf>>.

¹² *ibid*, p 5.

¹³ *ibid*.