



3 Corporate Social Responsibility

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DPEF The elements related to the Extra-Financial Performance Declaration are identified in the summary using the pictogram.
DV The elements related to the Duty of Vigilance are identified in the summary with the help of the pictogram.

3.1 Commitment and management

COMMITMENT AT THE HIGHEST LEVEL

Corporate social responsibility (CSR) is driven by top management and is an essential component of Groupe SEB's strategy. There are regular presentations on this policy to the Board of Directors and the Governance and Remuneration Committee is responsible for monitoring it.

In line with this commitment, the Group supports initiatives designed to get a growing number of companies to begin their CSR journey. For example, in 2018, the Group played a role in founding the Mix-R network, which aims to promote collective intelligence and co-development, such as sharing experiences, hosting talks, running themed inter-company programs and promoting impactful CSR initiatives. In 2021, the network had nearly 80 affiliated companies.

SUSTAINABLE DEVELOPMENT STRATEGY

The Group's sustainable development strategy incorporates the challenges associated with all its businesses and brings the vision of all teams in line with the UN sustainable development Goals (SDGs) (see details on page 149). The strategy is based on four pillars:

- **people matter:** Demonstrate our respect for everyone and our benefit to society on a daily basis;
- **sustainable innovation:** Empower our customers to adopt sustainable lifestyles thanks to our products and services:
 - **cooking for good:** Make healthy and tasty homemade food accessible to everyone,
 - **better home life:** Help everyone to live better in a healthier home, with appropriate products and technologies, regardless of their age and health;
- **circular revolution:** Make the Group's products and services part of the circular economy;
- **climate action:** Contribute to the fight against climate change thanks to our low carbon strategy in line with the 2 °C scenario of the Paris Agreement.

STEERING AND ROADMAPS

The sustainable development strategy is implemented under the oversight of the **Sustainable Development department**, which reports to the Senior Executive Vice-President, Human Resources, who is a member of the Executive Committee. Made up of a team of seven people, two of whom are seconded to the Fonds Groupe SEB, it coordinates and drives Group-wide participatory efforts. The Sustainable Development department also relies on the network of continental Human Resources Managers who act as contacts with the countries.

Thematic roadmaps

The four pillars of the sustainable development strategy are implemented using 11 thematic roadmaps, which are drawn up with representatives of the relevant businesses along with **targets for 2023** ⁽¹⁾. The 11th, launched at the end of 2020, is dedicated to exploring new economic models for the circular economy. It plays a role in developing the circular economy strategy and prioritizing human and material resources for these nascent business activities.

The 11 thematic roadmaps:

- Health and Safety;
- Responsible Purchasing;
- Cooking for Good;
- Better Home Life;
- Circular Revolution;
- Inclusive Design;
- Eco-Design;
- Eco-Manufacturing;
- Eco-Logistics;
- Green IT;
- New Circular business activities.

All business lines are involved in these roadmaps: Purchasing, Quality, Environment, R&D, Marketing, Brands, Health and Safety, Human Resources, Production, IT and Digital, Logistics, Consumer Satisfaction, Design, etc. Each one is built around specific projects with quantitative indicators. Once or twice a year a progress report is put together by the Sustainable Development department with the "business" contributors.

(1) These targets are summarized on page 150 and specified in each relevant section of Chapter 3, under the heading "Groupe SEB 2023 Targets".

Country roadmaps

Teams in the various countries have set their priorities, action plans and objectives in line with the Group's sustainable development strategy. In order to develop the country roadmaps and track their progress, the largest subsidiaries formed Steering Committees made up of employee volunteers and representatives from the businesses connected with the priority actions. The sustainable development representative, who is often the Human Resources Manager, manages the roadmaps and presides over the Steering Committees. The Sustainable Development department provides support to local teams in developing projects as well as pooling and sharing best practices between subsidiaries to build on the momentum.

DIALOG WITH STAKEHOLDERS

Paying close attention to the Group's "ecosystem", the Sustainable Development department has been holding a series of discussions with a panel of the Group's stakeholders since 2013, to gather their opinions and suggestions about its sustainable development policy. This panel is composed primarily of external experts, including

specialists in positive branding, sustainable food and consumption, eco-design and circular economics, and a food blogger. The meeting held in May 2021 focused on the Group's own eco-design label and the "Cooking for good" roadmap.

3

CSR CRITERIA IN THE BONUSES OF TOP MANAGERS

The remuneration of all managers who have a certain level of responsibility comprises a variable portion related to the results of the Group and those of the entity in which they work. Since 2018, the Group has been looking at environmental, social and ethical performance criteria when calculating the bonuses awarded to its 690 top managers. The goal is to embed the Group's non-financial

performance in all businesses and levels of the company, as part of an overall value creation approach. A portion of the bonus is thus subject to the achievement of the energy efficiency goals of Group plants, to the number of workplace accidents and social compliance rating awarded to Group sites in the course of social audits done in at-risk areas.

INTERNAL AUDIT AND SUSTAINABLE DEVELOPMENT

In 2013, the Audit and internal control department included the Code of Ethics and the Responsible Purchasing Charter in the internal control manual used when auditing subsidiaries. Since 2016, the Sustainable Development department has also sent it the action plans implemented by the subsidiaries as part of the ethical, social and environmental audit procedure (see page 156). This strengthens the ethical, social and environmental monitoring within all the Group's processes.

The Audit and internal control department conducts an annual self-assessment campaign across the entire Group using risk management software (GRC). This self-assessment covers the same checkpoints audited during on-site audits and includes the internal control

manual and also the rules contained in the Code of Ethics and the Responsible Purchasing Charter. Both sets of guidelines are therefore fully harmonized and ensure that the audit process is fully consistent.

The initiatives supported by the sustainable development and Audit and internal control departments are coordinated by the Compliance Committee, which also includes the Legal, Finance and Human Resources departments. The Committee meets four times a year.

Furthermore, when studies take place prior to company acquisitions, the Strategy department conducts a review of social and environmental issues using a questionnaire that covers the key points in the Code of Ethics.

EXTERNAL VERIFICATION OF DATA

Groupe SEB has been a pioneer in having a selection verified social and environmental information from the 2010 financial year on a voluntary basis, and before the regulatory obligation to verify appeared in 2013. An independent third-party organization (Mazars) was mandated to issue a moderate assurance opinion on compliance

and the sincerity of the Declaration of Extra-Financial Performance (see a detailed description of the reporting process on page 151 and Mazars' report for 2021 on page 212). Since 2010, 93 audits have been carried out on 28 different sites in eight countries (Germany, France, Italy, Brazil, Colombia, China, Russia and the United States).

AN ESTABLISHED CSR POLICY

A growing number of management companies are basing their investment decisions on the corporate social responsibility of listed companies, or including this factor in their stock-picking process. The CSR policy is regularly included in the Group's financial communications, and the Sustainable Development department meets with investors at least once a year, at conferences or roadshows focused on non-financial performance.

Europe index. The Group is also part of the groups assessed by Gaïa Rating, MSCI (rated A), Sustainalytics and ISS-ESG, which awarded it Prime status.

In 2021, Groupe SEB also entered the inaugural listing of Financial Times Europe's Climate Leaders, which was developed by the British business and financial daily newspaper in partnership with the company Statista.

NON-FINANCIAL RATING

Several **non-financial rating** agencies assess the ESG (Environmental, Social, Governance) performance of Groupe SEB.

This performance is recognized by the **CDP (Carbon Disclosure Project) agency**, which manages the largest database of company environmental data in the world. In 2020, the Group joined its prestigious "A List", comprising the most transparent companies for environmental reporting. In 2021, the Group kept its A- rating in the "Climate Change" category for its efforts to reduce its emissions, mitigate climate risks and develop a low-carbon economy. Out of the 9,600 companies rated by CDP, only the best-performing 8% make the A list.

The Group's commitments and initiatives are also assessed every two years by **Vigeo-Eiris**, the leading agency in Europe. In 2020, Groupe SEB's rating increased by one point compared to 2018, allowing it to remain at the top of its market in Europe out of a group of 40 companies. It is also ranked 68th worldwide (out of 4,904 companies). Vigeo-Eiris also published a study at year-end 2018 that put Groupe SEB in the top 1% of the best performing companies worldwide in terms of Human Rights (see page 153).

The SEB share is included in several SRI (Socially Responsible Investment) indices. The Group has kept its place in Vigeo-Eiris's **Europe 120 and Eurozone 120** indices, composed of the companies with the highest scores based on more than 330 indicators. It also reaffirmed its position in the **FTSE4Good** international index as a world leader in the field with a score of 4.3/5 ("Personal & Household Goods" category). The SEB share also features in **Forum Ethibel's** Excellence

AWARDS

The Group's CSR approach won numerous awards in 2021, including:

- Groupe SEB was awarded the ESSEC Grand Prix for Sustainable Consumer Industries for the second time for its social and environmental strategy. As part of the Grand Prix, the Group also received the **collaborative project award** (*Projet collaboratif de l'industrie et de ses partenaires*) for RépareSeb (see page 194) as well as the student's choice award for its inclusive design initiatives and the Good Design Playbook (see page 190);
- the Group won the 2021 LSA innovation award in the "Household Appliances" category for its design of the inclusive Includeo set (see page 191);
- the LSA "La conso s'engage" award recognized Groupe SEB's repair packages in its "Environmental Footprint" category (see pages 194-195);
- the "Victoires des Leaders du Capital Humain" event awarded Groupe SEB with an "Honorable Mention" for its work with a sheltered employment center (ESAT) at its Lourdes site, commending this initiative to integrate workers with disabilities (see page 165).

Giving consideration to social and environmental issues is a winning strategy for the brands, as shown by Havas Media Group's Meaningful Brands study, which regularly examines the performance of brands with regard to the quality of life and well-being of consumers (1,500 brands in around 30 countries). In France, SEB has been among the top most trusted brands for French consumers since 2017 (6th place in 2021).

3.2 Non-financial performance statement DPEF DV

In accordance with Ordinance 2017-1180 of 19 July 2017 on the disclosure of non-financial information by certain large companies and major corporate groups, the Non-Financial Performance Statement (*Déclaration de Performance Extra Financière*, or “DPEF”) is intended to present the measures implemented within the Group to identify

and attenuate CSR risks. It supplements the Duty of Vigilance (DV) established by the French law of 28 March 2017 on the prevention of “serious infringements of Human Rights and fundamental freedoms, the health and safety of individuals and the environment”.

BUSINESS MODEL DPEF

The Groupe SEB business model is presented in pages 8 and 9 of this document. In order to develop the business model, a working group composed of the sustainable development, Strategy and Financial Communication departments was set up in 2018. After studying the recommendations of the Medef ⁽¹⁾ and different ITOs ⁽²⁾, the working group discussed key financial and extra-financial indicators representative of the performance of the Group in the long term. This issue was also the subject of discussions with General Management, which validated the business model at the end of 2018. Since 2019, following an exchange within this working group, it was decided to keep the entire content of the business model while updating the data.

RISKS DPEF DV

MAPPING OF RISKS, IDENTIFICATION PROCESS & METHODOLOGY FOR SELECTING THE MAIN RISKS (DPEF AND DUTY OF VIGILANCE)

The Group’s risk identification and control method (see methodology described under “Risk factors” Chapter 1 page 46) has been applied to the areas covered by the Duty of Vigilance law and the Non-Financial Performance Statement, namely CSR risks relating to ethical, social, employment-related and environmental factors.

As part of this process, the Audit and internal control department interviews the divisional managers representing all of the Group’s operations to identify and integrate these risks into the company’s overall mapping of risks. This mapping is updated each year, validated by the General Management Committee and shared with the Audit and Compliance Committee.

Groupe SEB operates in nearly 150 countries in a variety of complex economic and socio-cultural environments. The CSR risks identified are intrinsically linked to its operations but also the risks inherent to the countries in which its subsidiaries and suppliers operate. On the basis of this frame of reference, the Group identified that its main CSR risks are concentrated in the emerging countries. That is why the ethical, social and environmental audits are primarily done in these high-priority areas.

Main CSR risks identified:

- health and safety of staff;
- talent attraction and retention;
- corruption;
- tax evasion;
- Human Rights;
- climate change.

Chapter 1 of this document presents risks that are particularly important and specific to Groupe SEB, including two of the CSR risks:

■ health and safety of staff

- **description of risk:** see Chapter 1, page 61,
- **risk management:** see Chapter 3.7, Health and safety, page 157;

■ talent attraction and retention

- **description of risk:** see Chapter 1, page 56,
- **risk management:** see Chapter 3.7, Attractiveness of the Group and career development, page 148.

(1) *Mouvement des Entreprises de France.*

(2) *Independent third party.*

The four other CSR risks, considered less significant and less specific to the Group, are presented in this Chapter only:

■ **corruption:**

■ **description of risk:**

the Group operates in nearly 150 countries, and its business activities include production, distribution and sales. These involve being in contact with numerous suppliers and customers and being exposed to public and private officials. Any proven instance of corruption could have material financial consequences for the Group (conviction or fines) as well as risks to the Group's image and reputation.

In addition to applying the Group's risk identification and control method (see page 47), the risk of corruption is handled in a specific manner in accordance with the French Sapin II law of 8 November 2016. Each year, the Group updates its corruption risk mapping, which states the size of the risk by location (low, moderate or relatively high risk). The risk level is assessed based on a combination of three criteria: responses to a detailed questionnaire on the subject sent to 217 entity and function managers; the Transparency International map on a country's level of exposure to corruption; and the scale of the Group's business activities in the country in question,

- **risk management:** see Chapter 3.7, Anti-corruption measures, page 143;

■ **tax evasion:**

■ **description of risk:**

the domestic and international environment has become more complex over the years. This can lead to compliance risks, particularly in terms of tax. Any non-compliance brings a risk of administrative or legal proceedings alongside financial and/or reputational risk,

■ **management of risk:**

the Group cooperates with and has an open relationship with the tax authorities and endeavors to comply with and implement tax regulations in all the countries in which it operates. Regulatory changes are monitored by the Accounting and Tax department and local Finance departments. The Group's Code of Ethics sets out the principles governing its tax policy: "We pay all taxes due in the countries in which we operate. We endeavor to ensure that the accounting and tax filings we make to the authorities are exhaustive and reflect the real picture in each subsidiary". The Group also applies OECD transfer pricing recommendations and is regularly audited by the relevant tax authorities. For all compliance issues, the Group is supported by a Compliance Committee (described on page 44);

■ **Human Rights:**

■ **description of risk:**

the Group has approximately 33,000 employees and deals with more than 4,000 suppliers. Being at the center of such a large, complex human environment means that the Group is faced with risks relating to the respect of Human Rights, which are also intrinsically linked to the Group's founding values. In terms of the Group's operations, this risk may arise at the Group's own sites as well as those of its suppliers and subcontractors through non-compliance with the principles of the UN Global Compact (to which the Group is a signatory), the fundamental conventions of the International Labour Organization (ILO) and the working conditions recommended by the World Trade Organization (WTO). Any breaches in this area could incur financial consequences from the competent authorities, and above all have an impact on the Group's reputation,

- **risk management:** see Chapter 3.7, Human Rights and Responsible Purchasing, page 144;

■ **climate change:**

■ **description of risk:**

the nature of the Group's activities in manufacturing and marketing Small Domestic Equipment products means that it generates greenhouse gas (GHG) emissions that contribute to global warming. Most emissions are linked to three main factors, which in decreasing order are: the use of products (mainly electrical products), the transport of materials, components and finished products, and the manufacture of products. Failure to comply with the regulations in this area and failure to meet the company's expectations on emissions could have financial implications, but it would above all negatively impact the Group's reputation,

■ **management of risk:**

Groupe SEB has joined the Science Based Targets (SBT) global initiative to align its low carbon approach with the goal of keeping global warming below 2 °C by the end of the century. The Group has set itself ambitious targets for 2023 and 2030 and wants to contribute to the global carbon neutrality by 2050. To do this, it has strengthened its roadmaps and action plans, particularly in the areas of eco-design, eco-manufacturing and eco-logistics.

Read about the actions in more detail in Chapter 3.10, Climate action, page 187.

RISK VALIDATION PROCESS

The main CSR risks were presented and validated by the stakeholder panel in January 2018 and presented to the Audit Committee in October 2018. The main CSR risks are reviewed annually as part of the Group risk review process.

POLICY AND KEY INDICATORS DPEF

Policies and actions plans are in place to prevent, identify and attenuate the occurrence of these CSR risks; the details of these actions plans are described throughout Chapter 3.

This correspondence table provides the necessary references.

Area	Risks	Policies	Key performance indicators
Social and societal	Health and safety of staff	Protect and ensure the health and safety of the employees thanks to the Health and safety policy of the Group	Frequency of workplace accidents Rate of ISO 45001 certified entities Chap 3.8/Health and safety/p. 169
	Talent attraction and retention	Promote recruitment, development and retention of talents, thanks to career and attractiveness of the Group	Average employee turnover rate Chap 3.8/ A responsible employment policy/p. 158
Ethics and corruption	Corruption	Ensuring ethics and transparency of our business as well as respect for the laws through the implementation of a: <ul style="list-style-type: none"> • Code of Ethics – Code of Ethics training (e-learning and classroom) • an anti-corruption e-learning module 	Rate of roll-out of Code of Ethics e-learning training Chap 3.8/Ethics compliance/p. 153
	Tax evasion	Ensure compliance with tax regulations and obligations in all countries where the Group is implanted	Effective tax rate Chap 1.4/Risk Factors/p. 49
	Human Rights	Ensure respect Human Rights, in our activities, everywhere where the Group is established, thanks to the implementation of: <ul style="list-style-type: none"> • a Code of Ethics • a responsible purchasing policy 	Percentage of sites with an overall compliance score greater than 80% Intertek Audit of suppliers (Group level) Chap 3.8/Ethics compliance/Code of Ethics/p. 153
Environmental	Climate change	Reduce the Group impact on climate change thanks to: <ul style="list-style-type: none"> • a circular economy policy • the 4x20 objectives • science-based targets 	Rate of recycled materials in new products Rate of recyclability of electrical products Rate of repairable products Improvement rate Rate of energy improvement of production sites Rate of improvement of energy consumption by electrical products Quantity of waste generated Rate of ISO 14001 certified entities Evolution of the carbon intensity for factories (scopes 1 & 2) Greenhouse gas emissions from the transportation of products and components Chap. 3.10/ Using recycled materials/p. 195 Chap 3.10/ Reparability/p. 193 Chap. 3.11/Eco-manufacturing/p. 203 Chap 3.11/Eco-logistics/p. 208 Chap 3.11/Eco-design/p. 201

Exclusions

Because of the Group's businesses, certain issues relating to the Decree of 24 April 2012 and Article 4 of the law of 11 February 2016 on the fight against climate change were not considered to be relevant: the fight against food insecurity and animal protection and actions aimed at promoting the practice of physical and sporting activities.

3.3 Applying the EU taxonomy regulation to Groupe SEB

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishes a framework to facilitate sustainable investment and amends regulation (EU) 2019/2088.

This taxonomy outlines the sustainable development objectives set by the EU, as well as the specific criteria and thresholds for eligible activities in the context of the European environmental strategy.

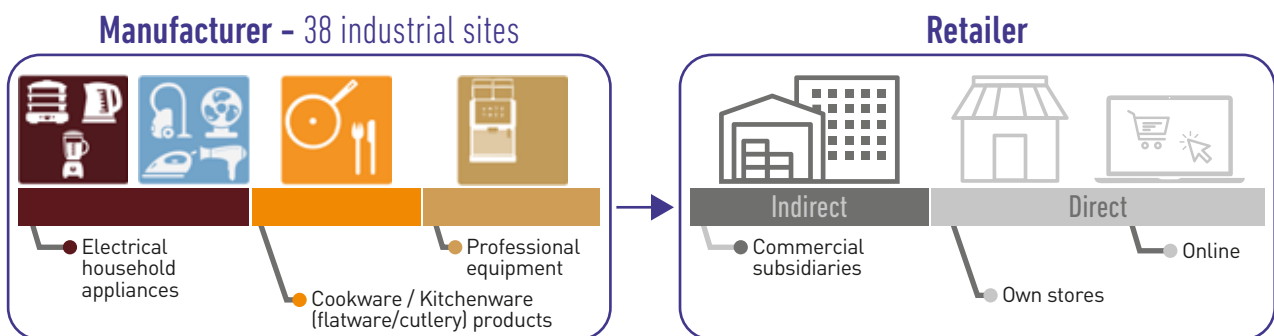
This technical classification lists six sustainable development objectives. To date, delegated acts have only been adopted for the first two.

- 1) climate change mitigation;
- 2) climate change adaptation;

METHODOLOGY

The Group's business model is structured as follows:

- production of cookware/small electrical appliances/professional equipment at around 40 **production sites worldwide**;
- marketing of these products, as well as other sourced products, through **marketing subsidiaries**.



The Group analyzed all of its economic activities in relation to the activities described in the delegated acts. It did so by analyzing all the activities of the legal entities and applying a materiality criterion.

- 3) the sustainable use and protection of water and marine resources;
- 4) the transition to a circular economy;
- 5) pollution prevention and control;
- 6) the protection and restoration of biodiversity and ecosystems.

Three types of activity are eligible under the taxonomy: low-carbon activities, transitional activities and enabling activities.

For these two climate objectives, Groupe SEB has not identified any economic activities that generate eligible revenue within the meaning of the activities defined and described in the delegated acts.

For the European entities, the Group relied primarily on the European classification of economic activities (NACE codes).

REVENUE

The two climate-focused objectives do not apply to any of the Group's revenue-generating economic activities. **The Group notes that, at this time, small electrical appliance products are not covered by the energy labeling set out in regulation (EU) 2017/1369.**

CAPITAL EXPENDITURES (CAPEX)

Regarding the Group's expenditures eligible for the European sustainable taxonomy, the Group has not identified, in accordance with section 1.1.2.2 "Disclosures" of Annex I of the Delegated Act, any expenditure:

- a) related to assets or processes that are associated with taxonomy-eligible activities;
- b) incurred as part of a plan to expand taxonomy-aligned economic activities or to allow taxonomy-eligible economic activities to become taxonomy-aligned.

Eligible CapEx is therefore that referenced in category (c) of section 1.1.2.2 "Disclosures" of Annex I of the Delegated Act that is related to expenditures for the purchase of products from a taxonomy-aligned activity and, in particular, expenditures related to the acquisition, construction or renovation of buildings.

Flows related to the acquisition, construction or renovation of buildings are disclosed in the change in property, plant and equipment table in Note 12 to the consolidated financial statements on page 256. These flows were €134 millions in 2021. In total, 43% of CapEx is eligible.

OPERATING EXPENDITURES (OPEX)

The Group considers the percentage of eligible OpEx to be immaterial.

As a reminder, eligible OpEx covers only direct non-capitalized costs related to:

- research and development;
- building renovation measures;
- short-term lease, maintenance and repair; and
- any other direct expenditures relating to the day-to-day servicing of assets

that are necessary to ensure the continued and effective functioning of eligible assets.

For Groupe SEB, most of the OpEx as defined in the taxonomy consists of research and development expenses, which stood at €150.4 million in 2021. Only a non-material portion of OpEx is eligible.

These estimates could all change depending on industry practices and future delegated acts.

Although the Group did not identify any eligible activities under regulation (EU) 2020/852, it is aware of the issues related to the consumption – and depletion – of natural resources and those associated with greenhouse gas emissions.

It conducted a carbon assessment of its businesses in 2016 and has committed to fighting global warming ever since. With this in mind, it has implemented concrete actions and, from the design of a product to the end of its life, it takes measures to limit its environmental footprint (eco-design, eco-manufacturing, eco-logistics, recycling, etc.).

Groupe SEB has set ambitious targets for reducing its carbon footprint. These initiatives are all described in Chapter 3.10 "Climate action" on page 198.

At the same time, the Group has been committed to a more circular business model for many years, with the goal of saving the planet's resources by activating several drivers: extending product life and re-use, promoting recycling and the use of recycled materials, and experimenting with shared product use. This approach pushes us to regularly rethink our production and marketing processes.

The expenditures and investments made to protect the environment at our industrial sites are detailed in Note 27 to the consolidated financial statements on page 290.

The Group's CSR policy as a whole is presented in Chapter 3 on page 134.

3.4 Vigilance Plan

INTRODUCTION

For the third consecutive year, Groupe SEB complies with law 2017-399 of 28 March 2017 concerning the duty of parent companies and order-giving companies through the development of this plan.

This plan presents the measures taken within the Group to identify risks and prevent serious harm to Human Rights and fundamental freedoms, the health and safety of individuals and the environment, related to its activities as well as those of its subcontractors and suppliers.

Corporate social responsibility has been an essential component of the Group's strategy for many years, and these risks have been identified over time and form the basis for the implementation of all the Group's sustainable development actions and policies.

The new legal requirements relating to the duty of vigilance therefore reflect the values and actions defended by the Group for many years.

This plan restates the actions already anchored in the Group's policies that are the foundation of its sustainable development approach: Code of Ethics, health and safety policy, objectives, responsible purchasing policy, and more.

The plan is the subject of dedicated monitoring. In 2021, monitoring and updating of the plan were coordinated by the department of sustainable development. This coordination was performed through the roadmaps involving Purchasing, Health & Safety and Sustainable Development departments. Each department contributed to the completion and update of the plan.

MANAGEMENT OF RISKS OF SERIOUS HARM TO INDIVIDUALS AND TO THE ENVIRONMENT

PREVENT AND MANAGE THE RISKS RELATED TO HUMAN RIGHTS (detailed on page 153, Chapter 3.8)

Ethics

The top priority when it comes to ethics is to apply the laws in force in each country where Groupe SEB operates. Groupe SEB also adheres to the international standards set out by the UN, and particularly to the principles of the Universal Declaration of Human Rights, the fundamental conventions of the International Labour Organization (ILO) and the OECD's guidelines for multinational enterprises. It is also a signatory of the UN's Global Compact and the APPLiA's ⁽¹⁾ Code of Conduct.

In order to formalize the policy and ethical values of the Group internationally, a Code of Ethics was created in 2012 to cover 18 topics. Translated into the Group's 11 main languages, it has been distributed to all employees. It describes the whistleblowing procedure, including the contact email address: ethics@groupeseb.com.

To ensure that every employee understands the key concepts of the Code of Ethics and knows how to act when faced with an ethical dilemma, a vast training program was deployed in 2018. At year-

end 2021, 88% of 11,100 connected employees had taken the online training program. In order to make it as real-world as possible, this training was developed jointly by various Group departments: sustainable development, Training, Human Resources, Quality Standards & Environment, Audit and internal control, Purchasing, Legal, Health and Safety. This is included in the mandatory training for new employees.

In 2020, the Group developed a reminder module annual sent to all employees connected as part of the Compliance refresher program.

Human Rights

Integrated in the Code of Ethics, respect for Human Rights is one of its strong commitments, which has been validated by the signing of the Global Compact since 2003. The Group decided in 2007 to evaluate its teams' practices in relation to Human Rights in subsidiaries employing more than 10 people. Up until 2014 it used the HRCA (Human Rights Compliance Assessment) Quick Check self-assessment tool, developed by the Danish Institute for Human Rights and, for sites operated by its Chinese subsidiary Supor, the CBSSC (China Business and Social Sustainability Check). These self-assessments covered almost 99% of the workforce and drove improvements.

(1) Home Appliance Europe (formerly CECED: European Committee of Domestic Equipment Manufacturers).

Since 2015, Groupe SEB has applied the same **ethical, social and environmental audit** procedure that it operates with its suppliers to its plants in risky areas ⁽¹⁾, using the same specialist consulting firm.

The audits (conducted on average once every three years) are accompanied by action plans to rectify any non-compliances, and sites with a compliance score of less than 70/100 must undergo a follow-up audit. The action plans are submitted to the Sustainable Development department. This department shares them with the Industry department (including the Health, Safety and Environment Managers), the Human Resources department and the Audit and internal control department, which are therefore able to verify their implementation. An annual summary of the audit results is also sent to the Executive Committee. This monitoring system, similar to the one used for the Group's suppliers, allows external comparisons to be made and the generating of audits that can be used in dealings with customers.

Trade payables

Groupe SEB bears great responsibility in terms of the manufacturing of its products under ethical conditions. It follows a responsible purchasing policy that includes reporting and control systems to ensure that its suppliers comply with its ethical, social and environmental requirements worldwide.

This policy includes:

- Responsible Purchasing Charter;
- preliminary evaluation of suppliers;
- mapping of CSR challenges by purchasing family;
- ethical, social and environmental audits performed by an independent firm.

This policy has been continually reinforced since 2012. It is covered by a shared road map between the Purchasing and Sustainable Development departments. It is implemented by teams trained in responsible purchasing: this area is incorporated into various trainings and events run by the Purchasing community, such as web forums, that are regularly run on specific issues.

PREVENT AND MANAGE THE RISKS RELATED TO HEALTH-SAFETY-SECURITY OF INDIVIDUALS

Health and safety of consumers

Groupe SEB is committed to offering consumers high-quality products that are guaranteed to be safe and harmless. In each country, the Group complies with all the standards and regulations governing the products it sells. Responsible products are the first theme addressed in Groupe SEB's Code of Ethics, evidence of the importance that it places on respect for the consumer.

- **Product safety:** this is ensured by a set of rigorous processes at every stage of product development and production. During development, each project review (RP1 to RP4) includes formal checking of product compliance via a series of validations listed in the EMQS (Environment, Marketing, Quality and Standards) reference document.

- **Harmlessness:** the Group is particularly vigilant when it comes to selecting component materials, going beyond regulatory requirements. As part of its commitment to quality, the Group has introduced a "Tefal commitment" notice which has been on Tefal/T-fal non-stick cookware for several years. This commitment gives a guarantee that there is no PFOA *, lead or cadmium and that the coatings are generally safe for the consumer.

- **Unpopular substances:** the Group classifies in this category substances that, although not banned by the regulations, are considered by some stakeholders, such as NGOs, to be potentially hazardous. On this basis, the Group is working on plans to replace a number of these substances and materials, even though they are not currently covered by the regulations, in order to stay a step ahead of future directives. Phthalates, for example, which were added to the RoHS ⁽²⁾ European Directive in 2015, were already viewed as unpopular substances by Groupe SEB in 2012.

Health and safety of employees

For several years, Groupe SEB has been developing measures to reduce the number of workplace accidents and limit the number of professional illnesses. It has set the following objectives by 2023:

- cut the number of workplace accidents with lost days (2017 base) in half, i.e. LTIRi < 1.0;
- 100% of plants certified to health and safety standards – ISO 45001.

The health and safety policy draws on a global network of 35 Environment, Health and Safety (EHS) Coordinators, who cover all of the plants and logistics sites in 13 countries. They meet quarterly in person for France and via Skype for the other global sites. Once a year, they meet up at a Group site (except in 2020 because of Covid-19). These annual seminars make it possible to strengthen the international dynamic of the network, something that is also supported by the Yammer community (Groupe SEB social network). By the end of 2019, the Group's health and safety management system had become OHSAS 18001 certified (all of the Group's industrial and logistics entities are certified). In 2020, the Group "switched" to ISO 45001. All sites have implemented a specific action plan. Those that needed to be audited in 2020 (by the firm DNV) all passed their audit in the last six months of the year and all received positive results. This means that the Group is now ISO 45001 certified.

(1) Risky areas as defined by amfori/Business Social Compliance Initiative – Country Risk Classification, 2018.

(2) Restriction of the use of certain Hazardous Substances.

* Perfluorooctanoic acid.

■ **Safety:** Groupe SEB's safety approach is reflected in the worldwide Safety in SEB program. More specifically, it places special emphasis on the involvement of employees as participants in their own safety. At the plants, for example, safety is one of the points that is reviewed daily by the production teams as part of the OPS (Operation Performance SEB) initiative, via Frequent Events. All accidents occurring within the Group are summarized monthly in a newsletter sent to all managers (including the Executive Committee) and the Health and Safety community. This policy has been successful: between 2017 and 2020, the number of workplace accidents with days lost fell by around 40%. Safety-specific checkpoints have been incorporated into day-to-day field visits by local managers since 2018. This feeds into the safety pyramid, a tool designed to detect hazardous situations ahead of time to quickly remedy them so as to anticipate accident risks. Since 2016, the Group has strengthened the safety culture in its tertiary (offices) and commercial entities (stores). The Group's six "golden safety rules" are systematically communicated to these entities, and some sites have introduced their own "unbreakable rules".

■ **Health**

■ Health plan: The Group's international health plan, Health in SEB was launched in 2016. It started with an analysis of all the plants to identify the main health risks (dust, noise, repetitive work, etc.). This inventory was used as a basis for the creation of Group standards and to define health targets, accompanied by monitoring indicators. This is particularly true of ergonomics where the indicator measures improvements that are deemed significant using specific analysis methods, scoring grids, a decision-making tool developed by ergonomists and the person's experience. Every industrial and logistics site around the world has the objective to improve the ergonomics of 25% of its workstations every year.

■ Efforts to combat musculoskeletal disorders: As an industrial group, Groupe SEB focuses a large part of its efforts on combating musculoskeletal disorders (MSDs) in the upper limbs, and lower back pain. The aim is to prevent them from appearing and slow their deterioration. This is a major issue for the industrial sites, particularly in Europe, exacerbated by the aging of the workforce and extensions to the pension age.

The Group's response involves awareness-raising and training measures, taking MSD prevention into account from the design phase of products and processes as well as the carrying out of specific measures on the sites.

Every French plant and logistics site has a Steering Committee for Musculoskeletal Disorders and one or more MSD Specialists who ensure that risks are taken into account upstream, at the product design stage, and downstream, by amending hard-pressed workstations.

■ Social protection: In terms of social protection, in 2017 the Group launched an initiative designed to offer its employees, throughout the world, a high level of coverage compared to the local context, beyond regulatory obligations. Since 2018, the Group has progressively rolled out a global floor for social protection and working conditions, WeCare@Seb, based on two pillars in the first phase:

- life insurance: 12 months of salary paid to the employee's family in the event of death in the context of work;
- healthcare costs: coverage of hospital stays resulting from accidents (capped at 70% of actual costs).

A third pillar on prevention (health checks) is being defined for rollout over 2022–2024.

■ Measures to combat harassment: Groupe SEB pays very close attention to the issue of sexual harassment, an issue on which many countries have passed specific laws. In India, for example, Groupe SEB has introduced a very aggressive policy in the country to prevent such behavior, ensure careful investigation of complaints or reports, and finally protect the victims and punish those responsible. The subsidiary regularly holds awareness and training sessions on this issue for all staff. It has established a dedicated committee to deal with sexual harassment. More than half of its members are women, and it works with an NGO specializing in this area. In France, the updating of the internal rules of all sites makes it possible to raise awareness and to reflect the new legislative provisions designed to combat all forms of harassment. Thus, in 2019, each French legal entity with over 250 employees added a point of contact tasked with combating sexual harassment and sexist behavior.

PREVENT AND MANAGE ENVIRONMENTAL RISKS (detailed on page 198, Chapter 3.11, climate action, and page 193, Chapter 3.10, circular revolution)

Carbon footprint: Groupe SEB produces an average of 200 million products per year. At each step in their life cycle, these products consume natural resources and emit greenhouse gases, which contributes to global warming. Aware of this responsibility, the Group completed a carbon assessment of its businesses in 2016. This provided a precise image of the distribution of carbon emissions over the entire value chain (extraction of raw materials, manufacture, transport, use, end of life) and led to the implementation of concrete actions to reduce the environmental impacts related to its activity.

As a result, ambitious goals were defined:

■ by 2023:

- 40% fewer greenhouse gas emissions per manufactured product in tons of CO₂ equivalent (base year 2016),
- 15% fewer greenhouse gas emissions related to the energy consumption of the products per product sold in tons of CO₂ equivalent (base year 2016);

■ by 2050: contribution to reaching global carbon neutrality (reduction and offset 100% of remaining carbon emissions).

This low carbon policy led by the Quality Standards and Environment and Sustainable Development departments is organized around three primary elements and involves a number of businesses.

■ **Eco-design:** Eco-design of products is decisive in significantly reducing the environmental impact. Integrating recycled raw materials, improving energy efficiency, reducing energy consumption without compromising performance, and making a product repairable and recyclable are eco-design drivers. The Group has defined an eco-design policy to act on 70% of the carbon impacts. This facilitates consideration of these criteria in the development of new products:

- increasing the duration of use of the products: durability and reparability,
- using alternative/recycled materials: aluminum, plastics, stainless steel, etc.
- improving the energy performance of the products,
- increasing recyclability.

■ **Eco-packaging:** Groupe SEB is careful to design packaging that guarantees its principal functions, while minimizing its environmental impact. This is why it set three targets for 2023:

- ZERO expanded polystyrene,
- 90% recycled fibers in the boxes,
- ZERO internal plastic packaging.

■ **Eco-manufacturing:** Saving resources is one of the goals of the manufacturing sites through the policy of eco-manufacturing:

- reducing energy and water consumption,
- reducing and recycling waste,
- using renewable energy.

Every year, the sites are mobilized on “eco-innovating” projects. The goal is to highlight sustainable innovation projects and disseminate best practices to reduce the environmental impact. More than 150 best practices have already been developed.

■ **Eco-logistics:** To reduce emissions related to the transport of products and the materials and components used to manufacture them, the Group encourages local production, optimizes logistics circuits and is developing transport alternatives to road transport (rivers, rail) that are less polluting. Lower empty transport means emitting less CO₂ while reducing costs. The Group also optimizes the load rates of the transport units (trucks or shipping containers), particularly by reducing the size of the packages and the empty space inside.

■ **Resource depletion:** The Group fights the depletion of natural resources in several ways. First, it limits the consumption of water, energy and raw materials necessary to produce the products. Second, it places its products and services at the center of the circular economy (extending product life and re-use, promoting recycling and the use of recycled materials, experimenting with shared product use).

■ **Air, soil and water pollution:** Prevention of air, soil and water pollution is the first pillar of the Group’s environmental policy, designed to protect the ecological balance around our sites. The Group strengthened its tools in this area, putting in place an environmental risk assessment methodology common to all Group sites and defining a common standard for emergency response situations.

WHISTLEBLOWING AND REPORTING MECHANISM

As part of the measures introduced to ensure that the Code of Ethics' commitments are properly applied, in 2012 the Group set up a **whistleblowing system** so that any employee or person from outside the Group can report situations that violate the Code. The system is also shared with suppliers through the Responsible Purchasing Charter and a clause included in agreements whenever these are renewed.

The whistleblower process sets out the various steps for whistleblowers to follow to exercise their right, the people to be contacted, the information to be provided, the way in which reports are handled, the

confidentiality rules and protection for whistleblowers, assuming they act in a selfless manner and in good faith. It is explained in the Code of Ethics as well as in the Code of Ethics training program and made available to employees on the Group's intranet.

All reports are analyzed and followed up.

The various points in the Code of Ethics are included in the **internal audit** manual and are checked during site audits.

More information about risk factors can be found from page 61 onwards.

MANAGEMENT, GOVERNANCE AND MONITORING OF THE PLAN DEPLOYMENT

PLAN VALIDATION PROCESS

The main risks as well as the control systems were validated by the General Management Committee in December 2021 and shared with the Audit and Compliance Committee in January 2022.

COMPLIANCE COMMITTEE

To address internal and external risks and uncertainties, Groupe SEB has set up a Compliance Committee whose objective is to identify, quantify, prevent and control these risks as much as possible.

Composition of the Compliance Committee:

- Audit and internal control department;
- Legal department;
- Finance Senior Management;
- Sustainable Development department;
- Finance and Treasury department.

It meets two to four times a year to review the actions taken, discuss the challenges encountered, and formalize corrective action plans.

BUSINESS LINE ROADMAPS

The implementation of Groupe SEB's CSR actions is based on a dozen thematic roadmaps developed together with the representatives of the relevant business lines. All business lines are therefore involved in the process: Purchasing, Quality, Environment, R&D, Marketing, Brands, Health and Safety, Human Resources, Production, IT and Digital, Logistics, Consumer Satisfaction, Design, etc. Each road map is built around projects with targets and quantitative indicators. Once or twice a year a progress report is put together by the Sustainable Development department with the "business" contributors. Thus, these meetings also ensure regular review of the Group's different risks with all businesses concerned, an assessment of the actions taken, discussion of the challenges encountered, and the development of formal corrective action plans. By involving all business lines, the Group ensures that risks are identified and known to everyone at all levels, and that corrective actions are applied.

3.5 Stakeholders

Generally speaking, Groupe SEB conducts a transparent dialog with all of its stakeholders through various communication media, annually via the publication of the business and sustainable development report and the Universal Registration Document, and on an ongoing

basis thanks to a dedicated section of the Group's website and the publication of news items. Stakeholders are identified using the methodology described in paragraph 5.3.2 of the ISO 26000 standard.

Stakeholders	Modes of dialog
Employees Employees (managers and non-managers)	Intranet site, welcome booklet, internal communications initiatives, Annual Appraisal Interviews (AAIs), employee survey (<i>Great Place to Work</i>), site newspapers and documents on a range of topics (Code of Ethics, Management Values and Practices, etc.).
Future employees	Website, careers site, social networks, school forums, outreach meetings, etc.
Employee representatives Employee representative bodies	Labor relations agenda, employee-management dialog bodies, dedicated intranet, signing of collective agreements, etc.
Consumers	Group and brand websites, social networks, Groupe SEB TV, media and non-media communications, marketing research, Home & Cook stores, consumer service, etc.
Suppliers and subcontractors	Discussions with Group and local purchasers, Responsible Purchasing Charter, Code of Ethics, annual evaluation, regulatory compliance via the EcoMundo platform, social and environmental audits, etc.
Public authorities	Participation in working groups, conferences, partnerships/local projects, public/private research partnerships, competitiveness clusters, etc.
Shareholders	Business and sustainable development report, Universal Registration Document, letter to shareholders, website, webzine, Annual General Meeting, information meetings, etc.
Customers Distributors	Code of Ethics, sales meetings, partnerships and multi-year action plans, etc.
Professional associations APPLIA, Gifam, Unitam, Medef, Afep, Demeter, Éco-Systèmes, FIEEC and other eco-organizations, etc.	Participation in working groups, involvement in governance, etc.
Civil society NGOs, associations, communities	Business and sustainable development report, selection and support of projects via the Fonds Groupe SEB or subsidiaries, partnerships, cause-related marketing products, etc.
Financial and non-financial bodies Rating agencies, financial analysts, institutional investors, banks, funds, etc.	Business and sustainable development report, Universal Registration Document, website, SRI meetings, <i>road shows</i> , responses to questionnaires, press releases, communication on progress of the UN Global Compact, Investor Days, formal meetings, etc.

The breakdown of value between Groupe SEB and its various stakeholders is presented in the activity report published each year on its website.

INFLUENCING ACTIVITIES

Groupe SEB regularly communicates its opinion to the authorities about the potential consequences of an action or a decision. It provides insights through professional associations of which it is an active member and which intervene in the same way as other stakeholders such as consumer associations and other NGOs. The aim is for the authority concerned by a given subject to have all the data at hand to make the best decision with respect to the desired aim and

expectations of the various stakeholders. The Group bases its analysis on its industry expertise and its market knowledge. Since 2015, it has structured this activity in the European Affairs department, reporting to its Head of Quality, Standards and Environment. The department is tasked with transmitting to the authorities the information needed to define regulations and standards that may impact the Group's product designs.

3

Corporate Social Responsibility Stakeholders

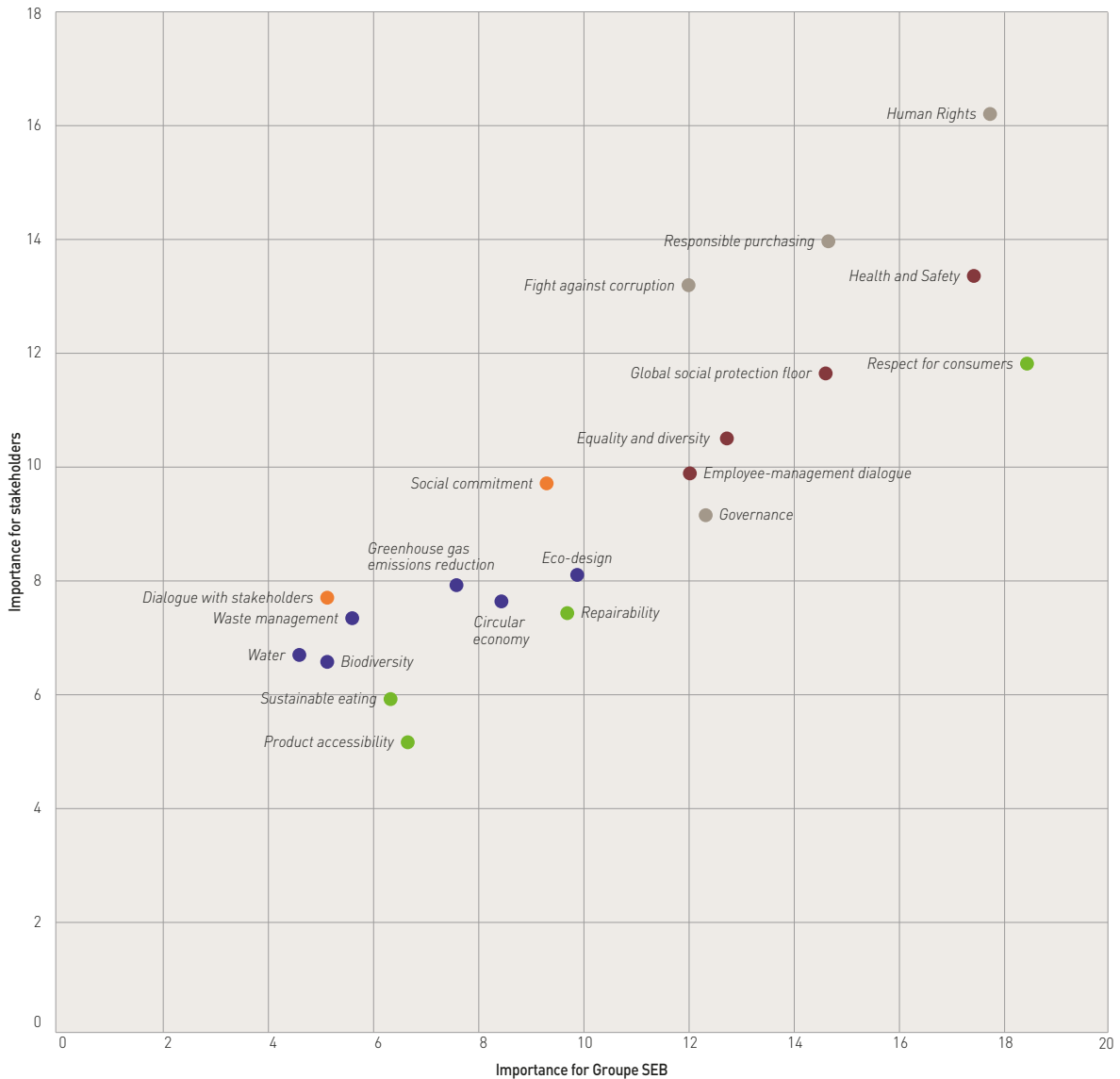
In 2020, Groupe SEB continued to act to promote the circular economy by emphasizing the importance of product reparability and by continuing to demand the creation of a tax incentive to encourage sector operators to repair and use recycled materials. It also acted in the context of the European work to promote the return of an energy label on vacuums to guarantee that the consumer has relevant information about energy consumption and performance. Groupe SEB has also worked on different issues, such as:

- the regulations on materials in contact with food;
- the regulations on connected products;
- the development of standards on the efficient use of materials.

To contribute to discussions about its industry, Groupe SEB plays an active role in various French and European professional associations such as:









- AFEP – French Association of Private Sector Companies;
- FIEEC – French Federation of Electrical, Electronic and Communication Industries;
- GIFAM – French Association of Household Appliance Manufacturers;
- UNITAM – Union of Homeware Manufacturers;
- APPLiA – Professional Association of European Household Appliance Industry;
- FEC – Federation of the European Cutlery, Flatware, Holloware and Cookware Industries.

MATERIALITY MATRIX



- Environmental issues
- Ethical issues
- Social issues
- Societal issues
- Consumer-related issues

To make it easier to read the information contained in this chapter, the table below summarizes the 20 issues identified by Groupe SEB, defines them and lists the number(s) of the pages on which the issue is addressed.

Challenges	Definitions	Page no.	SDG *
PEOPLE MATTER/ETHICS			
Human Rights	Fight against any form of forced or compulsory labor, concealed work, child labor, inhuman working conditions and excessive overtime.	154	
Responsible purchasing	Require our suppliers to respect Human Rights and essential ethical, social and environmental principles.	155-157	
Anti-corruption measures	Prohibit strongly any kind of corruption in our relationships, not only with our commercial and institutional partners, but also with the government.	154	
Governance	Work in favor of a more responsible governance: diversity and independence of the Board of Directors, increased female participation in key positions, transparency about the pay of executive officers, etc.	Chapter 2	
PEOPLE MATTER/A RESPONSIBLE EMPLOYMENT POLICY			
Equality and Diversity	Ensure equal treatment between employees. Only take into account their professional skills when it comes to their recruitment, pay and development within the Group.	163-166	
Employee-management dialog	Respect for freedom of association and union representation while encouraging employee-management dialog on both an individual and collective basis.	167	
Health and Safety	Provide each employee with a safe and healthy working environment.	169-172	
Global social protection floor	Ensure fair pay, minimum social cover and decent working conditions for all employees.	174	
PEOPLE MATTER/A CORPORATE CITIZEN			
Dialog with stakeholders	Take into account the expectations of all the stakeholders in the conduct of our activities: consumers, associations/NGOs, municipalities/public authorities, suppliers, customers, shareholders, employees, etc.	147	
Social commitment	Fulfill our economic and social responsibilities in the territories in which we operate: creating jobs, taking part in the development of local companies and supporting local associations acting against exclusion.	178-182	
SUSTAINABLE INNOVATION AND RESPECT FOR CONSUMERS			
Respect for consumers	Propose high-standard products with all the guarantees in terms of safety and harmlessness. Be very demanding about the quality of the information given to consumers through our call centers, and via our brands' websites and our after-sales service.	183-185	
CIRCULAR REVOLUTION/A MORE CIRCULAR ECONOMY			
Circular economy	Make the circular economy central to our sustainable innovations. The circular economy requires a chain structuring approach (e.g. recycling chain and re-use chain). This economic system is based on exchanges and production. At every stage of the life cycle of the products, goods and services, it aims to increase the efficiency of the resources and reduce the impact on the environment while enabling the well-being of individuals.	194-197	
Reparability	Facilitate the repair of the products: design, availability and price of spare parts, training of approved service centers, etc.	194	
BETTER HOME LIFE/PRODUCTS ACCESSIBLE FOR AS MANY PEOPLE AS POSSIBLE & A HEALTHY HOME			
Product accessibility	Promote the accessibility of the product offer to as many as possible by working on price, ergonomics and distribution networks.	190-191	
GOOD AND HEALTHY COOKING/HEALTHY AND SUSTAINABLE HOMEMADE FOOD			
Sustainable eating	Promote consumption modes favoring healthy and sustainable eating by innovating and supporting consumers.	186-189	
CLIMATE ACTION/REDUCTION OF ENVIRONMENTAL IMPACT			
Eco-design	Reduce the environmental footprint of products through eco-design.	201-203	
Water	Limit the water consumption of our sites together with their emissions to water.	206	
Waste management	Limit and recover waste from production by favoring solutions with a smaller impact on the environment.	206	
Greenhouse gas emissions reduction	Reduce greenhouse gas emissions linked to the production process (optimization of energy consumption, use of renewable energies, etc.) and the transport of products, raw materials and components.	198-210	
Biodiversity	Promote ordinary biodiversity and limit the impacts of the processes and products on biodiversity.	207	



* SDG: sustainable development Goals. The list of all the SDGs can be found on the United Nations website: <https://www.un.org/sustainabledevelopment/>.

3.6 Objectives for 2023



<p>Employment Conditions, Health & Safety</p>	<ul style="list-style-type: none"> > 100% of employees worldwide are covered by the global employment conditions program > Cut the number of workplace accidents with time lost by at least two, i.e. LTIRi < 1.0 (<i>base year 2017</i>) > 100% of plants certified in accordance with health and safety standards – ISO 45001
<p>Equity & diversity</p>	<ul style="list-style-type: none"> > 30% of women hold management positions > Bring the% of female managers into line with the% of women in the Group
<p>Quality of life at work</p>	<ul style="list-style-type: none"> > Achieve 75% on the GPTW question: “All in all, I can say it is a great place to work”
<p>Solidarity</p>	<ul style="list-style-type: none"> > 100% of the countries in which we operate run a corporate philanthropy program



<p> Better home life</p>	<ul style="list-style-type: none"> > Develop an inclusive design range of products per main product family > Create one awareness program around healthy homes
<p> Cooking for good</p>	<ul style="list-style-type: none"> > One program to make homemade food accessible to everyone > One Charter to promote healthy and sustainable eating for recipes associated with our products



<p>Recycled materials</p>	<ul style="list-style-type: none"> > 2x the plastic 100% recycled in our products in France (<i>base year 2017</i>) > 50% of recycled materials in our products/packaging
<p>Reparability</p>	<ul style="list-style-type: none"> > Over 90% of small domestic appliances 10-year repairable products for Moulinex/Rowenta/Tefal/Seb/Calor/Krups
<p>Second life</p>	<ul style="list-style-type: none"> > Experiment with different business models to give our products a second life



<p>Factories</p>	<ul style="list-style-type: none"> > -40% carbon intensity of our plants (<i>base year 2016</i>) > 100% of plants certified in accordance with the ISO 14001 Environmental Management standard
<p>Logistics</p>	<ul style="list-style-type: none"> > -10% carbon intensity of the transportation of our products and components (<i>base year 2016</i>)
<p>Products & packaging</p>	<ul style="list-style-type: none"> > -15% carbon intensity of the energy consumption of our products (<i>base year 2016</i>) > Eco-packaging: <ul style="list-style-type: none"> • 0 expanded polystyrene • 90% of recycled fibers • 0 plastic packaging

3.7 Reporting process

MEASURING OF SOCIETAL, EMPLOYMENT-RELATED AND ENVIRONMENTAL PERFORMANCE

Since 2002, Groupe SEB has been committed to reporting on its social, employment-related and environmental performance. To this end, it has established a set of monitoring indicators and reporting procedures that are regularly reviewed as part of a continuous improvement process. The indicators and procedures are set out in an internal document entitled “Reporting process for CSR steering indicators”.

SELECTION OF INDICATORS AND GUIDELINES

The indicators used by Groupe SEB to measure its performance in 2021 cover all of the items listed in Article 225 of French law no. 2010-788 of 12 July 2010, known as the Grenelle 2 law, amended by the European Directive transposed into national law, in 2017, by Articles L. 225-102-1 and R. 225-104 to R. 225-105-2 of Commercial Code. The Group goes beyond this legal requirement by reporting other indicators that fall particularly under Global Reporting Initiative (GRI) recommendations. Based on these guidelines, which are an international standard for the reporting of non-financial information, Groupe SEB has incorporated the materiality approach within its reporting process in order to identify the main sustainable development priorities and the related indicators.

In keeping with the development of national and international requirements and the Group’s philosophy of continuous improvement, it has therefore added new indicators. It has also specified the components of certain indicators to improve the reliability of published data, and in many areas has extended the reporting scope, including new acquisitions where possible.

All of the indicators reported aim to track the Group’s progress in relation to its corporate responsibility commitments. The procedure for defining and/or calculating these indicators is explained whenever useful or necessary.

METHODOLOGY AND TOOLS

The Sustainable Development department coordinates the Group-wide reporting of social, employment-related and environmental information. It develops formal processes for every relevant division and consolidates all the data collected in a specific non-financial reporting system.

Since 2012, Groupe SEB has used Tennaxia’s reporting system for sustainable development reporting. Its flexibility will make it easy to incorporate future developments: adding indicators, modifying reporting scopes, etc. It also makes it possible to create analysis reports and dashboard charts that are useful for management and decision-making. Its international roll-out was completed during 2013.

The processes and tools used to collect data for the various indicators vary from one theme to the next and between regions (France and World):

Theme/Region	France	World (excluding France)
Breakdown of workforce by gender, age, region and classification; external labor	Data extracted from SAP BW imported into Tennaxia (annual)	SAP BW data imported into Tennaxia (annual)
People with disabilities	Data compiled in a spreadsheet and imported into Tennaxia (annual)	Data input directly into Tennaxia (annual)
Absenteeism rate	Data extracted from SAP BW imported into Tennaxia (annual)	Data extracted from SAP BW imported into Tennaxia (annual)
Collective agreements	Data compiled in a spreadsheet and imported into Tennaxia (annual)	Data input directly into Tennaxia (annual)
Overtime	Data extracted from SAP BW imported into Tennaxia (annual)	Data input directly into Tennaxia (annual)
Health and safety	Data input directly into Tennaxia (monthly)	Data input directly into Tennaxia (quarterly)
Training	Data input directly into Tennaxia (annual)	Data input directly into Tennaxia (annual)
Corporate sponsorship expenses	Data input directly into Tennaxia (annual)	Data input directly into Tennaxia (annual)
Environmental data excluding direct raw materials	Data input directly into Tennaxia (annual)	Data input directly into Tennaxia (annual)
Direct raw materials	Data compiled in a spreadsheet (annual)	Data compiled in a spreadsheet (annual)

The reporting of these data involves more than 200 correspondents from different divisions on all Groupe SEB's sites.

ACCURACY AND COMPARABILITY

Groupe SEB is committed to ensuring that the data it publishes are accurate by carrying out a number of consistency tests. The Tennaxia reporting system provides an automatic consistency checking functionality to limit data entry errors. It also allows users to attach files and add comments. Any potential inconsistencies or errors flagged are reviewed with the sites and corrected. The Group also strives to maintain uniformity across its reports, presenting its indicators over a period of three years when data are available.

METHODOLOGICAL LIMITATION AND SCOPE

The social, employment-related and environmental indicators may present methodological limitations due to the lack of standard definitions and national/international laws (e.g. for workplace accidents) and/or the qualitative nature of certain data. Given these limitations, as well as potential difficulties with data collection, the reporting scope may vary depending on the indicator. Whenever the scope of an indicator is limited, this is explicitly stated. Any other variations in scope may be related to the creation, acquisition, sale or closure of sites. For 2020, all the data communicated in this chapter excludes new acquisitions, namely Ethera, Groupe SEB Media (750 g), Feelgreen and StoreBound.

Data on absenteeism came with a methodological limit in 2015. Due to the lack of any official international definition of absenteeism,

information from international subsidiaries is not subject to formal monitoring and controls at Group level. Groupe SEB has worked on its own international definition in order to be able to monitor and report on absenteeism worldwide since 2016.

Regarding Health and Safety reporting, a limitation has been identified in the recording of work-related illnesses on a global scale. Some legal systems (such as Germany) recommend medical secrecy and figures are therefore unavailable and treated as null for these specific cases.

Data on workforce for the SUPOR China scope includes temporary workers, corresponding to the "Outsourced labor" and "Dispatched labor" categories in order to be consistent with the Group's management rules.

REPORTING PERIOD

The period used for annual reporting of sustainable development information is the financial year, which corresponds to the calendar year for Groupe SEB (1 January to 31 December).

AUDIT

To comply with legal obligations, the Mazars firm verified the completeness and fairness of the social, societal and environmental information provided in this Universal Registration Document.

3.8 People matter



TO BE RESPECTFUL OF EVERYONE AND DEMONSTRATE OUR BENEFIT TO SOCIETY ON A DAILY BASIS



ETHICAL COMPLIANCE

The top priority when it comes to ethics is to apply the laws in force in each country where Groupe SEB operates. Groupe SEB also adheres to the international standards set out by the UN, and particularly to the principles of the Universal Declaration of Human Rights, the fundamental conventions of the International Labour Organization (ILO) and the OECD's guidelines for multinational enterprises. It is also a signatory of the UN's Global Compact and the APPLIA's Code of Conduct ⁽¹⁾.

The Group's tangible commitments in terms of Human Rights put it in the top 1% of the best performing companies worldwide in this sphere, according to the "Human Rights in a globalized world: why do companies need to pay more attention?" study published at end-2018 by the non-financing rating agency Vigeo-Eiris. This study was published to mark the 70th anniversary of the Universal Declaration of Human Rights and looks at companies in 60 countries and 38 sectors.

CODE OF ETHICS

18 areas, 11 languages

Over the last 10 years, Groupe SEB has more than doubled in size, acquiring several companies (including EMSA and WMF in 2016 and Wilbur Curtis in 2018), and has become an increasingly international group. It now has close to 33,000 employees around the world, with around two-thirds of its workforce located outside of Europe. Since a common culture and a shared set of values are essential to a successful ethical approach, Groupe SEB has structured and formalized its policy in the form of a Code of Ethics, which was drafted in 2012. Translated into the Group's 11 main languages, it has been distributed to all employees worldwide and is now available online on the Group's intranet. This document addresses 18 key areas, including child labor, anti-corruption measures, non-discrimination, environmental protection and the prevention of conflicts of interest.

A global training program

The implementation of the Code of Ethics in 2012 was backed up with close to 10,000 hours of training. In 2018, the Group launched a new wave of training to ensure that every employee understood the key concepts and knows how to act when faced with an ethical dilemma. At year-end 2021, 88% of 11,100 connected employees had taken the online training program, available in ten languages on the *iGrow@Seb HR online platform*. It consists of six modules designed in an interactive and fun manner. They comprise a theoretical component followed by a quiz and a case study where the employee is faced with an ethical issue. In order to make it as real-world as possible, this training was developed jointly by various Group departments: sustainable development, Training, Human Resources, Quality Standards & Environment, Audit and internal control, Purchasing, Legal, Health and Safety. This is included in the mandatory training for new employees. In 2020, the Group developed a yearly refresher module sent to all connected employees as part of the Compliance Refresher program (see section Training, page 176).

For employees without online access, classroom-based training began in 2019. Coordinated by the Human Resource Managers and site managers, it focuses on areas considered priority and on specific cases tailored to local circumstances. Its rollout, which was hampered in 2020/2021 by the pandemic, will ramp up in 2022 (depending on health and safety restrictions) to cover all the teams involved.

Whistleblowing system

As part of the measures introduced to ensure that the Code of Ethics' commitments are properly applied, in 2012 the Group set up a **whistleblowing system** so that any employee or person from outside the Group can report situations that violate the Code. The system is also shared with suppliers through the Responsible Purchasing Charter and a clause included in agreements whenever these are renewed.

(1) Professional Association of European Household Appliance Industry.

The whistleblower process sets out the various steps for whistleblowers to follow to exercise their right, the people to be contacted, the information to be provided, the way in which reports are handled, the confidentiality rules and protection for whistleblowers, assuming they act in a selfless manner and in good faith. It is explained in the Code of Ethics as well as in the Code of Ethics training program and made available to employees on the Group's intranet.

All reports are analyzed and followed up.

The various points in the Code of Ethics are included in the **internal audit** manual and are checked during site audits.

More information about risk factors can be found from page 49 onwards.

HUMAN RIGHTS

Respect for Human Rights forms an integral part of the Groupe SEB Code of Ethics as well as the training offered in this regard to international HR Managers. As a signatory of the Global Compact since 2003, in 2007 the Group decided to evaluate its teams' practices in relation to Human Rights in subsidiaries employing more than 10 people. Up until 2014 it used the HRCA (Human Rights Compliance Assessment) Quick Check self-assessment tool, developed by the Danish Institute for Human Rights and, for sites operated by its Chinese subsidiary Supor, the CBSSC (China Business and Social Sustainability Check). These self-assessments covered almost 99% of the workforce and drove improvements.

External audits in risky areas

Since 2015, Groupe SEB has applied the same **ethical, social and environmental audit** procedure that it operates with its suppliers (WCA – Workplace Condition Assessment) to its plants in risky areas, using the same specialist consulting firm Intertek (see below).

The audits (conducted on average once every three years) are accompanied by action plans to rectify any non-compliances, and sites with a compliance score of less than 70/100 must undergo a follow-up audit. The action plans are submitted to the Sustainable Development department. This department shares them with the Industry department (including the Health, Safety and Environment Managers), the Human Resources department and the Audit and internal control department, which are therefore able to verify their implementation. An annual summary of the audit results is also sent to the Executive Committee. This monitoring system, similar to the one used for the Group's suppliers, allows external comparisons to be made and the generating of audits that can be used in dealings with customers.

In 2021, five sites were audited in Brazil, China and Colombia. 100% of the sites obtained an overall compliance score of over 80% (average score of 90/100) and no "zero tolerance" non-compliance was noted.

ANTI-CORRUPTION MEASURES

This issue has been incorporated in the global Code of Ethics since 2013. It provides, in particular, that Groupe SEB strictly prohibits any form of corruption in its dealings with commercial and institutional partners as well as with the government. No financial rewards or other types of benefits may be offered in an effort to seek an advantage or be received in exchange for preferential treatment. In addition, in 2003, the Group signed up to the UN's Global Compact, whose tenth principle requires businesses to work against corruption.

The Audit and internal control department includes the risk of fraud and corruption in its assessments. Given the economic environment in which Groupe SEB subsidiaries operate, the principal risks are related to the purchasing process (passive corruption of the purchaser) and sales (active corruption of customers' employees). These risks are mitigated for each of these two processes by specific rules; compliance with these rules is checked when the subsidiaries are audited. The great majority of subsidiaries have retailers as their customers (often several hundreds), with whom they deal directly without an intermediary. Close coordination was established between the outside audit team, the internal audit unit and accounting teams, particularly on internal control points.

Code of Conduct

In addition to the Code of Ethics, a specific anti-corruption Code of Conduct, which was finalized in 2020, started being gradually rolled out in 2021. The Code aims to guide all Groupe SEB employees in the performance of their duties if they believe a particular situation presents a vulnerability risk in terms of corruption and influence peddling. In accordance with the French Sapin II law (09/12/2016), a professional whistleblowing process (see above) allows employees to confidentially report any violation or suspected violation of the Code or of any law or regulation governing Groupe SEB.

Corruption risks questionnaire

As part of the annual update to the corruption risk mapping, the Group sends out a detailed questionnaire on corruption risks to all entity managers (commercial subsidiaries, plants, shared service centers) and to all support managers, i.e. 217 people. Analyzing the returned questionnaires makes it possible to detect any warning signs or weak signals and therefore adjust courses of action accordingly. If necessary, checkpoints may be added to the internal control Manual.

RESPONSIBLE PURCHASING

Groupe SEB bears great responsibility in terms of the manufacturing of its products under ethical conditions. It follows a responsible purchasing policy that includes reporting and control systems to ensure that its suppliers comply with its ethical, social and environmental requirements worldwide. Each year, an audit campaign is conducted to identify gaps and correct them through dedicated action plans (see below).

This policy is continually reinforced. It is covered by a shared road map between the Purchasing and Sustainable Development departments. It is implemented and rolled out on two levels:

- **at corporate level**, the Purchasing department organizes training and events on responsible purchasing for its entire community, including webinars on the topic. The department shares the progress of the “Responsible purchasing” roadmap with the teams twice a year and highlights the various initiatives;
- **in operational entities**, buyers are responsible for managing relations with suppliers: conducting social, ethical and environmental audits, ensuring compliance with the Responsible Purchasing Charter, reviewing sustainable development challenges during the preliminary assessment of suppliers, and training (particularly on audits).

The purchasing strategies play a leading role in reducing the Group’s environmental footprint, such as in the supply of recycled materials (for products and packaging), the development of renewable energies (photovoltaic projects), and low-emissions logistics solutions (see chapters on “Circular revolution”, page 193, and “Climate action”, page 198). The Purchasing teams are also involved in forging partnerships with players in the social and solidarity economy.

In 2021, Groupe SEB in France renewed its commitment to the principles of the **Charter on Supplier Relations and Responsible Purchasing**⁽¹⁾. With its **10 pledges**, it helps to build a **balanced and lasting relationship between the signatories and their suppliers**, with awareness and respect for the rights and responsibilities of each party.

RESPONSIBLE PURCHASING CHARTER

Groupe SEB’s Responsible Purchasing Charter is based on its Code of Ethics and Responsible Purchasing policy. It has so far been available in French, English, German, Chinese, Spanish and Portuguese, and it was translated into four new languages in 2021: Danish, Finnish, Norwegian and Swedish.

In this document, the Group reiterates its requirements as regards respect for Human Rights and its ethical, social and environmental principles. This Charter is a common frame of reference for the Group’s Purchasing teams and its suppliers. The aim is to ensure that the fundamental principles of sustainable development in purchasing (supplier relationship, environmental impact, anti-corruption, etc.) are applied and taken into account as key drivers of success and performance.

The Charter is sent to all of Groupe SEB’s direct suppliers (raw materials and components) and suppliers of finished products for them to sign.

Suppliers of **indirect purchases** (services, energy, information systems, maintenance, transport, overheads, etc.) are not required to sign if their activity is judged to be inconsequential based on predefined criteria (contract amount, nature of purchase, frequency, etc.).

PRELIMINARY EVALUATION OF SUPPLIERS

Any new supplier of raw materials, components or finished products is subject to a rigorous preliminary evaluation conducted under the supervision of the lead buy in that category. A supplier evaluation form lists the points to be reviewed during an on-site visit lasting at least half a day and carried out by a Purchasing team (in 2020/2021, some visits were carried out remotely for health and safety reasons).

Social and environmental criteria play a significant role in this assessment and have a direct impact on the decision to approve the supplier (minimum requirements need to be met). For the environmental aspect, these criteria primarily include the following factors: ISO 14001 certification, pollution (water, ground and air), the use of hazardous products, energy use, and waste management. For the social aspects, the main criteria are: existence of a formal ethical/social policy or the signature of Groupe SEB’s Responsible Purchasing Charter, working conditions, observance of employment law (age, working hours, etc.) and of safety rules.

In addition, the Group has been tightening the selection process for suppliers located in risky areas since 2020⁽²⁾, requiring any new supplier to first pass an ethical, social and environmental audit (see below). This requirement also applies to indirect suppliers⁽³⁾.

(1) Charter drawn up by the Conseil National des Achats (French National Council for Procurement) and Médiation des entreprises (business ombudsman), under the auspices of the French Ministry of the Economy and Finance.

(2) Risky areas as defined by amfori/Business Social Compliance Initiative – Country Risk Classification, 2018.

(3) With the exception of suppliers whose activity is judged to be inconsequential based on predefined criteria (contract amount, nature of purchase, frequency, etc.).

MAPPING OF CSR ISSUES BY PURCHASING FAMILY

In addition to the compliance requirement, the Group is striving to strengthen the sustainable development component of its purchasing. In order to identify opportunities for improvement, it began mapping out the social and environmental issues for its main purchasing categories in 2014. This study notably led to the insertion of environmental and social clauses into calls for tender. These are designed, for example, to favor suppliers offering environmentally friendly solutions or who are committed to employing disadvantaged people.

In 2021, the Group began updating this mapping of CSR issues by purchasing family (see “Duty of vigilance” page 142). It will be finalized in 2022 and will be used to draft an action plan to make progress in the social and environmental aspects of purchasing.

Subcontractors in the disability and inclusive employment sector

This impetus is a game changer, especially in the strengthening of links with players in the non-profit and social sectors, particularly in France.

For example, FM Logistic France, which manages the Group’s product logistics at its Saint-Cyr-en-Val platform, near Orléans, created FMEA, a company providing work to people with disabilities, on this site. This organization employs people with disabilities to perform repackaging operations (such as adding starter kits or samples to packaging).

By the same token, the Pont-Évêque plant welcomes a team from a sheltered employment center to its premises and assigns the team increasingly complex product assembly tasks, just like at the Lourdes site, which works with an organization that employs people with learning disabilities. The Faucogney site calls on welfare-to-work associations for the packaging of spare parts and accessories, while at the Is-sur-Tille site, the Groupe Coopératif Demain (an organization that works to get people into work who have previously been excluded from the job market) provides a recycling service. The Mions logistics platform welcomes six workers from a sheltered employment center (ESAT), who have an intellectual or mental health disability, for tasks such as repalletizing, material handling, and dealing with non-compliant products.

At the SEB Campus in Écully, ten companies from the protected sector are involved in jobs such as catering, cleaning, hospitality and maintenance of green spaces. Handishare, a company providing work to workers with disabilities, also provides administrative services for Human Resources and general services. The Group appointed sheltered workshop Recyclea in 2021 to recycle IT equipment and salvage end-of-life servers.

See more details about these partnerships in the “A responsible participant in the economy” section, page 182.

At the end of 2021, work subcontracted to the disability and inclusive employment sector totaled more than €6.2 million, across all of the Group’s French sites.

ETHICAL, SOCIAL AND ENVIRONMENTAL AUDITS

Ethical, Social and Environmental Audit Charter

For the sake of transparency, the Group has put together an Ethical, Social and Environmental Audit Charter for its suppliers. It is sent to them, along with the points on which they will be rated during audits. To help suppliers make progress in social and environmental matters, the Group offers them training on this topic. In 2021, these sessions were held as webinars because of Covid-19 and 175 suppliers from China, Colombia and Brazil attended them. They were also attended by Group buyers responsible for monitoring them.

Internal global network of social audit leaders

Groupe SEB’s social audit leaders oversee efforts to carry out audits and monitor progress plans undertaken by suppliers. This network has 19 members (11 for finished products and 8 for direct and indirect purchases), spread across all continents. It was revised in 2021 to increase operational agility, with local delegations set up as close as possible to the Group’s entities and plants. This network is coordinated by the Social Compliance Manager (based in Hong Kong) and through regular meetings (web conferences) attended by the Group’s Purchasing Directors, covering audit reviews, the analysis of results, exchanges of best practices, and so on.

A highly formalized procedure

The Group conducts ethical, social and environmental audits across all supplier categories (raw materials, components, finished products, indirect purchases). Initial audits are conducted every three to four years depending on the results. Interim monitoring audits are scheduled if a corrective action plan is in place.

Suppliers affected by audits:

- at-risk countries ⁽¹⁾ all suppliers may be affected; social audit leaders plan audits based on the priority criteria defined by the Group;
- other countries: audits with specific suppliers (significant business issues given the amount of and increase in expenditure), or following a warning from a Group buyer about a matter of concern.

Ethical, social and environmental audits are done by Intertek. A global audit management tool ensures immediate and accurate monitoring, and it allows the results obtained by the Group’s suppliers to be compared with those of companies listed in the Intertek database (more than 32,000 audits).

The procedure is very formal. During an initial in-depth audit (one to three days on site, depending on the size of the company), the auditor reviews **367 checkpoints** from the **WCA** (Workplace Condition Assessment) audit criteria, which was expanded in 2021 with a sixth module on integrity (the other five modules are: working conditions, salaries and working hours, health and safety, management system, and environment). Each checkpoint is assessed according to a four-level scale of compliance ranging from “zero tolerance” (forced labor, blocked emergency exits, excessively long hours, etc.) to minor non-

(1) Risky areas as defined by amfori/Business Social Compliance Initiative – Country Risk Classification, 2018.

compliances, with moderate and major non-compliances (no pay slip, emergency exit signs, etc.) in between. The final score, calculated out of 100, is ranked according to four performance levels: high performance (85 to 100), average (71 to 84), poor (51 to 70) and very poor (0 to 50). The audit report is sent to the Group's Purchasing department.

- A single "zero tolerance" non-compliance (e.g. failure to comply with the legal working age) triggers the following actions: a formal letter from the Purchasing Director or Sourcing Director requiring the implementation of a **corrective action plan** within two weeks, immediate suspension of any new consultations and a **follow-up audit** (by Intertek) one month later to check that the issue has been resolved. If not, the Group decides to end the collaboration.
- If a score of less than 50/100 is obtained for one of the six modules, or if an aggregate score of less than 50/100 is obtained, then the Regional Head of Purchasing or Sourcing sends a formal letter warning the company to correct the breach and checks that the situation has been rectified through a follow-up audit in the following months.

Some companies acquired by Groupe SEB (such as OBH in 2015, WMF and EMSA in 2016) already had a social audit procedure, based on the BSCI (Business Social Compliance Initiative). These audits are added to the Intertek database, and so the Group has signed up to the BSCI in order to better monitor them. In 2021, Groupe SEB also began taking into account the SMETA audits (four pillars) carried out by certain suppliers. The results of these audits are converted into WCA criteria and then included in the Group procedure for handling instances of non-compliance. The Group's approach is still focused on WCA, however.

Initial and follow-up audits

Initial audits are paid for by the Group. Suppliers with a score of more than 70/100 are audited every four years and those with a score of between 51/100 and 70/100 every three years. The others must conduct a follow-up audit within 12 months of the initial audit to verify that the necessary corrective measures have been implemented. The supplier bears the cost of follow-up audits (and re-audits if necessary).

In 2021, the Group completed 200 initial audits (137 in 2020) of suppliers in Asia (145), South America (40), Europe (12), Turkey (2) and Tunisia (1) in 2021. Over the past four years (2018–2021), 151 follow-up audits were scheduled to check the implementation of action plans. In 2020, four suppliers, which had refused to undergo this follow-up audit or did not take action, were removed from the Group's approved suppliers, and the Group stopped all new projects with them.

Intertek also hands out an Achievement Award (AA) label to suppliers who have an overall score of at least 85/100 and do not present any major or zero tolerance-type non-compliances. In 2021, 34 Group suppliers received the AA label.

3

MONITORING OF CHEMICAL SUBSTANCES

To help its suppliers ensure compliance with regulations prohibiting the use of hazardous substances, Groupe SEB forged a new partnership with Bassetti Data Provider at the beginning of 2022, a company that specializes in the management of technical, regulatory and environmental data. Around 1,000 Groupe SEB suppliers can access a dedicated internet portal, which makes it easier for them to write their eco-declarations. The Group is also making continuing efforts to monitor certain substances, in anticipation of future regulatory changes (particularly in Europe, i.e. RoHS and REACH).

For further information on how purchasing is organized within Groupe SEB, see page 39.

A RESPONSIBLE EMPLOYMENT POLICY

2021 – another year shaped by Covid-19

In 2020 and 2021, Groupe SEB's human resources management was heavily impacted by the global Covid-19 pandemic, which spread in successive waves, alternating with periods of relief and recovery. The Group has had to continuously adapt in unpredictable circumstances.

Health first

As Groupe SEB's top priority is the health and safety of its employees, it has made every effort to ensure that they stay protected. In addition to complying with local regulations, the Group introduced strict health and safety measures in each country, which were largely based on the rigorous measures taken in France and are set out in a handbook for reference (guidelines for offices, stores and plants). This health protocol, drafted in French and English, has been continually updated (see more information on these measures in the Health and Safety section, page 169).

The Human Resources department has ensured that it has kept very tight control over the situation by using its continental contacts in cooperation with the Health and Safety department. The Executive Committee received two types of report every week. There was a daily update on the number of Covid cases, and there was a weekly detailed report on the situation in various countries, covering their health conditions, restrictions and lockdown measures, site closures, tele-commuting, etc. Monitoring the situation this closely allowed the Group to make decisions very rapidly and react in real time to how the epidemic was developing so as to limit its impact on the teams and on business. In 2021, an employee from the Group's global teams sadly passed away.

Social assistance

At the start of the crisis in early 2020, more than 60% of the countries where the Group operates had no structured public financial mechanism to support employees in the event business activity temporarily ceases (site closure, short-time working, etc.). The Group examined the situation in each country and quickly took measures, where necessary, to compensate for this lack of legal provisions. Action was taken in the US, for example, to maintain healthcare coverage.

To make up for scaled back operations, the Group used all the statutory mechanisms available (depending on the country: short-time working measures, reduction in working hours, taking leave, etc.) to avoid redundancies as a result of Covid-19.

Groupe SEB's Human Resources policy aims to consolidate a worldwide human resources policy based on the Group's values (entrepreneurial drive, passion for innovation, group spirit, professionalism and respect for people). It is based on major focal points such as respect for Human Rights, the development of skills, health and safety in the workplace, employee-management dialog and diversity and equality.

In the 2021 Best Employers in France awards run by the Capital magazine and Statista Institute, Groupe SEB was ranked in the top five in the electrical equipment sector for the fourth year running, with special mention of CSR (Corporate Social Responsibility) and Quality of Life at Work (QLW).

All the data presented below are based on a worldwide scope, excluding EMSA Taicang, and excluding WMF Heshan. Data concerning new acquisitions will be included progressively, as and when they are integrated into the various Group processes.

GLOBAL HUMAN RESOURCES MANAGEMENT

To support its international growth and ensure equal treatment for all, Groupe SEB draws on human resources processes that are harmonized worldwide. These are integrated within a dedicated information system that uses the latest generation of digital tools. This digitization enables more automated tasks, connects up the various processes more easily and improves global management. It provides both a consolidated and cross-company view that makes the Group more agile.

Groupe SEB's **Managerial Competency Model**, based on the Group's values and written in a language that can be understood by all, explains the managerial conduct that should be adopted to achieve the desired performance. It has been rolled out across all countries since 2016 and incorporated into the framework of the Annual Appraisal Interview (AAI). It has also been included in the Group's leadership training programs and is used to evaluate the managerial competency of external and internal candidates when hiring or moving internally. To help managers implement it day to day, the Group regularly organizes workshops for various entities' Management Committees. In 2021, these took the form of webinars, a more suitable format given the current health and safety restrictions. Moreover, a special e-learning module is available to all employees to enable everyone, from the moment they join the Group, to share these core managerial practices.

Of the five personal targets defined in an Annual Appraisal Interview, one or two are related to the personal development of the manager, which has a direct link to the managerial competency model. Ahead of this interview, the managers are given the opportunity to self-assess with a view to enriching the discussion. In 2021, over 99% of the 3,500 or so managers eligible for an AAI received such an interview worldwide.

In parallel to managerial skills, in 2018 Groupe SEB developed a **framework of professional skills and their associated jobs** (marketing, sales, finance, purchasing, manufacturing, etc.). It is now incorporated into the AAI as a basis for assessing job competency. Almost 250 job descriptions are available to all employees, including via the intranet.

In 2018, the Group also launched an accreditation program for its experts to recognize employees with key technical and scientific skills in different fields. An internal jury awards the Expert label, which can be renewed every year. Employees who are given this award have specific experience and training. This program is gradually being rolled out in the Group. In 2021, 12 experts were confirmed in the Research field with 11 in the Development field, while the selection process began for the Industry field.

ATTRACTIVENESS OF THE GROUP AND CAREER DEVELOPMENT

Professional development

Internal promotion, paired with the integration of new profiles and skills, is a priority for the Group. In 2021, 41% of managerial positions were filled by Group employees, both in France and worldwide, and succession plans for 90% of key positions are served by Group staff.

Internal job offers are published on the iMove@Seb website accessible on the intranet, which employees can use to apply for jobs. Geographic **transfer** is a component of internal promotion, and it is applying to an increasingly diverse population: in 2021, for example, more than half of the international transfers took place outside France and Europe. The Group generally supports all forms of internal transfer, whether functional or geographical, national or international, through local talent management, guidance and financial assistance throughout the year.

The Group has offered a **mentoring** program since 2017 to develop and retain talented individuals while promoting women's access to positions of responsibility. The principle is for an experienced manager to support and advise a "high potential" employee for a year to help them to succeed in their career within the Group. The gender parity of the pairings is ensured with regard to both mentors and mentees. This development tool, which benefits both parties, has been highly successful. Two to three cohorts of around ten pairs are established each year. Over five years, the program has involved 198 people from 26 countries, working in various functions and at different levels. Of those involved, 61 received a promotion or were transferred geographically.

The digital sphere helping recruitment

When it comes to external recruitment, the Group relies heavily on digital tools, which has enabled it to remain very active in recruitment in 2020/21 despite the pandemic. It is increasing its presence and activity on specific **social media platforms**. It also uses its new **Group careers website**, featuring more content and providing a better experience for applicants. A gallery of portraits and first-hand accounts of employees worldwide give visitors a better sense of the Group's businesses and their challenges. Moreover, a new interface allows applicants to see all available opportunities and to identify those that are a fit thanks to a more user-friendly presentation and more extensive search filters.

All external applications, wherever they come from, are gathered on a single **e-recruitment platform** appropriate to the Group's global structure (Taleo). This platform has been introduced in 49 countries and received around 47,500 applications in 2021 (15,000 applications in 2015). In order to get its job offers out into the marketplace, the Group partners with major jobs sites, both globally (LinkedIn, for example) and locally (in France: APEC, Cadremploi, Hellowork, etc.). The Taleo platform offers candidates a simplified and seamless experience that allows them to apply from any device (smartphone, tablet, etc.) in just a few minutes. Taleo also manages internal transfer requests, as previously mentioned (*iMove@Seb*).

Attracting young talent

To widen its pool of young talent, the Group maintains close ties with specific **higher education establishments**, specializing in marketing/business and engineering. It has in particular partnered with the ESSEC's Chair of Fast-Moving Consumer Goods (Paris) and, since 2018 AgroParisTech's Chair of Food, Nutrition and Eating Behavior. In addition to strengthening its "employer brand", these partnerships give it access to the work of researchers in these fields that are vital for its growth strategy.

Groupe SEB's ties with students are also firming up internationally through the partnership with the CEMS Global Alliance, which brings together around 30 leading management and business schools (30 countries, 1,000 students, 65 nationalities). Groupe SEB organized a total of around 100 initiatives with specific educational institutions in 2021, including forums, talks, case studies, and juries.

In autumn 2021, the fourth year of students on the **Graduate Program** joined the Group. This program aims to train young graduates from business and engineering schools and universities. The Group offers them the chance to do a two-year stint in one of its key business divisions with an initial 12-month posting in France followed by two six-month postings abroad. There are various programs: Purchasing, E-Commerce, Finance, Industry, Marketing, Supply Chain, Information Systems, etc.

Another key program dedicated to young talent is VIE (Volontariat International en Entreprise), a French voluntary international work experience scheme. The Group offers around ten assignments per year, lasting a period of 12 to 24 months. Some of them therefore went to work in finance in the Netherlands, in marketing in Belgium or in the supply chain in Romania.

On average, the Group takes in about 300 **interns and work-study trainees** every year. In 2021, for the eighth year running, it was awarded the **Happy Trainees** (France) label, which recognizes excellence in its commitment to its students. The Happy Trainees survey involved some 192 students, based on six criteria: professional advancement, stimulating environment, management, motivation, pride, job satisfaction. The Group is ranked 4th in its category, with improved results for most of the criteria.

In 2021, it also made it to the **top three** in the list of "**Favorite companies for students and young graduates**" in France in the "Consumer Goods and E-Commerce" category. The study, conducted by Epoka and Harris Interactive in partnership with L'Étudiant, rated how attractive nearly 250 companies were to 8,000 students and young graduates.

This Young Talents policy, which includes interns, work-study trainees and participants in the Graduate Program and VIEs produced results in 2021: the Group recruited nearly 70% of its young graduate employees (management positions) by drawing on this pool.

EMPLOYEES

Breakdown of total workforce by geographic region

Worldwide (excl. EMSA Taicang, WMF Heshan, Seb Professional Shanghai and Krampouz)

<i>(number of individuals)</i>	2021	2020	2019
France	5,883	5,661	5,843
Other EMEA countries	10,201	10,255	10,575
Americas	2,909	2,738	2,716
Asia	13,380	13,730	14,159
WORLD	32,373	32,384	33,293

The total workforce includes those working under permanent contracts, fixed-term contracts or other similar contracts, as well as work-study trainees. Temporary employees are not included in this figure. At 31 December 2021, Groupe SEB had 32,373 employees based on the scope defined in the table above.

Breakdown of changes in the workforce

Worldwide (excl. EMSA Taicang, WMF Heshan, Seb Professional Shanghai and Krampouz).

<i>(Number of individuals)</i>	2021	2020	2019
France			
Recruitment ⁽¹⁾	856	403	562
Fixed-term and work-study	328	239	308
Permanent contracts	528	164	254
Departures ⁽¹⁾	645	563	564
Economic redundancies	0	0	0
Terminations for other reasons	11	60	50
AVERAGE STAFF TURNOVER RATE ⁽²⁾ (IN %)	1.83 *	1.37 *	1.40 *
Other EMEA countries			
Recruitment ⁽¹⁾	1,863	1,644	2,593
Fixed-term and work-study	831	772	970
Permanent contracts	1,032	872	1,623
Departures ⁽¹⁾	1,939	1,765	2,001
Economic redundancies	46	55	44
Terminations for other reasons	193	138	194
AVERAGE STAFF TURNOVER RATE ⁽²⁾ (IN %)	7.37 *	6.06 *	8.37 *
Americas			
Recruitment ⁽¹⁾	771	462	552
Fixed-term and work-study	128	116	124
Permanent contracts	643	346	428
Departures ⁽¹⁾	715	537	589
Economic redundancies	129	116	163
Terminations for other reasons	87	100	65
AVERAGE STAFF TURNOVER RATE ⁽²⁾ (IN %)	9.54 *	4.78 *	7.27 *
Asia			
Recruitment ⁽¹⁾	8,161	5,865	6,569
Fixed-term and work-study	7,851	5,692	5,968
Permanent contracts	310	173	601
Departures ⁽¹⁾	8,322	6,070	6,739
Economic redundancies	109	22	21
Terminations for other reasons	800	604	3
AVERAGE STAFF TURNOVER RATE ⁽²⁾ (IN %)	13.63 *	10.03 *	13.01 *
World			
Recruitment ⁽¹⁾	11,651	8,374	10,276
Fixed-term and work-study	9,138	6,819	7,370
Permanent contracts	2,513	1,555	2,906
Departures ⁽¹⁾	11,621	8,935	9,893
Economic redundancies	284	193	228
Terminations for other reasons	1,091	902	312
AVERAGE STAFF TURNOVER RATE ⁽²⁾ (IN %)	6.54 *	4.72 *	6.37 *

(1) Excluding internal transfers and the return of expatriates.

(2) Number of resignations of permanent contract employees/average number of permanent employees.

* Turnover scope: excluding WMF France Consumer Goods, Seb Professional France, Seb Professional NA, Wilbur Curtis Co., Inc., Seb Professional Iberia, GS Australia, GS New Zealand, Supor China and Supor Vietnam.

As in previous years, the consolidation of Supor in the Asia data leads to a high number of fixed-term or similar contracts, which are very common in China and are often for long terms, especially for manual

workers. The high number of departures in the Asia region therefore reflects the expiration of these fixed-term contracts.

In 2021, the turnover rate was 6.54% (4.72% in 2020).

BREAKDOWN OF WORKFORCE BY TYPE OF CONTRACT

Worldwide (excl. EMSA Taicang, WMF Heshan, Seb Professional Shanghai and Krampouz).

	2021	2020	2019
France			
Permanent contracts, fixed-term contracts or other short-term contracts excl. work-study	5,570	5,408 ⁽²⁾	5,531
Full-time workforce (incl. work-study)	91%	90.2%	90.4%
Part-time	9%	9.8%	9.6%
Work-study trainees ⁽¹⁾	313	253	312
Other EMEA countries			
Permanent contracts, fixed-term contracts or other short-term contracts excl. work-study	9,973	10,049 ⁽²⁾	10,338
Full-time workforce (incl. work-study)	79%	77.8%	77.4%
Part-time	21%	22.2%	22.6%
Work-study trainees ⁽¹⁾	228	206	237
Americas			
Permanent contracts, fixed-term contracts or other short-term contracts excl. work-study	2,827	2,650 ⁽²⁾	2,641
Full-time workforce (incl. work-study)	99.9%	99.8%	99.7%
Part-time	0.1%	0.2%	0.3%
Work-study trainees ⁽¹⁾	82	88	75
Asia			
Permanent contracts, fixed-term contracts or other short-term contracts excl. work-study	13,380	13,712 ⁽²⁾	14,109
Full-time workforce (incl. work-study)	99.6%	99.8%	99.8%
Part-time	0.4%	0.2%	0.2%
Work-study trainees ⁽¹⁾	0	18	50
World			
Permanent contracts, fixed-term contracts or other short-term contracts excl. work-study	31,750	31,819 ⁽²⁾	32,619
Full-time workforce (incl. work-study)	91%	91.1%	91.1%
Part-time	9%	8.9%	9.0%
Work-study trainees ⁽¹⁾	623	565	674

(1) Working under apprenticeship/professional training contracts.

(2) Data updated for 2020.

Worldwide, 68.5% of the workforce are on permanent contracts, 29.6% on fixed-term contracts, including 1.9% work-study trainees. Excluding Supor China and Supor Vietnam, where fixed-term contracts are normal and often for long periods, particularly for manual workers, 92% of the workforce are on permanent contracts.

DIVERSITIES

When the Group talks about diversity, it likes to use the plural of the word to highlight the fact that it is multifaceted and that the Group promotes diversity in all aspects. The Group considers it to be a source of energy, creativity and innovation. In 2017/2018, the human resources teams in France and the Executive Committee took the first steps to learn about stereotyping, diversity and gender equality. Since then, these awareness-raising initiatives have increased in the various entities.

Groupe SEB has made diversity and gender equality its top priority, setting itself very ambitious Group objectives (see below). The Group also ramped up efforts in the other areas of diversity, such as equal opportunities (social and generational diversity), disability and cultural diversity, which are addressed in a more decentralized manner.

Work in these areas is based on **Group-wide action plans**, focusing in particular on: recruitment and integration (quantified targets); training and initiatives to raise employee awareness; career management (including internal and international transfer); leadership and managerial practices (raising awareness, training, joint development groups); internal communication, and encouraging employee engagement.

In France, Groupe SEB has been a signatory of the Diversity Charter since 2005. Numerous actions aim to support the implementation of this policy at local sites and raise awareness across the workforce. Since 2018, training has been developed on the theme "Recruiting and managing without discriminating, harassing or slandering" for Human Resources Managers, people responsible for recruitment, employee representatives and Management Committees at French sites. Approximately 300 managers have been trained over the last four years. Diversity is monitored by specific committees covering signed collective agreements on this issue. More specifically regarding gender equality, a Group committee tasked with monitoring the collective agreement (France) analyzes the actions implemented in this regard. Moreover, the sites must roll out local action plans on various issues: professional development, access to training, equality in terms of remuneration, work-life balance and recruitment.

Across the world, subsidiaries are taking many initiatives to support diversity in all its forms, with the support of the Group. In Brazil, for example, as part of its learning policy, the Group encourages the hiring of young people from low-income families, and offers them different types of training.

Gender equality

GRUPE SEB 2023 TARGETS

- 30% of female managers
- Bring the% of female managers into line with the% of women in the Group

Gender equality in the workplace is an integral part of Groupe SEB's non-discrimination policy. In 2019, it strengthened its approach with the **Gender Diversity global commitment plan**: each Management Committee, regardless of the country or type of entity (plant, sales subsidiary...) must commit to six actions on gender equality from a dozen actions suggested by the Group. For example: training against discrimination, implementation of a collective agreement promoting gender equality, the inclusion of at least one woman on the list of final applicants when hiring, etc.

Some examples of initiatives undertaken since 2019:

- a global communications campaign on work-life balance;
- the establishment on the intranet of a Yammer community dedicated to gender equality;
- the commencement of a woman's network open to men within the Group;
- webinars and conferences organized on several occasions and accessible via Skype and/or the intranet.

These initiatives were hampered by the public health crisis in 2020/2021, but they will be back in full force from 2022.

In addition, the Group has also been on the board of "*Alliance pour la Mixité en Entreprise*" (AME) with two employee representatives since 2018. This association brings together the networks of some 20 large companies and aims to encourage experience sharing, benchmarking and mutual assistance on gender equality.

FRANCE: A KEY AGREEMENT

In France, gender equality in the workplace is covered by a **collective agreement** (renewed at year-end 2018). It details and amplifies actions already taken, in particular to reflect societal developments, and includes tools and methods for achieving the targets set. Firstly, the Group reaffirms its commitment to guarantee wage equality between men and women from hiring, to maintain it over time and not to penalize employees on maternity leave, adoption leave or child-care leave. Equal opportunity in terms of recruitment, professional development and training represents another avenue of attack, in particular to encourage the diversity of the businesses and expand access for women to managerial positions. The agreement also defines various areas for improvement in terms of working conditions and the work-life balance. The implementation of this agreement requires each French site to prepare an action plan with at least one action item per annum tailored to local circumstances. The results of these actions are included in the Comparative annual report.

Under the law of 5 September 2018, any company in France with more than 50 employees must calculate and publish pay gap indicators covering multiple criteria (remuneration, raises, promotions, etc.), with the objective of achieving a score of at least 75%. In 2021, all Groupe SEB companies in France far exceeded this threshold, with scores ranging from 79% to 94%.

WORK-LIFE BALANCE

Among the measures taken to help people balance their work and personal lives, employees were given the option of flexible work scheduling, and several sites introduced child-care or concierge service arrangements (Rumilly and Écully).

The agreement on quality of life at work (QLW), which was renewed in France in 2019 (see page 168), also includes measures to support gender equality in the workplace, such as telecommuting, ensuring that applications sent by recruitment firms are diverse, and covering child-care costs during training in certain conditions.

ACCESS TO MANAGERIAL POSITIONS

The Group also strives to improve the gender balance in management worldwide: between 2016 and 2021, the number of women in managerial positions increased from 38% to 43% at constant scope. However, if recent acquisitions are included, particularly WMF where there are fewer women in management roles, this proportion has only increased to 39%. As a result, the Group is highlighting the topic of gender balance so that all its entities can work on improving in this area. With regard to recruitment, 50% of new managers hired from outside the Group in 2021 were women (51% in France).

Women accounted for one quarter of expatriate managers in 2021. They still only make up 20.3% of the Group's 172 or so managers (key positions), however, but this percentage is rising: it stood at 12% in 2015, and the Group is aiming to achieve at least 30% by 2023. Two women recently joined the Executive Committee as Senior Executive Vice-President, Chief Financial Officer, (2019) and Senior Executive Vice-President, Human Resources (2021).

To accelerate the rise of women to senior management positions, the Human Resources department makes efforts to ensure that at least one woman is included in the shortlist of applicants for key posts. The mentoring program launched in 2017, based on strict gender parity, is also contributing (see Attractiveness section, page 159), as is the joint development program that was created in 2018 and is aimed at women (groups of seven to eight people). The aim is to develop confidence, discuss cases of discrimination (particularly implicit) and suggest ways to progress. These groups work very well and are set to expand in 2022.

MEASURES TO COMBAT HARASSMENT

Groupe SEB pays very close attention to the issue of sexual harassment, an issue on which many countries have passed specific laws. Beyond compliance with statutory requirements, Groupe SEB regularly organizes awareness-raising initiatives and training sessions on harassment for all employees at its subsidiaries. It also uses pro-active procedures to prevent such behavior, ensure careful investigation of complaints or reports, and finally protect the victims and discipline those responsible. In India, for example, the subsidiary has established a dedicated committee to deal with sexual harassment. More than half of its members are women, and it works with an NGO specializing in this area. In France, the updating of the internal rules of all sites makes it possible to raise awareness and to reflect the new legislative provisions designed to combat all forms of harassment. Since 2019, each French legal entity with over 250 employees has had an adviser tasked with combating sexual harassment and sexist behavior.

GENDER BREAKDOWN BY CLASSIFICATION

Worldwide (excl. EMSA Taicang, WMF Heshan, Seb Professional Shanghai and Krampouz)

(in %)	2021	2020	2019
Men			
Manual workers	26.7	28	28
Employees	21.3	21	21.2
Managers	9.1	8.8	8.5
TOTAL	57.1	57.5	57.7
Women			
Manual workers	15.4	15.8	15.8
Employees	21.6	21.3	21.4
Managers	5.9	5.4	5.1
TOTAL	42.9	42.5	42.3

At the end of 2021, 42% of the Group's workforce were manual workers, 43% were employees and 15.0% were managers, 39.5% of whom were women. Excluding Supor, manual workers, both male and female, represented 29% of the workforce, while the percentage of managers was 21%.

People with disabilities

Disability represents a two-fold challenge for Groupe SEB, which works to prevent it through its health and safety policy, while providing employment opportunities to people with disabilities.

GROUP AGREEMENT APPROVED BY THE STATE

In 2020, the Group strengthened its commitment in France by renewing the three-year collective agreement on people with disabilities. The French State approved it, and it was signed unanimously by trade unions. The agreement consolidates the actions already taken and adds new measures aimed at supporting the inclusion of people with disabilities within the Group. More specifically, these measures strengthen support for the employees with disabilities, such as financial assistance for adapting their car, for driver's license fees or for relocating to better accommodate their needs, and better schemes for parental leave and leave to care for ill children. The agreement also has a provision to allocate 5% of the training budget to people with disabilities, particularly to increase their employability, and for each French entity, the agreement sets a recruitment target for people with disabilities.

These developments supplement measures from the previous agreement, such as workstation adaptation, the offer of mentoring from a Group employee, and end-of-career planning (option of reducing working hours by 20% on production of a doctor's note, while keeping the same rate of pay and benefits). Awareness-raising actions are also planned for all employees and specific training has also been designed for managers to make it easier for employees with disabilities to return to work after a long absence. It should be noted that each French site has a disability specialist and that there is also one at Group level (France).

PRACTICAL MEASURES

As part of efforts to **raise employee awareness**, all French sites participated in European Disability Employment Week in November 2021, with fun and practical actions, such as distributing a Disability Guide to combat prejudice and give practical advice,

and an online sign language taster workshop. In addition, the Group once again participated in the French national DuoDay initiative, which gives a person with a disability the opportunity to spend a day with a professional, immersing them in the employee's environment, with a view to helping them integrate into the world of work. Around 30 pairings were organized at French sites, and one of them was with the Chairman of the Group, Thierry de La Tour d'Artaise.

To further the recruitment of people with disabilities, Groupe SEB informs its partner schools of its disability policy and works with specialized organizations. Since 2019, the Group has also been working with French project Hello Handicap, a 100% virtual recruitment fair specifically for employing people with disabilities. The idea: the company publishes its offers on the Hello Handicap website and then does interviews by telephone or chat with the pre-screened applicants.

Disability initiatives have been bolstered since 2020, particularly through partnerships between the Group's sites **and organizations or companies in the protected sector** (see more information in the "A responsible participant in the economy" section, page 182). For example, the Mions logistics platform has been working with six people with intellectual or mental health disabilities since October 2021, assigning them tasks such as repalletizing, material handling, and dealing with non-compliant products and delayed differentiation. At the Parisian event "Victoires des Leaders du Capital Humain" on 18 November 2021, Groupe SEB was awarded an "Honorable Mention" for its work in integrating a sheltered employment center (ESAT) at its Lourdes site. This award commends "an effective initiative to integrate workers with disabilities and a real change in the culture at the organization".

Another initiative in Egypt: the subsidiary entered into a partnership with IECD (Institut Européen de Coopération et Développement) to help it with hiring people with disabilities.

In its ongoing efforts to strengthen inclusion, the Group has also implemented an inclusive design approach to improve the accessibility of its products (see page 190).

Worldwide (excl. EMSA Taicang, WMF Heshan, Seb Professional Shanghai and Krampouz)

	2021		2020		2019	
	World	France	World	France	World	France
Number of disabled employees	695	346	669	323	467	324
% of disabled employees *	2.15	5.9	2.1	5.8	1.8	5.6

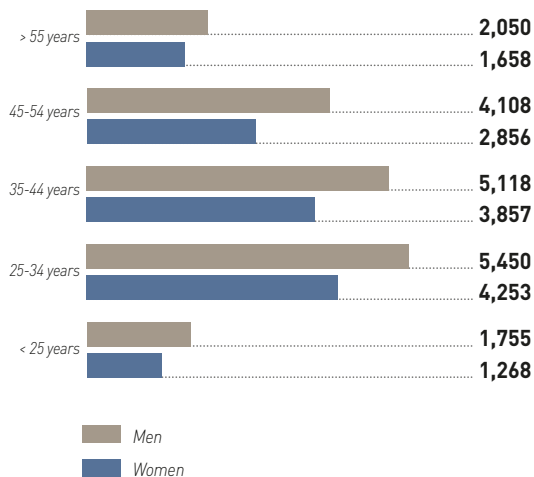
* Ratio between the number of employees with disabilities and the total number of employees as of 31 December excluding temporary employees and ESAT (sheltered employment center) employees.

With the exception of Supor, where the number of physically disabled employees is relatively low, the number of disabled employees stood at 3.2% in 2021 (stable at 3.2% in 2020).

Generational balance

BREAKDOWN OF EMPLOYEES BY AGE

Worldwide (excl. EMSA Taicang, WMF Heshan, Seb Professional Shanghai and Krampouz)



A number of measures aimed at promoting generational balance are incorporated into the agreement on the forward planning of employment and skills (GPEC) (see below).

FORWARD PLANNING OF EMPLOYMENT AND SKILLS

In France, Groupe SEB management and the trade unions have been cooperating openly and constructively on the forward planning of employment and skills (GPEC) since 2007. The goal is to anticipate business trends and foster skills development in light of changes in Groupe SEB's environment and strategic direction.

At the end of 2020, Group management and trade unions renewed the three-year GPEC collective agreement, which aims to maintain and increase the employability of Group employees.

The new agreement strengthens existing measures and takes the process one step further. Its new provisions include:

- target to recruit 40% of interns and work-study trainees for permanent and short-term contracts (compared to 30% previously);
- annual appraisal interview with the manager for every Group employee in France (including production teams, which previously had the interviews every two years);
- training all employees with first-level qualifications to obtain certification on IT basics;
- skills training and support for unqualified job seekers under 27;
- measures to facilitate the success of a VAE (*Validation des Acquis de l'Expérience* – French scheme to gain qualifications from work experience and achievements) or a CQP (*Certificat de Qualification Professionnelle* – professional qualification certificate);
- employees over 45 have the option to complete 50 hours of training or study a year for their CPF (personal training account) for skills training throughout their working life until retirement.

Employee representatives and management attend twice yearly Career Centers to review the progress of the GPEC action plan, examine changes in jobs mapping and analysis, and monitor the implementation of various tools and systems (gateways between professions, technical mentoring, etc.).

A few key figures on actions related to the GPEC (annual results – September 2021):

- employing young people: 32% of work-study trainees and interns are hired on a permanent or short-term contract at the end of their assignment;
- employing older people: 21% of employees in France are over 55; routine ergonomic review of workstations for employees over 57 working in manufacturing;
- training and employability: 25% of the sites' training plan is directly linked to the GPEC objectives; 136 VAEs since 2017; 56 technical mentoring partnerships since 2018 to ensure the transfer of key skills.

This approach to GPEC is also being gradually rolled out in different continents. Annual human resources reviews look at various topics: organizational transformation and skills forecasting, key challenges to remaining agile and competitive in an environment influenced by digitalization, and the rapid emergence of new professions and organizational models.

EMPLOYEE-MANAGEMENT DIALOG

Groupe SEB is committed to respecting freedom of association everywhere in the world and encourages employee-management dialog at its subsidiaries, on both an individual and collective basis. It also works to create employee representation bodies in all the countries in which it operates. This commitment was reaffirmed in the Group's Code of Ethics.

Collective agreements

Worldwide (excl. EMSA Taicang, WMF Heshan, Seb Professional Shanghai, GS Indonesia and Krampouz)

	2021	2020	2019
France	29	38	10
Other EMEA countries	97	87	42
Americas	17	16	16
Asia	42	40	39
WORLD	185	181	107

A total of 185 collective agreements were signed in 2021. 35% of these agreements related to remuneration, 19% to health and safety, 12% to employee management dialog and 5% to diversity.

In France, three agreements or amendments were signed in 2021:

- agreement on the donation of vacation days in partnership with Entreprise des Possibles to support organizations helping the homeless population in the Lyon region (see page 181);

In France, in 2007 Groupe SEB signed a specific agreement with social partners. This Group agreement on the exercise of trade union rights and the status of employee representatives was renewed in January 2019 and signed by all social partners. It in particular increases the resources provided to elected employees (material resources, time allowed for the position, Group financial contribution, etc.) and the measures to safeguard and assess their career (skills assessment, career developments interview, review of salary positioning, etc.). In this respect, a new industrial relations training was rolled out in 2019 to all local managers with elected representatives in their team.

Groupe SEB has a European Works Committee with employee representatives from 14 countries from the European Union and the United Kingdom.

- amendment to the agreement on quality of life at work (QLW) in relation to telecommuting;

- amendment to the agreement on the collective pension plan.

At year-end 2021, 83% of Groupe SEB's workforce was covered by a collective agreement signed during the year.

QUALITY OF LIFE AT WORK

GROUPE SEB 2023 TARGETS

- Achieve a 75% positive response rate to this question in the Great Place to Work survey:

“Overall, I can say that Groupe SEB is a good place to work”

Great place to work survey

The Group also pays close attention to its employees' Quality of Life at Work. In order to make progress, since 2012 it has used a survey conducted by the Great Place to Work Institute to assess employees' perceptions in this area. This employee survey is conducted every two years. Initially launched in France, it was gradually rolled out to all continents.

The 2021 survey involved **49 countries** (with 16 entities participating for the first time). It focused on 93 issues in five areas: credibility, respect, fairness, pride, and friendly atmosphere. 78% of the approximately 16,700 employees surveyed responded to the survey.

Results show that **70% of employees believe that Groupe SEB is a great place to work** (two points more than the previous survey). The average satisfaction rate across all questions (Trust Index) is up three points to 66%. Scores increased in each of the five survey areas, showing that the actions taken to improve results following previous surveys have been effective.

The main points of satisfaction in 2021 are: being proud to work for the Group, the quality of the working environment, the high level of independence, the respect for diversity and inclusion, and the work-life balance. Areas where employees think there is room for improvement relate to fairness (particularly in terms of career progression/increases in pay), training, recognition, and collaborative managerial practices.

With regard to the detailed results of the survey, areas for improvement are prioritized at Group level, and each entity develops an action plan to improve its weak points by involving the teams extensively. In Mexico, for example, the 2021-2023 action plan was drawn up collaboratively: 83% of employees contributed to this through 60 working groups. In Brazil, one of the priority objectives of the HR policy is to achieve an average satisfaction rate of 75% across all questions in the Great Place to Work survey (Trust Index). The subsidiary takes several measures to achieve this, including 24 voluntary “work environment” ambassadors from all sectors of the company.

Action plans worldwide

Managers get involved so that the actions taken ultimately improve employees' perceptions. In **France**, for example, managers are encouraged to take their team's pulse regularly and put in place an appropriate progress plan. Since 2020, the Group has given managers a simple, fun tool to conduct anonymous mini surveys with their employees: *Bloom@work*. It takes the form of a quiz on ten topics (atmosphere, team spirit, relationship with manager, recognition, training, working conditions, etc.) and is offered once or twice a month. The results are shared with the team so that practical steps can be

taken. Initially launched on SEB Campus, Bloom@work is currently being rolled out with the aim of eventually being implemented at all French sites.

The actions carried out by subsidiaries differ according to local priorities, but there are some common themes. For instance, to enable a better **work-life balance**, more and more entities are adopting flexitime policies and supporting remote working (stepped up due to Covid-19). A number of actions also address communication and a friendly atmosphere. Several subsidiaries are also focusing on **health, although the proposed activities have frequently been put on hold in 2020/2021 due to Covid-19 (US, Mexico, South Korea, Poland, etc.)**. Colombia has developed a well-being at work improvement plan named “*Groupe SEB te consiente*” (Groupe SEB takes care of you) along three main lines: “care for myself, other people and the world around me”.

In 2021, the Great Place to Work Institute created its own certification system to recognize the best-performing entities (a minimum of 65% for the Trust Index + quality of the action plans undertaken). For this first edition, more than half of Groupe SEB entities that completed the survey obtained Great Place to Work certification (33 out of 59).

Collective agreement in France

Quality of life at work (QLW) has been the subject of a **collective agreement in France since 2016** and is supported by action plans in each Group entity. It can be seen in the implementation of various measures, including telecommuting, which had been very successful with eligible employees from the outset. Telecommuting increased in 2020/2021 due to the public health situation. In order to embed this practice within the Group in France, an amendment to the QWL agreement was signed in 2021 with the employee representatives. The main new provisions include the option for employees to work from home or somewhere other than their primary residence up to two days a week (compared to one day previously), greater flexibility in the organization, lower threshold for length of time employed by the Group before being given the option to telecommute (three months instead of six), and participation in equipment purchases. Training on telecommuting best practices is also provided. To formalize the telecommuting initiative worldwide while taking into account the specific features of each country, the Group launched a pilot scheme that has been in testing since September 2021.

Other measures in the QLW agreement in France include a social assistance hotline rolled out to all the sites, and, at some sites, physiotherapy, osteopathy and occupational psychology services, as well as easier access to intercompany nursery facilities and the creation of concierge/personal services. Another tool viewed very positively by its users is the telephone support service for employees and their spouses who are caring for an elderly or disabled loved one (MyPrevention).

Improvement works on break rooms, washrooms and locker rooms continued in 2020/2021, particularly for production employees. Several sites have also improved green spaces near buildings, as Saint-Lô has done recently, for instance.

HEALTH/SAFETY

GRUPE SEB 2023 TARGETS

- LTIRi <1.0 ⁽¹⁾ (scope extended to the entities SEB Professional, Wilbur Curtis and Krampouz)
- 100% of plants certified to health and safety standard ISO 45001

Taking action to combat Covid-19

In 2021, the Covid-19 pandemic once again led to a strong response from the Health and Safety and Human Resources teams at all levels of the organization, as well as all management and occupational health teams, to ensure maximum protection for Group employees and all those in its orbit: temporary workers, subcontractors, store customers, etc. The working group formed in 2020 and led by the Health and Safety department continued its work in 2021. Its objective is to ensure regular monitoring of the global public health situation, adjust health and safety measures as infection rates and national requirements change, and approve specific measures to be implemented across the Group as a whole (international travel, running seminars, etc.). The Covid-19 advisers remained active on every site, with the role usually taken by the site's Environment, Health and Safety Coordinator (for more information on measures to deal with Covid-19, see page 62).

Rigorous health protocol

Beyond strict compliance with each country's specific rules, the Group maintained a health protocol in all its subsidiaries. The protocol is based on measures taken in France, which are often much clearer than local regulations, and it serves as guidelines to show which actions need be taken.

Requirements include mask wearing for everyone without exception, one-meter social distancing, providing hand sanitizer, regular handwashing, disinfecting surfaces and equipment, indoor ventilation, and limits on business travel. Daily inspections organized by local managers at all sites (plants, logistics facilities, offices and stores) continued until October and were then scaled back when improvements in the public health situation allowed it.

It should be noted that of all the people who tested positive for Covid-19 in France in 2021, no cases were associated with workplace infection.

Groupe SEB continually implements measures to reduce the number of workplace accidents and limit the number of work-related illnesses (and particularly musculoskeletal disorders in France). This policy is driven by the highest level of management through a Health and Safety Steering Committee attended by several members of the Group's Executive Committee. The Group Health and Safety Director reports directly to the Executive Vice-President, Industrial Operations. In 2020, the Group Health and Safety Directive was updated to incorporate the new ISO 45001 certification along with measures to strengthen pandemic-related risk prevention/management.

The health and safety policy draws on a **global network of 35 Environment, Health and Safety (EHS) Coordinators**, who cover all of the plants and logistics sites (more than 40) in 13 countries. As in 2020, they continued to meet remotely (via Teams) in 2021, convening on a monthly basis for teams in France and quarterly for other sites around the world. **In addition, the coordinators of the French sites were able to get together for a meeting in person in November.** These annual meetings make it possible to strengthen the international dynamic of the network, something that is also supported by the Yammer community. In 2021, the Group launched the first edition of the **International Health and Safety Awards**, presenting awards to the best projects in 2022 in an effort to encourage engagement and share best practices.

(1) Work-related injuries – LTIRi: Lost Time Injury Rate, including temporary workers.

Training also plays a significant role in driving improvements. In 2021, the Group developed four e-learning modules on health and safety: a module covering all aspects of the topic and three specific modules (retail, logistics and industry). They are supplemented by a fifth module for French employees on criminal liability in this area.

ISO 45001 Certification

(Worldwide)

	2021 ISO 45001	2020 ISO 45001	2019 OHSAS 18001
Number of certifiable entities	46	44	41
Entities holding certification *	100%	100%	100%

* Based on industrial and logistics entities at the end of the year concerned.

At the end of December 2021, 100% of the Group's industrial and logistics entities had this workplace Health/Safety certification, with three new entities compared to 2020: Supor LKA, WMF Yuhuan Supor and Groupe SEB Egypt.

Safety

Groupe SEB's approach to Safety is reflected in its worldwide Safety in SEB program. It places special emphasis on the involvement of employees as participants in their own safety. At the plants, for example, safety is one of the points that is reviewed daily by the production teams as part of the OPS (Operation Performance SEB) initiative, via Frequent Events. All accidents occurring within the Group are summarized monthly in a newsletter sent to all managers (including the Executive Committee) and the Health and Safety community.

In 2021, the Group continued to offer increased support and guidance at sites with the highest workplace accident rates (enhanced action plan and monthly review with site management). The Health and Safety department continued to support operations at all sites, particularly where accidents had occurred, to learn all the lessons from it. In France, the Group has assigned health and safety objectives to all managers of industrial and logistics sites. It has also introduced a routine interview with any employees returning to work after time off following an accident.

This Safety in SEB program has borne fruit: the number of workplace accidents with days lost has fallen by approximately 45% since 2019.

With regard to certification of the Group's health and safety management system, it "switched" from the OHSAS 18001 standard to ISO 45001 in 2020. Certification audits continued in 2021 (with firm DNV), achieving 100% positive results.

SAFETY STANDARDS

The Group ensures the worldwide implementation of its **safety standards and accompanying recommendations**. They formalize the Group's minimum requirements, above and beyond compliance with national and international regulations. These standards are incorporated into safety management procedures and are written in English, French and Chinese. They apply to all teams worldwide. Some standards concern safety organization and management, while others target the prevention of specific risks. Internal audits are conducted to ensure their application.

Out of 26 operational standards, three were created in 2021: the first relates to a standardized method for analyzing accidents and incidents at Group level (MATRIS), while the other two focus on preventing the hazards associated with aluminum and plastics processing. Furthermore, the standard on the role of MSD (musculoskeletal disorders) specialists has been updated to integrate them further upstream in the development of new products or processes.

Some standards, such as the behavior-based safety inspection (VCS) are particularly important. More than 75% of accidents could be avoided by a change in behavior. The VCS aims to eliminate dangerous practices and conditions by fostering a dialog between the employee "being inspected" and a supervisor, including a discussion of health and ergonomic aspects. Every industrial or logistics site employee is inspected twice a year on average for risky sectors.

Safety-specific checkpoints have also been incorporated into day-to-day **field visits** by local managers worldwide since 2018. This feeds into the **Safety Pyramid**, a tool designed to detect hazardous situations ahead of time to quickly remedy them. In 2020/21, these visits placed great emphasis on the prevention of risks associated with Covid-19.

FEEDBACK

No initiative is off the table when it comes to raising the alarm: in Colombia, for example, the plants created a mobile app to encourage the teams to report safety risks and environmental hazards. The Is-sur-Tille site in France did the same.

The number of VCSs and the number of reports in connection with the Safety pyramid are used by the Group as safety policy management indicators, along with the accident rate.

Any accident where feedback can be helpful to the action plan is communicated to all managers and to the Groupe SEB safety community – the safety vigilance Flash system. Since 2020, emphasis has been placed on the “action plan” component of this system with a view to increasing efficiency and facilitating its implementation at the various sites.

Having noted that 40% of accidents are linked to non-compliance with rules, in 2018 the Group reviewed the definition of the “mandatory rules” required at each plant and logistics site and on the SEB Campus (Group HQ), to make them more precise and better suited to the reality on the ground. Developed together with the operating teams, the new mandatory rules are now defined per business. These supplement the six universal golden rules that are designed to ensure that everyone within the Group contributes to the safety of all. The golden rules, illustrated through a cartoon, are available in 10 languages.

ALL AFFECTED ENTITIES

The Group’s safety culture is in action at tertiary (office) and commercial entities (stores). The golden rules are systematically communicated and some sites have introduced their own unbreakable rules. These entities are also part of the safety vigilance Flash system.

In the field, there were initiatives by local teams to improve safety, with original and fun activities such as an escape room organized by WMF in Riedlingen (Germany) in 2019: employees wishing to participate were put into small groups in a dark room with their escape dependent on resolving safety questions using a collaborative approach.

Health

(**Covid-19**: see pages 61 and 62).

In the health field, Groupe SEB focuses a large part of its efforts on combating **musculoskeletal disorders (MSDs)** in the upper limbs, and lower back pain. The aim is to prevent them from appearing and slow their deterioration. This is a major issue for the industrial sites, particularly in Europe, exacerbated by the aging of the workforce and extensions to the pension age. The Group’s response involves awareness-raising and training measures, taking MSD prevention into account from the design phase of products and processes as well as the carrying out of specific measures on the sites. To this end, an Ergonomics Steering Committee was set up in France in 2021. It meets every quarter, bringing together ergonomists, the international methods teams and the Health and Safety Director.

HEALTH IN SEB

The Group’s international health plan, Health in SEB, was launched in 2016. It started with an analysis of all the plants to identify the main health risks (dust, noise, repetitive work, etc.). This inventory was used as a basis for the creation of Group standards and to define health targets, accompanied by monitoring indicators. This is particularly true of **ergonomics** where the indicator measures improvements that are deemed significant using specific analysis methods, scoring grids, a decision-making tool developed by ergonomists and the person’s experience.

EFFORTS TO COMBAT MUSCULOSKELETAL DISORDERS (MSDS)

Every French plant and logistics site has a Steering Committee for Musculoskeletal Disorders and one or more **MSD Specialists** who ensure that risks are taken into account upstream, at the product design stage, and downstream, by amending hard-pressed workstations. At year-end 2021, the Group had 50 MSD specialists in France with 13 trained new recruits among the operators and employee representatives.

In 2019, the France Health Network began bringing together MSD specialists, occupational physicians, nurses and ergonomists from the various sites, as well as the Health and Safety department. At the end of 2021, it met remotely to share and discuss best practices and areas for improvement. Ergonomic improvements of workstations, training and staff rotations, warm-up and cool-down exercises, as well as a quick response whenever an employee indicates discomfort while working are all actions that help prevent the emergence of MSDs.

Efforts to combat MSD are also being bolstered internationally. In 2021, the Group rolled out a standardized method for rating workstations, based on experiences in France, to improve how ergonomic quality

is taken into consideration. It has also tested the use of exoskeletons to reduce the strain of certain tasks. Every industrial and logistics site around the world has the objective to improve the ergonomics of 25% of its workstations every year.

PSYCHOSOCIAL RISKS

As part of the prevention of **psychosocial risks**, in 2019 Groupe SEB developed a training program on the theme of “Stress and well-being at work: know, detect, act” for several hundred managers in France (Management Committees of sites and managers of SEB Campus). The goal is to help detect signs of stress as early as possible and to in turn adopt the correct behavior, not only for themselves but also for their teams. Four pilot sessions were run in 2019, and the

(Worldwide)

program started being rolled out in 2020. Despite the public health situation, around 100 managers managed to take this training by the end of 2021.

Once again with respect to psychosocial risks, in 2012 Groupe SEB set up a counseling office in France, outsourced to the specialist firm Turka. The aim is to offer assistance and support to any employee who becomes the victim of or witness to such situations as harassment, discrimination and workplace violence or the stress resulting from them. The employee may remain anonymous if he or she wishes. In any event, the Turka counselor assists the employee and/or puts them in contact with the person in the best position to help. In 2021, 51 employees contacted the counseling office (69 in 2020).

	2021	2020 ⁽⁴⁾	2019 ⁽⁵⁾
France			
Number of workplace accidents with days lost	24	39	44
Number of days lost	2,289	2,651	3,093
LTIR ⁽¹⁾	2.87	3.09	5.25
Severity rate ⁽²⁾	0.27	0.35	0.37
Number of workplace fatalities	0	0	0
Other EMEA countries			
Number of workplace accidents with days lost	30	31	56
Number of days lost	569	886	1,275
LTIR ⁽¹⁾	1.96	2.17	3.94
Severity rate ⁽²⁾	0.04	0.06	0.09
Number of workplace fatalities	0	0	1
Americas ⁽³⁾			
Number of workplace accidents with days lost	6	2	11
Number of days lost	418	185	641
LTIR ⁽¹⁾	1.04	0.39	2.10
Severity rate ⁽²⁾	0.07	0.04	0.12
Number of workplace fatalities	0	0	0
Asia			
Number of workplace accidents with days lost	7	5	13
Number of days lost	670	1,145	1,148
LTIR ⁽¹⁾	0.19	0.14	0.35
Severity rate ⁽²⁾	0.02	0.03	0.03
Number of workplace fatalities	0	0	0
World			
Number of workplace accidents with days lost	67	77	124
Number of days lost	3,946	4,867	6,157
LTIR ⁽¹⁾	1.01	1.24	1.88
Severity rate ⁽²⁾	0.06	0.08	0.09
Number of workplace fatalities	0	0	1
WORLD LTIRi ⁽³⁾	1.1	1.5	2.0

(1) Lost Time Injury Rate.

(2) Number of days lost per thousand hours worked.

(3) Lost Time Injury Rate including temporary employees.

(4) Included in 2020: SEB Professional, Wilbur Curtis, Supor CHINA Xiangsu Prod., GS INDIA Administrative and Krampouz.

(5) Included in 2019: Groupe SEB EGYPT Administrative.

Groupe SEB has used the Lost Time Injury Rate (LTIR) as a safety performance indicator since 2014. It is calculated based on the number of accidents with a direct causal link with work in relation to the number of hours worked. The internal recording system has no effect on local legal declarations specific to each country.

It should be noted that since 2018, the Group's Health and Safety targets have included temporary employees as well as the entire WMF and EMSA scope.

Accordingly, the target set in 2021 for the LTIRi (Lost Time Injury Rate including temporary workers) was 1.3 for the World; 3.4 for EMEA; 0.1 for Asia; 0.6 for North America and 0 for South America.

The 2021 results are: World LTIR = 1.1; severity rate is 0.06

France LTIRi = 3.3

WMF LTIRi = 3.2

France recorded 81 accidents with and without lost time related to work, including 35 accidents with lost time, including temporary employees. The LTIRi is 3.4 and the severity rate is 0.24.

WMF Europe recorded 20 accidents with and without lost time directly related to work, including 16 accidents with lost time, including temporary employees. The LTIRi is 3.2 and the severity rate is 0.06.

EMSA Emsdetten recorded 4 accidents with and without lost time related to work, including 1 accident with lost time, including temporary employees. The LTIRi is 2 and the severity rate is 0.13.

These three Group entities, France, WMF and EMSA thus account for nearly 65% of the total number of work-related accidents with lost time.

Finally, Groupe SEB recorded a total of 79 work-related accidents with lost time, and 85 accidents without lost time directly related to work in 2021, including temporary employees.

The Group's results once again reflect improved performance.

Thanks to the multiplication of global prevention efforts, standards and tools, Groupe SEB recorded 15 fewer accidents with time lost than in 2020, a reduction of 15%, and 61 fewer than in 2019, including temporary employees. The Health and Safety department has been closely monitoring entities with the largest number of accidents since 2018. These entities are required to implement an enhanced action plan with a regular review with local management and the Executive Vice-President, Industry.

The severity rate for temporary employees is down slightly, with 4,155 days lost compared to 5,479 days in 2020.

A worldwide survey of work-related illnesses has been conducted since 2013. 37 new cases of occupational illnesses were recognized throughout the Group in 2021, excluding temporary employees, which is a stable figure compared with 2020.

	2021	2020	2019
France	29	35	44
Other EMEA countries	0	0	0
Americas	8	2	4
Asia	0	0	0
WORLD	37	37	48

Groupe SEB is aware of the importance of the issue of occupational illnesses, especially Musculoskeletal Disorders (MSDs), and has taken health measures in France, such as ergonomic improvements to workstations on production sites, with the introduction of an indicator monitored monthly, training in manual handling, for example, staff rotations where this is permitted by the organization of the workstation, warm-up and stretching exercises and a quicker response when an employee reports that they are experiencing pain. Several sites in France also pay for visits to a physiotherapist and offer a hotline to an osteopath.

GLOBAL SOCIAL PROTECTION FLOOR

GRUPE SEB 2023 TARGETS

- 100% of workers worldwide are covered by the WeCare@Seb social protection floor

Social protection

In terms of social protection, in 2017 the Group launched an initiative designed to offer its employees, throughout the world, a high level of coverage compared to the local context, beyond regulatory obligations. A worldwide inventory of practices, produced in 2016 in the 73 countries where the Group has employees, already showed that 85% of them had death insurance cover. Since 2018, the Group has been progressively rolling out a global social protection base and working conditions, WeCare@Seb, built initially on two pillars:

- life insurance: 12 months' salary paid to the family of the employee in the event of work-related death;
- healthcare costs: coverage of hospital stays resulting from accidents (capped at 70% of actual costs).

(in € millions)	2021		2020		2019	
	World	France	World	France	World	France
Remuneration ⁽¹⁾	1,051.0	299.7	986.0	270.5	1,007.9	277.7
Payroll taxes ⁽²⁾	185.1	71.7	168.7	65.5	219.7	67.5
Pension and other post-employment benefit plan costs	71.3	46.2	71.5	42.8	63.1	45.0

(1) Excludes bonuses and profit-sharing – includes provisions for paid holidays, excludes employee benefits.

(2) Includes provisions for payroll taxes on paid holidays.

WMF and EMSA joined the consolidation scope in 2017. "Worldwide" data include "France" data.

Statutory and discretionary employee profit-sharing

In the area of profit sharing, Groupe SEB has been a pioneer: for over 50 years it has tied employee pay to the company's financial performance and does so in most countries in which it operates. In France, 50% of the total bonuses paid by the Group is distributed

A third pillar on prevention (health checks) is being defined for rollout over 2022–2024.

Every permanent employee, regardless of his/her country and level, will benefit at least from the coverage of this global base. The implementation of the three pillars will extend until the end of 2024. This life insurance has already been in effect since 1 January 2019, with the exception of the entities that were not in the 2016 feasibility study, but will be covered by 2024.

The Group also looks to review the content of employment contracts on a regular basis in order to supplement and/or improve existing insurance coverage.

Payroll and charges

Groupe SEB is committed to the implementation of a fair and transparent remuneration policy that is understandable by all. It is committed to paying wages in every country in line with current regulations and minimum industry standards, enabling employees to cover their basic needs and to benefit from disposable income. Using job evaluation tools, every employee's position can be assessed in relation to others in terms of remuneration and responsibility.

evenly across all employees in France. In addition, since it was listed on the Paris Stock Exchange in 1975, the Group has had employee shareholders. Since then, it has implemented 15 employee shareholding programs, gradually extending beyond France starting in 1992. The last program, in July 2019, covered 34 countries and the plan was taken by close to 4,200 employees (23% of the eligible employees).

(France)

(in € thousands)	2021	2020	2019
Provision for bonuses	17,028	11,718	18,139
Provision for profit sharing	22,411	12,433	16,893
By 2019	N/A	N/A	2,145
TOTAL	39,439	24,151	37,177

In 2021, the amount paid in profit-sharing and bonuses amount to €39.4 million. Please note that figures include the employer's social tax contribution.

TRAINING AND SKILLS DEVELOPMENT

Training is key to skills development for all employees. The **Learning & Development department** develops and delivers Group training programs that correspond to the challenges faced by the businesses, the company's strategy and employee development objectives. This range of training opportunities is supplemented by training programs organized at local level, particularly at industrial sites.

Jointly developed training for businesses

The Group aims to foster a culture of learning by providing multiple training opportunities tailored to the needs of the businesses, both in technical expertise and in soft skills (personal development, management, leadership, etc.).

In 2021, the **Learning & Development** department enhanced the training offering with the introduction of 16 courses specific to the Group's various businesses within field-specific academies: Commercial, Marketing, Innovation, Development, Industry, Supply Chain, Finance, Human Resources, IT, Purchasing, Quality, Health and Safety, Communication, Strategy, and Legal. The programs started being rolled out in 2021 and will continue in 2022. Each Academy and its course are co-developed with contributors from the relevant business and are supervised by a sponsor, usually a member of the Executive Committee or the head of that particular business within the Group. Together, they identify the priority skills that need to be developed/acquired to meet the challenges that they think the business will face in the future, pre-empting the trends and requirements. In autumn 2021, the **Learning & Development** department and the sponsors conducted an initial strategic review of the various academies to identify the adjustments that needed to be made to ensure that their courses remain in step with the evolution of the challenges.

Each training course consists of three "blocks" that combine both programs specific to the business and programs relevant to a broader group:

- **acculturation** at Groupe SEB: onboarding new employees, compliance, the Group's fundamental principles, etc.;
- **business line**: the basics, tools and technologies, strategic challenges, etc.;
- **transferable skills**: leadership, managerial practices, personal development, soft skills. leadership, managerial practices, personal development, soft skills.

Depending on the circumstances, the training programs are delivered in person, remotely (via video), through digital learning platforms, or as a combination of different formats. Some are delivered in house with internal trainers, while others are delivered by external service providers. The Group explores and harnesses all teaching methods to provide a rich, dynamic and tailored offering.

Highlights of 2021

Open-access digital learning: This offering has expanded considerably thanks to a partnership with specialist platform Edflex. Edflex offers training modules selected from the best on the internet,

covering a wide range of topics and delivered in all formats, such as videos, podcasts, in-depth articles and MOOC. These different forms of content allow trainees to learn flexibly and potentially in very short periods (quick learning). By the end of 2021, the Group's approximately 11,100 connected employees had accessed these quick learning modules via the HR iGrow@Seb portal, the majority of which are available in three languages (French, English and German).

Path to Innovation: This new program aims to develop a common understanding of the process involved in creating the Group's range of products and services within the innovation teams (several hundred people). After a test phase in 2020, it was rolled out on a large scale in 2021 with six sessions that brought together nearly 250 participants from different backgrounds. This program cuts across several businesses that involve innovation: Marketing, Research, Design, Development, Quality, Purchasing, Supply Chain. It is delivered in person over four and a half days and features 25 speakers from within the company.

E-commerce acceleration: This new program, launched in 2020, is aimed at managers who are directly or indirectly affected by e-commerce matters but are not experts on the subject. The program aims to develop their skills to address this strategic challenge for the Group. Initially designed to be delivered in person, it was very quickly transformed to be presented remotely because of Covid-19. This change enabled us to target a larger number of people worldwide (around 400) and adapt the content to specific local conditions. Several sessions were held in 2021 in Europe, Asia-Pacific and North America.

ChallengeMe: Peer learning is proving particularly effective, and the Group wants to further develop it. At the end of 2020, the Group trialed the ChallengeMe tool in several businesses: employees from a participating entity are invited to use the dedicated platform to share their thoughts on a common issue. They can make contributions based on their knowledge or practices and respond to other people's submissions. After two to three weeks, the contributions are evaluated and the most relevant are shared and/or implemented. This tool makes it quick and easy to access know-how and expertise within the organization and leverage it to strengthen individual skills and collective intelligence. It also encourages openness and creativity. It was launched more widely in 2021.

Welcome Seminar: The Group's Welcome Seminar for new managers, which is usually held in Écully, was adapted in 2020 because of Covid-19, allowing it to be held remotely with the same participants using video. This new format proved very successful and enabled the Group to welcome a greater number of international newcomers. The remote format will now be kept in addition to the in-person seminar at Écully (which takes place over three days with three to four sessions a year). In 2021, more than 320 managers took part in this seminar (50% in person and 50% remotely).

"Around Groupe SEB in 80 Days": In 2021, this digital onboarding scheme was extended to WMF entities. It is targeted at all connected employees worldwide (excluding Supor). Available in five languages and fully automated, it helps employees during their first months at the company: information about the Group, tips to help fit in, self-awareness tools, mandatory training, etc. It supplements local onboarding schemes.

Management Workshops: Launched in 2021, this innovative format is based on peer learning. The workshops are run remotely by around fifteen internal trainers from Human Resources departments from various countries and are offered in five languages (Spanish, Portuguese, English, German and French). The workshops held in 2021 brought together more than 1,100 managers on topics such as trust-based management, feedback and change management.

Improving English skills: In 2021, the Group enlisted Education First, the world leader in English language learning, to help more than 4,000 employees worldwide (mainly executives) refine their English skills. They use a fully digital, flexible solution to develop both their written and speaking skills. In addition, those for whom

English fluency has been identified as a priority receive tuition in individual and group virtual classes.

Compliance Refresher: The digital Compliance program, which all newcomers to the Group are required to take, was expanded in 2020 with a refresher module for all connected employees. Like the full program, this module is available in 11 languages and covers the Code of Ethics, IT security, anti-competitive practices, internal control and personal data protection. It aims to ensure that employees are aware of and comply with the law, regulations and internal policies. More than 8,500 employees successfully completed this module in 2021, affirming their level of essential knowledge through questionnaires and role-playing exercises.

Training (workforce and training hours)

Worldwide (excluding Wilbur Curtis and Seb Professional NA)

	2021 *	2020	2019
Number of training hours *	517,336	398,471	585,898
Number of employees trained	35,613	31,833	35,899
Number of women trained	13,816	11,475	13,048
Number of men trained	21,797	20,358	22,850

* 2021 training hours include hours of digital training (source iGrow@SEB).

Of the total hours of training completed in 2021, 38% was for manual workers, 39% for office employees and 23% for managers. The decrease of the number of hours and of the number of learners is directly linked to the current crisis context.

Training budgets

Worldwide (excluding Wilbur Curtis and Seb Professional NA)

(as a% of payroll)	2021	2020 *	2019
France	3.81	3.00	4.67
Other EMEA countries	1.04	0.64	1.84
Americas	0.67	0.50	1.00
Asia	0.72	0.59	1.44
WORLD	1.70	1.26	2.47

* Data updated following error in calculations.

The Group's training expenses represented 1.70% of its payroll in 2021. For the Supor subsidiary, these expenses amounted to 0.8% of its payroll for this year. The WMF subsidiary's training expenses accounted for 1.0% of its payroll.

ABSENTEEISM RATE

Worldwide (excluding WMF Heshan, EMSA Taicang, SEB Pro Shanghai, Krampouz, SEB Professional NA, SEB Professional France, SEB Professional Iberia, GSE Côte d'Ivoire, GSE Maroc, WMF France Consumer Goods and Wilbur Curtis Co., Inc.).

	2021		2020		2019	
	World	France	World	France	World	France
Absenteeism rate *	3.1	4.9	2.6	4.0	3.3	3.7

* Ratio between the number of days absent and the hypothetical number of days present.

OVERTIME

Worldwide (excl. EMSA Taicang, WMF Heshan, Seb Professional Shanghai and Krampouz)

	2021		2020		2019	
	Worldwide excluding Supor	Supor	Worldwide excluding Supor	Supor	Worldwide excluding Supor	Supor
Number of overtime hours (<i>in thousands</i>)	680	12,315	1,087	11,143	691	12,436
Full-time equivalent (<i>in persons</i>)	305	5,898	490	5,304	313	5,942

For the Chinese subsidiary Supor, these figures reflect the local context, where work is highly seasonal, and there are pressures on the recruitment of labor in eastern China. France accounted for 5,320 hours of overtime (equal to 2.8 full-time equivalent jobs), returning to similar figures as those obtained in 2019.

Given the diversity of the Group's sites and local regulations governing working time, Groupe SEB's aim is not to exceed 48 hours in a standard working week and 60 hours including overtime. Every employee must also have at least one day off each week, except in exceptional circumstances, as explained in the Group's Code of Ethics. Groupe SEB is actively working to achieve these objectives, particularly in its Chinese plants.

EXTERNAL LABOR *

Worldwide (excl. EMSA Taicang, WMF Heshan, Seb Professional Shanghai and Krampouz)

	2021	2020	2019
France	828	973	668
Other EMEA countries	544	517	720
Americas	648	1,061	1,014
Asia	589	1,994	2,720
WORLD	2,609	4,545	5,122

* Temporary full-time equivalent employees.

A CORPORATE CITIZEN

The Group's commitment to social issues is reflected both in its corporate philanthropy and solidarity initiatives, primarily focused on combating exclusion, and in its contribution to the economic and social growth of the regions where it operates.

CORPORATE PHILANTHROPY AND SOLIDARITY: LOCAL COMMITMENT, GLOBAL DYNAMIC

GRUPE SEB 2023 TARGETS

- 100% of countries where the Group is established involved in a corporate philanthropy program

Combating exclusion

Groupe SEB's corporate philanthropy policy is an integral part of its corporate social responsibility approach. Its objective is to harmonize the various subsidiaries' philanthropic commitments and encourage employee involvement. The Fonds Groupe SEB endowment fund team is tasked with implementing the corporate philanthropy policy, ensuring the coherence of the various projects worldwide and coordinating the Group's community actions.

Total corporate philanthropy expenses

(Worldwide)

(in €)	2021	2020	2019
Financial donations	2,256,331	2,068,227	2,432,811
<i>including Fonds Groupe SEB</i>	<i>500,000</i>	<i>448,889</i>	<i>500,000</i>
Product donations	1,033,511	1,288,761	614,697
<i>including Fonds Groupe SEB</i>	<i>100,056</i>	<i>188,539</i>	<i>199,970</i>
TOTAL CORPORATE PHILANTHROPY EXPENSES	3,289,842	3,356,988	3,047,508

Overall, the Group allocated €3.29 million to corporate philanthropy activities in 2021, which was slightly less than in 2020 (-2%). This decrease can be explained by a number of changes, in particular the fall in product donations after a particularly high level in 2020 (as a result of donations to healthcare organizations involved in the pandemic response). The financial donations include donations to

Groupe SEB formalized and clarified its corporate philanthropy policy in a document disseminated to all the Corporate Philanthropy Correspondents (one correspondent per subsidiary). This document sets out the corporate philanthropy mission and strategic focuses, the participants involved (subsidiaries and Fonds Groupe SEB), their roles, and the various possible forms of contribution. These include financial donations, donations of products, philanthropy based on providing expertise, and cross-partnership or cause-related marketing campaigns. To encourage employee involvement, the subsidiary may give every permanent employee one day a year of working time to work on a public interest project linked to the fight against exclusion.

The social purpose of Groupe SEB's corporate philanthropy policy is the fight against exclusion, in four areas of action:

- inclusive employment;
- education and training;
- supplying household equipment and providing access to a healthy diet;
- helping people with health issues.

The people helped may be homeless, excluded from the world of work or in a very vulnerable position.

public-interest organizations and cross-partnerships that are more like sponsorship, having a strong impact for the brand or company in terms of communications or public relations. Cause-related marketing products, where a product is sold and part of the proceeds go to charity, are an example of cross-partnerships. Donations of less than €10,000 for a single public-interest organization are reportable.

Local initiatives

CHARITY WEEK

Every year, Charity Week, which is coordinated by Fonds Groupe SEB, is an eventful time for teams worldwide as they get involved in local community actions. The 2021 edition, on the theme of “**Working together to combat exclusion**”, was adapted to take account of health restrictions. It took place over a longer period (end of 2021/early 2022) with different setups (fewer in-person activities), but our solidarity was as strong as ever, even more so, in fact. Employees from 74 sites and 42 countries (increased numbers) took part in a wide variety of actions. Each entity was able to share its initiatives with the whole Group thanks to the Charity Week community on the internal networks Yammer and Teams.

The bulk of sites organized **collections** of food, toys and clothing to hand out to those who need them most. They also competed to come up with the best ideas to raise funds for local organizations, including organizing meals, selling Christmas cards, running competitions, and holding auctions. In some cases, the funds raised by employees were topped up with contributions from the company.

In several countries, employees got involved in **solidarity workshops**. In **France**, SEB Campus organized two **workshops** in connection with Le Foyer Notre-Dame des Sans-Abri, an organization supported by Fonds Groupe SEB. One involved participating in a construction project, and the other involved preparing for a job interview with resumé advice. The latter topic was also the focus of two lively solidarity workshops elsewhere: one in **Brazil** (São Paulo) at a refuge for transgender people and cross-dressers, and the other in **India** with young people supported by the Life Project For Youth organization. In **Colombia**, Group employees were involved in constructing around 20 homes for families living in makeshift shelters in Bogota, Medellin and Barranquilla. Other workshops focused on renovating spaces (e.g., at a shelter for disadvantaged children in **Argentina**) or on preparing meals (e.g., for young girls in **Chile** who are vulnerable, pregnant or have young children).

Many actions targeted support for **children and young people in need or with disabilities**. In **Mexico**, the subsidiary once again supported the *Renacimiento* center, a shelter housing 51 homeless young people aged between 8 and 17. Residents at the center were given warm clothing. In **India**, employees gave presents to 90 children at an orphanage, gifting items that they said they wanted. In the **Czech Republic**, the teams prepared a kit for a cooking workshop for young people with disabilities. Teams in many countries distributed Christmas boxes to disadvantaged children and/or families. In **Hong Kong**, Group employees helped out with packing food parcels as part of the Food Angel campaign.

In countries affected by **natural disasters**, Charity Week was another opportunity to get people involved in bringing some comfort to affected families in the run-up to the Christmas holiday season. This was particularly the case in **Germany**, where 700 children from families affected by the July floods received their dream gifts. In **Greece**, each of the 62 families on the island of Evia, devastated by fires during the summer, received a range of products from the

Group to re-furnish their homes. The **refugee crisis** on the borders of Europe also generated a wave of solidarity, such as in **Poland** where employees prepared packages with food and clothing for migrants stuck on the Belarusian border.

THE SUBSIDIARIES COMMIT

The Group’s subsidiaries also directly support and initiate projects all over the world outside Charity Week.

It should be noted that because of Covid-19 restrictions, many of the **team solidarity days** traditionally organized “on the ground” had to be changed into remote activities. In March, French employees were offered more than 20 solidarity workshops in partnership with organizations that work to combat exclusion. This included professional life coaching, skills-based sponsorship (communication, digital tools, etc.), and live cooking sessions.

In **China**, since 2006, Supor has pressed ahead with a vast construction program, **building schools** for disadvantaged children in rural areas. Since the start of the project, 26 schools have opened (including two in 2021 in Sichuan and Yunnan), giving over 20,000 children the opportunity to go to school. Two new schools are being built. In addition to funding schools and organizing training sessions for teachers, this program supported the organization of e-learning courses in 2021. This program asks employees to volunteer through leadership, learning support and book donation initiatives, including in particular during Charity Week. In 2021, employees spent several days with the children from the two recently opened schools. They gave the 300 students presents donated by Supor’s teams, making their wishes come true.

In **Nordic countries** (Sweden, Denmark, Norway and Finland), Groupe SEB continues the partnership begun more than 10 years ago by OBH with the Star of Hope organization, which works on education, healthcare and food for orphans. The four subsidiaries are currently sponsoring 30 children in the Philippines, who receive support until they reach adulthood. They receive individual financial support and school books, food products, leisure activities, etc.

In **Brazil**, in 2019 Groupe SEB partnered with the Gastromotiva association to train marginalized young people in the São Paulo region in the cooking and restaurant trades. This course, which helped to train around 60 young people in 2020, had to be put on hold in 2021 due to the public health crisis. However, the subsidiary continued to support the association, which cooks more than 1,500 free meals per day for families in need and provides them with basic necessities. Together with three other associations in the country, it received food products (nearly two tons) and clothing donated by employees of the Group as part of Charity Day in Brazil (19 July).

In **Colombia**, the Imusa – Samurai foundation, *Taller de Sueños*, is heavily involved with the *tinteros* (street coffee vendors, see page 182). It also supports initiatives to provide decent housing and good nutrition for the most disadvantaged people. Various solidarity sales initiatives were carried out in 2021 to help fund the Foundation’s activities, including the sale of eco-friendly bags, a cooking master class on social media, and charity galas.

In several countries, proceeds from selling unsold items at reduced prices helped to fund acts of solidarity, as was the case in **Turkey** during Ramadan where 750 families were given food vouchers, 1,000 evening meals (iftar) were donated, and 145 unpaid bills were settled. A similar initiative in **Poland** helped support homeless people. In **Germany**, 600 unsold children's cutlery sets were donated to day-care centers in Geislingen. In **Australia**, an entirely digital solidarity campaign was conducted in partnership with chefs and stars from across the culinary world, aiming to achieve two objectives: firstly, to raise funds for the organization OzHarvest, which distributes meals to those who are most in need, and secondly to shine a light on the isolation and food insecurity experienced by a section of the population.

Teams from several subsidiaries also took action to help victims of **natural disasters (fires in Greece, floods in Germany) and to support blood drives, such as the teams at the Baddi industrial site in India.**

CAUSE-RELATED MARKETING PRODUCTS

Cause-related marketing products represent another form of philanthropy performed by Groupe SEB. This was the case for Groupe SEB France's campaign "*La rentrée solidaire*". From mid-August to the end of October 2021, the Group donated one product to the Banque Solidaire de l'Équipement (led by the organization Emmaüs Défi) for every household appliance purchased from one of its brands, up to 15,000 products. They were distributed to people or families getting their own housing after years living in precarious accommodation. In 2020, Tefal had run the same campaign in France with Veepee, a specialist in online sales, and Calor partnered with a distributor in Mauritius to run a campaign in aid of Breast Cancer Care Mauritius.

Lagostina led a similar initiative with Veepee in France in 2021 as part of Breast Cancer Awareness Month (for every Lagostina product ordered, one euro was donated to the organization Ruban Rose). In the **Netherlands**, a cause-related marketing campaign was launched in 2021 as part of a multi-year partnership with a food bank. Every order of €75 or more on the Tefal.nl site triggers a donation to the food bank to help fund meals. Approximately 3,500 families benefited from this support in 2021.

Fonds Groupe SEB

Aside from its duties leading and coordinating the annual Charity Week and its role advising on and steering the subsidiaries' corporate philanthropy initiatives, Fonds Groupe SEB provides financial support for various projects combating exclusiveness, mainly in France. In 2021, Fonds Groupe SEB provided support to 26 projects from a support budget that amounted to €500,000 in cash and €100,000 in product donations.

GOVERNANCE AND OPERATION

Governance of the Fonds Groupe SEB is split between two key entities: the Board of Directors and the Operational Committee, supported by a team dedicated to the Fonds.

The Board of Directors sets the strategy for the Fonds. Its members are:

- Thierry de La Tour d'Artaise: Chairman and CEO of Groupe SEB, Chairman of the Fonds;
- Nathalie Lomon: Senior Executive Vice-President, Finance, Treasurer of the Fonds;
- Delphine Segura Vaylet: Senior Executive Vice-President, Human Resources;
- Chantal Monvois: Managing Director of Fondation AgroParis Tech;
- Véronique de Montlivault: Chairwoman of the Rhône Branch of Fondation Frédéric Gaillanne.

The Operational Committee reviews and selects the projects submitted to the Fund. It monitors their implementation, thereby contributing to the steering and improvement of future philanthropic programs.

It has 10 members, who are Group employees, selected for the diversity of their skills (management, HR, communication, union representatives, etc.) and their commitment to solidarity.

An operational team of two people delivers and assesses the projects and develops the network of employee volunteers.

PROJECTS SUPPORTED

Since 2007, the Fonds has supported 484 projects in France aimed at "better living for all", conducted by charitable organizations with which it has close links, such as Emmaüs Défi, Agence du Don en Nature (ADN), Énergie Jeunes, Télémaque, Chemins d'Avenir and others.

Education, training

In 2021, Fonds Groupe SEB formed a new partnership with Chemins d'Avenir, an organization that promotes equal opportunities for junior and senior high school students in rural areas and small towns. Group employees are invited to mentor a young person remotely through video calls, educational tools and the organization's collaboration platform. The aim is to help them to build self-confidence, offer another perspective on their career path and cultivate their sense of commitment so they can realize their potential and ambitions.

Also on the topic of education, the Fonds has supported **Télémaque** since 2011 and is the President of the Rhône-Alpes branch. The organization works with deserving and motivated young people from modest backgrounds until the age of 18, through a school corporate mentorship program. In 2021, 15 Group employees acted as mentors to one young person each to help them prepare for the future.

Énergie Jeunes, on the other hand, works to encourage children to continue with their studies at priority assisted schools in disadvantaged areas through input from volunteers, primarily from the corporate world. These volunteers instill in young people the desire to learn, using highly interactive teaching methods. Since 2013, around 20 employees have taken part in initiatives in the Lyon, Isère and Burgundy regions and since 2019 in Haute-Savoie (Rumilly). These actions had to be cancelled in 2020/21 due to Covid-19, but they will resume as soon as the public health situation allows. The arrangement has proven to be highly effective: a study (2016) has shown that high school students who take part get much higher grades than other students.

Socio-professional integration

The partnership between Fonds Groupe SEB and **Réseau Étincelle** began in 2020 and was extended in 2021. This organization is aimed at “dropouts” aged between 16 and 21 who have left the school system early with no high school diploma or job. It offers them an educational program where they spend several days within a company with support from employees and external professionals: gaining firsthand work experience at the company, role playing, picking up workplace etiquette, discovering opportunities, etc. In 2020, Fonds Groupe SEB financed the organization of two programs that took place in 2021 at its sites in Mayenne and Pont-Évêque.

Fonds Groupe SEB supported several new projects in 2021 which focused on the social and professional integration of various groups. These included **SAS Hackeuses** (Fondation Simplon – Lyon), which seeks to help women struggling to find work integrate into the digital world. It involves a short, six-week training course in which they can not only acquire basic digital skills but also discover digital professions and work on getting into the world of work.

Household equipment

In the area of household equipment and providing access to a healthy diet, the Fonds renewed its support, in 2021, for the **Agence du Don en Nature** (ADN – the Agency for Donations in Kind), of which it has been a founding member since 2008. The ADN collects new, unsold non-food products from manufacturers for redistribution to organizations assisting people in difficulty. Since its inception, support for the Fonds has translated into the donation of 300,000 products, financial assistance totaling €255,000, and the provision of skills.

Since 2020, Fonds Groupe SEB has also been a member of **Entreprise des Possibles**, a coalition of businesses in Lyon working to ensure decent housing for the homeless and the poorest and most vulnerable in society. The organization pools and allocates to social stakeholders time (volunteer employees) as well as financial and material resources, significantly amplifying them. In 2021, Groupe SEB ran a campaign to inform employees in the Lyon region about two schemes open to them with which they can support the partner organizations of **Entreprise des Possibles**: donating paid vacation days (up to two a year) and volunteering during work hours (also up to two days a year). In 2021, the donation of paid vacation days raised €47,000, including a €20,000 contribution from the Group.

INVOLVING EMPLOYEES

For the ninth year running, the Group organized the **Charity Boost** in-house call for projects (previously called **API Sol'**). The aim of this initiative is to support projects sponsored by the Group's employees. In 2021, the Fonds supported 9 projects selected by the French sites' local juries. Charity Boost has begun to spread to other countries, including Colombia, the Nordic countries, Greece and Russia. Its rollout has been hampered by the public health situation and will resume as soon as it can.

The *“Défis Solidaires en Équipe”* (Team Community Challenges), launched in 2017, continued in 2021 (remote solidarity days during Charity Week at SEB Campus, Charity Days at Groupe SEB France, etc.).

To encourage employees to get involved in skills-based sponsorship, Fonds Groupe SEB launched the *“Transmissions des savoirs”* (skills sharing) program in France in 2021. It gives all employees the opportunity to take up to one working day per year to give individual or collective skills-based sponsorship, either on site or externally, through four organizations with which Fonds Groupe SEB has special links: **Énergie Jeunes**, **Réseau Étincelle**, **Télémaque** and **Chemins d'Avenir** (see above).

More generally, to encourage and facilitate employees' social commitment, Groupe SEB introduced the microDON platform in 2020. Accessible through the MySEB intranet homepage, the platform centralizes all information about the Group's corporate sponsorship policy and programs that rely on voluntary participation from employees in France. Depending on their location and interests, employees can choose a project that interests them, discover proposed assignments and apply to contribute. Employees can also log in to the platform at home using a personal username. This means that it can be accessed by all employees, including those who do not have log-in details at their workplace (production employees in particular).

A RESPONSIBLE PARTICIPANT IN THE ECONOMY

Social and solidarity economy

Groupe SEB fulfills its economic and social responsibilities in the regions where it is located. In addition to the jobs it generates, it supports the development of local businesses, especially players in the social and solidarity economy: company providing work to people with disabilities, sheltered employment center, welfare-to-work company, welfare-to-work temp agency, etc. Whenever possible, it favors the use of companies that support disadvantaged people looking for employment. Social clauses have been added to calls for tender to extend this responsible purchasing policy (see page 156).

NUMEROUS INITIATIVES IN FRANCE

The **Lourdes plant** has a long-term working relationship with Adapei (Association départementale de parents et d'amis des personnes handicapées mentales) for subcontracted activities. A sheltered employment workshop has been integrated on the site since 2016, bringing employees and workers with disabilities closer together (between 8 and 16 workers, depending on requirements). In 2019, Adapei was appointed to deliver catering services for employees. The association also helps maintain the green spaces and prints the in-house newspaper. This collaboration gained recognition in 2021, receiving an "Honorable Mention" from the Victoires des Leaders du Capital Humain.

Since October 2021, the **Mions** logistics platform has welcomed six workers with intellectual or mental health disabilities from the Ateliers de l'Isère Rhodanienne (AIR) sheltered employment center to assist with tasks including re-palettization, material handling, and dealing with non-compliant products and delayed differentiation. At **Pont-Évêque**, the plant subcontracts the assembly of plastic parts, labeling and product packaging to AIR, with around 30 jobs on a full-time equivalent basis. The **Faucogney** site also made extensive use of welfare-to-work associations for the packaging of spare parts and accessories, generating around 36 full-time equivalent jobs. The **Is-sur-Tille** plant has worked for many years with Groupe Coopératif Demain, a company specifically specializing in recycling that has over 140 employees, around half of whom are part of an inclusive employment program.

The Group also commissions companies in the protected sector to handle the recycling of its IT equipment. Triade Avenir has been a long-term partner (via Dataserv), helping with the disposal of end-of-life computers, screens and telephones. In 2021, the Group enlisted the sheltered company Recyclea, which also employs people in professional integration programs, to recycle servers.

On **SEB Campus** in Écully, 10 companies from the protected sector (companies providing work to people with disabilities and sheltered employment centers) work in several areas, including catering, cleaning, hospitality and maintenance of green spaces. The head office continued its partnership with disability-friendly company Handishare for subcontracted HR services (recording training data, digitizing files, concierge service hotline, helping to process job applications received by mail, etc.) and general services.

In 2021, the work subcontracted to the disability and inclusive employment sector totaled more than €6.2 million, across all of the Group's sites in France.

INTERNATIONAL INITIATIVES

Beyond France, a growing number of Group entities are using inclusive employment organizations for subcontracting. In 2020, the industrial site in Omegna (Lagostina), **Italy**, began working with Laboratorio

Fuori Rario, which employs people with disabilities. It assigns certain assembly activities to the organization.

In **Colombia**, the Group is working with the Imusa – Samurai Foundation, *Taller de Sueños*, to support business and improve life for **tinteros**, who are working in precarious conditions. These street vendors of coffee and snacks are Group customers because they mostly use Imusa vacuum flasks. To help them, Groupe SEB Colombia's teams have designed a model for them that is better suited to their need to keep the coffee hot for as long as possible, as well as a special trolley to transport them and a folding chair. As part of its "*Tinteros de corazón*" program, the Colombian subsidiary is also offering two months' training on the management of their business, health and safety and customer service (200 participants in 2021). After completing training, the **tinteros** are invited to visit the Rionegro plant where vacuum flasks are manufactured.

Every year, teams from Imusa express their solidarity during Tintero's Day, such as by donating kits for their business (3,000 distributed in 2021), school supplies and food parcels. The Imusa – Samurai Foundation has supported approximately 2,000 **tinteros** and their families for many years and aims to support more than 6,000 of the 11,000 in the country.

The Group is also building partnerships with social organizations to give them access to reduced-price products. Two such partnerships have been in place in France since 2019 with the associations VRAC and Revivre (see section Cooking for good, page 186).

Local roots

Although the Group has become very international, it has maintained a firm local footing in the Auvergne-Rhône-Alpes region, where more than 3,800 employees work at five sites: Écully, Pont-Évêque, Mions, Saint-Priest and Rumilly. Internal promotion and skills development are priorities for the Group, whose commitment to the Lyon area is shown particularly in its membership of the "*Alliance et Territoires*" network, led by the Maison de Lyon pour l'Emploi. The aim of this network is to bring down barriers between member companies and create an intercompany GPEC (Forward Planning of Employment and Skills) and regional GPEC dynamic in the Lyon area.

More generally, the Group is an active member of the community in every region in which it operates. It maintains a number of links with local operators, and particularly with educational establishments, providing classroom talks and inviting students to take part in site visits or work experience programs. In the **US**, for several years the Canonsburg (All-Clad) plant has been working with three high schools on manufacturing and engineering-related topics. Students analyze the site's complex issues, look for alternative solutions and make recommendations. This initiative, which benefits dozens of high school students every year, won recognition for the Canonsburg site at the Champions of Learning Awards, held in Pennsylvania by the Consortium for Public Education. In **Germany**, WMF has a partnership with the University of Geislingen in areas relating to eco-design and sustainable development.

Groupe SEB regularly takes part in discussions on social issues, such as food, health, inclusion and the circular economy. These are topics that are handled by its sustainable development and research and development teams (see page 183).

3.9 Sustainable innovation and respect for consumers

INNOVATION AND SUSTAINABLE DEVELOPMENT

Since the outset, Groupe SEB has always placed innovation at the heart of its strategy, in order to better meet and anticipate consumer expectations (see page xx). Innovation also helps consumers move toward more responsible habits, an idea that increasingly strikes a chord with many consumers, especially in terms of food, health and ecological footprint.

A STRATEGIC APPROACH

In 2021, Groupe SEB gave fresh impetus to the sustainable development aspect of its Innovation strategy, making it a priority area of innovation under the “Good for the planet at home” slogan. It is about creating a range of products and solutions that allows everyone to act sustainably at home on a daily basis.

“Good for the planet at home” is an extension of the “Cook for the planet” and “Home for the planet” projects led by the Group between 2018 and 2021 on the theme of home and kitchen. The aim was to design new concepts for products and services by taking an open exploratory approach and combining it with creative marathons and agile and iterative methods to quickly test the concepts created. This is all undertaken by many teams from across the Group working together.

Since 2019, the “**Cook for the planet**” project has given rise to a dozen innovative concepts that address various challenges, such as combatting waste, saving energy, conserving food, and transitioning to flexitarian diets. Two of them have entered the research stage.

The “**Home for the planet**” project selected eight ideas around personal care based on their energy-efficient, modular and low-tech features (frugal innovation without compromising on the service delivered). The concepts were refined and tested with consumers in 2021. For linen care, the creativity sessions confirmed the suitability of the new concepts included in the “Research” roadmap and helped to enhance some of them, such as cleaning and removing creases from two items of clothing at the same time, as well as solutions to limit the number of washes (decreasing wear and tear, water consumption and electricity use).

FLEXIBLE METHODS

This strong innovation policy relies on frequent and extensive discussions between the Research, Marketing, Design, Development, Quality and sustainable development teams. They are opening up to new methods, incorporating new skills and taking on technological challenges in fields such as materials, energy consumption, ergonomics...

SEBLab plays a central role in speeding up innovation: it establishes and coordinates a series of tools and methods tailored to the various types of projects and their stage of progress.

Sustainable development issues feature prominently in SEB Lab’s sessions, often at the request of participants, with the Group’s teams becoming more and more aware of such issues. In 2021, SEB Lab ran a session on recommendations for how to use products in an environmentally friendly way, for instance, and there was another session on Rowenta’s corporate social responsibility. It also supported the innovation teams on the theme of healthy beverages and continued to support “Cook for the planet” projects.

COLLABORATION AND PARTNERSHIPS

Group innovation also draws on external collaborations, particularly through collaborative research programs in which public and private partners share their skills to achieve a common target. This is the case with the challenge of eating healthy and sustainable food, for instance (see Chapter “Cooking for good”, page 186). This open innovation also includes start-ups, in which the Group acquires stakes through the SEB Alliance Fund (see page 28). It invests in emerging businesses that offer disruptive technologies and/or new business models. The sectors targeted match the Group’s strategic areas of innovation.

ALL STAFF ARE INVOLVED

The All Innovators Challenge, launched in 2017 by the Research department, invites employees to submit innovative product and/or service ideas. Following an initial test edition on the Écully Campus in 2017, the challenge was extended to all the French sites in 2018. The first two editions received several hundred ideas resulting in 11 winning projects that their creators were able to make a reality with the help of SEB Lab. Over half of the winning projects relate to sustainable development (energy saving, waste reduction, healthy sustainable eating, etc.).

In 2020 and 2021, the All Innovators Challenge was not able to take place due to the Covid-19 pandemic, but SEB Lab continued its scheme for receiving impromptu proposals from employees. It has allowed them to flesh out their ideas so they can submit the most promising ones to the Business Units.

(For more information on Groupe SEB’s innovation strategy, see Chapter 1.2, page 27).

RESPECT FOR CONSUMERS

Groupe SEB is committed to offering consumers high-quality products that are guaranteed to be safe and harmless. In each country, the Group complies with all the standards and regulations governing the products it sells. Responsible products are the first theme addressed in the Group's Code of Ethics.

CAPACITY

Groupe SEB's **Quality Management System (QMS)** describes the steps to be taken, at every level, to ensure the quality of products and related services. The QMS covers all Groupe SEB activities, processes and sites throughout the world. Every operation, site, function and employee is responsible for the quality of the work performed and for compliance with the rules contained in the quality assurance documentation. Regular examination of the various components of the System during management reviews makes it possible to check the efficiency of Group processes and to manage the actions needed for the ongoing improvement of product and process quality. The quality management system is described in more detail on page 63.

Testing at all levels

The Group controls the quality of its products **at each stage of the design and manufacturing process**, including with subcontractors. The first quality tests are carried out from the design phase, on all products (excluding purely aesthetic variants): products resulting from the pre-production runs are tested in testing rooms close to the design teams.

For **endurance tests**, products are subjected to an intensive sequence of operating cycles in standard conditions of use, which may be spread over several weeks, without interruption. At the Mayenne site, more than 240 full-automatic coffee machines underwent endurance tests in 2021 at a rate of 8,000 cycles each, totaling 13,200 hours of testing.

Other tests include shock resistance, behavior in damp environments, heat resistance and regulatory compliance. For example, the Group's testing laboratory in Saint-Priest dedicated nearly 15% of its testing to validating new plastics in 2021.

Packaging is also subjected to numerous tests as it must protect product integrity from the factory door to the consumer. The surge in e-commerce is increasing single shipments and creating more constraints in terms of packaging. In 2020, the Group invested in new packaging test equipment in Saint-Priest. The equipment played a role in approving new packaging that was specially developed to meet the requirements of e-commerce (see "Eco-packaging" on page 202).

Commencement of **new product** manufacturing is preceded by a Pilot Run Validation. This involves the pre-production of an additional 100 or so products, with extremely demanding quality criteria, so as to

secure the launch of the product and reduce the scrap rate as much as possible. In 2021, 85% of these pre-production runs were deemed "good the first time round" compared to 61% in 2014, highlighting the progress that has been made in the upstream development phase. During production, accelerated operating tests (short live tests lasting a few days) are carried out on randomly selected products to identify any faulty components that may have slipped through the quality control conducted by the supplier.

Rate of returns falling

To strengthen the continuous improvement loop, the Group systematized the Product Quality Reviews: for each product line, the various teams involved (Marketing, Development, Production and Quality) collectively analyze the scrap rates at plants, the rate of returns under warranty, consumer comments gathered by call centers, and comments from approved repair centers. On this basis, an action plan is implemented under the supervision of the Quality department. Proof of the continuous improvement in quality is that returns under warranty continued to fall: between 2009 and 2019, they dropped by a factor of more than 2, and the rate continued to improve by 5.5% between 2020 and 2021.

For innovative products, the Group conducts tests in the homes of volunteer consumers to take all possible methods of use into account, even the most unlikely ones. Finally, it takes monitoring measures and proactive steps to raise quality standards in the interests of consumers (see page 63).

PRODUCT SAFETY

Product safety is ensured by a rigorous set of procedures implemented at every stage of product development and production. During development, each project review (RP1 to RP4) includes formal checking of product compliance via a series of validations listed in the EMQS (Environment, Marketing, Quality and Standards) reference document. Several of these validations make a direct contribution to product safety, such as Safety Robust Design analysis or field tests which validate the design under real conditions.

During the production phase, lots of tests are carried out on the production lines (electrical insulation, sealing tightness, etc.) and samples are taken on a regular basis for accelerated functional testing which could reveal possible anomalies not detectable on the new product. A final check is made at the end of the production line, after packaging (test of finished product quality), when sample products are unpacked and tested to check that all the production tests have been carried out. More than 4.6 million products were tested in 2021, and the rate of non-compliance continued to decrease, more than halving in eight years.

HARMLESSNESS AND UNPOPULAR SUBSTANCES

With regard to product harmlessness, the Group is particularly vigilant when it comes to selecting component materials, going beyond regulatory requirements.

As part of its commitment to quality, the Group has introduced a “Tefal commitment” notice which has been on **Tefal/T-fal non-stick cookware** for several years. The Group guarantees the safety of its cookware for consumers:

- **selecting the safest materials**, particularly for coatings: applying stringent standards to materials in contact with food, Tefal exclusive coating, 60 years of expertise;
- **no controversial substances** (checked by independent laboratories), in particular: no PFOA ⁽¹⁾, cadmium, or lead;
- **level of requirements higher than regulations**: substance control thresholds up to ten times stricter than required with inspections up to five times more frequent;
- **anticipating regulations and applying the precautionary principle**: ongoing scientific monitoring, review of specifications, dedicated investments.

With regard to unpopular substances, the Group classifies in this category substances that, although not banned by the regulations, are considered by some stakeholders, such as NGOs, to be potentially hazardous. On this basis, the Group is working on plans to replace a number of these substances to stay one step ahead of future directives. Phthalates, for example, which were added to the RoHS ⁽²⁾ European Directive in 2015, were already viewed as unpopular substances by Groupe SEB in 2012.

FEEDBACK AND SERVICE

Call centers and after-sales service

To answer consumers’ questions, Groupe SEB has **multi-channel contact centers** (telephone, email, brand websites, social media, etc.) in most of the larger countries. It has established multi-country call

centers to improve service across all markets. In 2021, it opened one near Düsseldorf (employing around 50 staff) to assist consumers of Group products in the DACH region more effectively. This area was previously covered by two separate sites, one specific to WMF and the second for the Group’s other brands. There are two other call centers in Europe. The Sofia call center covers 10 eastern and central European countries, as well as Australia and New Zealand. It has a team that is able to respond in every language within the countries in question and to cater for the various time zones. The third center, located in Lisbon, is for customers in Spain and Portugal. In France, Groupe SEB has consistently won “Customer Service of the Year” for its quick responses and the quality of its customer relations on all communication channels.

Customer support activity grew significantly during Covid-19 lockdowns across the world in 2020 and 2021 as customers were using their products more and called for assistance. In Europe, for example, the Group recorded up to 30% more contact with customers across all channels.

The after-sales service of Groupe SEB aims to ensure the proper application of its reparability policy. To this end, it relies on a global network of approved repair centers, which are trained and supported by local Group teams (see page 194).

Inform the consumer

The Group continually does new product use and maintenance **videos** (on average, 3-4 a month), which are posted on YouTube and can be accessed via the brand websites.

The Group is also helping to improve the transparency of information between manufacturers and consumers through a new service offered in France by the start-up Alkemics, of which it is a shareholder through the SEB Alliance fund. In 2019, Alkemics launched the “**Transparence Conso**” program: it allows manufacturers to freely share, with a single click, their product catalog and related information (ingredients, nutritional data, allergens, etc.) with consumer transparency apps, which are seeing exponential growth. Most apps, including Yuka, the leader in France in terms of downloads, have signed up to this initiative.

(1) PFOA: perfluorooctanoic acid.

(2) Restriction of the use of certain Hazardous Substances.

COOKING FOR GOOD



MAKE HEALTHY AND TASTY HOMEMADE FOOD ACCESSIBLE TO EVERYONE



Worldwide, Groupe SEB is helping answer the question “What will we eat today?” while ensuring that what is on offer is a wholesome balanced meal that is easy and hassle-free to prepare. The Group’s solutions are also designed to promote a more sustainable diet, encouraging practices with a lower environmental impact.

MAKING HOMEMADE FOOD EASIER FOR EVERYONE

GRUPE SEB 2023 TARGETS

- One program to make homemade food accessible to everyone

Nutritionists all agree: reducing our intake of ultra-processed food and eating homemade dishes, where possible using fresh ingredients, plays a significant part in improving health. Nine out of ten French people think that “cooking healthy, balanced meals” and “sharing meals with family or friends” are the activities that contribute the most to their well-being ⁽¹⁾. At the same time, however, 50% of them say they don’t have the time to prepare meals. By their very nature, the Group’s products and services make home cooking easier thanks to solutions that save time and help produce recipes that allow people to eat well and enjoy their food. The Cook2Health European program confirmed that using the Group’s connected products had a positive impact on health (see page 189).

Innovation supporting healthy eating

Over the years, the Group has created a series of innovations. For example, the famous Super Cocotte Seb pressure cooker (1953) was the first in a long line of pressure cookers, including Nutricook and its four cooking programs that preserve vitamins and other nutrients. More recently, in 2012, Cookeo enabled cooks to put together dishes quickly, with hundreds of step-by-step recipes that could be made in less than 15 to 20 minutes. In ten years, some 4.5 million Cookeo multi-cookers have been sold across the world. Companion then raised the bar even higher: as well as cooking, it makes the preparation of ingredients, pastry and sauces easier, using a range of accessories for chopping, mixing, beating, kneading, grating, etc. Now connected, all these products are continually upgraded with digital enhancements to offer consumers an endless supply of recipes and functionalities.

Homemade food at the heart of many activities

In many countries, Group subsidiaries are organizing events to promote home cooking. In France, *Le Grand Live* by Moulinex, which has been broadcast on social media and the Moulinex.fr website since 2020, featured a week-long series of recipes cooked by chefs, including the high-profile chef Cyril Lignac, using Cookeo and Companion. Distributors shared the series, and it remains available to watch on catch-up. The two editions (2020 and 2021) were watched live by 430,000 people (receiving more than 33,200 comments) and then watched on catch-up by approximately six million people in the weeks that followed.

There is another example of this kind of initiative in Brazil, Argentina and Chile, where Group subsidiaries are working to make homemade food more accessible for as many people as possible through a special program. It includes social media campaigns featuring nutritionists and influencers (e.g., demonstrating how to prepare healthy and easy recipes, giving advice), a partnership with the Gastromotiva foundation to support the “Solidarity Kitchens” program within disadvantaged communities, and selling Group products at reduced prices for vulnerable families.

Seb, Tefal and Moulinex sign up to the Malin Program

In its desire to make “eating well” accessible to as many people as possible, Groupe SEB includes vulnerable sections of society. Since 2017 it has been involved in the French program Malin, which aims to help young children from poor families get access to a balanced, high-quality diet and transform family eating habits. Notable Malin partners include Société Française de Pédiatrie, Croix-Rouge Française, Caisses d’allocations familiales, Blédina and Danone Communities (Danone), Lesieur and Groupe SEB via its Tefal, Seb and Moulinex brands. The French government included this program in its anti-poverty strategy and in the National Nutrition and Health Program.

In the context of unprecedented economic, social and health crises due to the Covid-19 pandemic, the Malin program stepped up its rollout in 2021 to meet urgent needs. It is now accessible in almost all of metropolitan France. Its rollout was organized with the support of the French Ministry for Solidarity and Health and aims to improve the nutrition of 160,000 children under the age of three, which is 30% of vulnerable children aged 0-3 in France, by taking action during the first 1,000 days of their lives. Many studies show that healthy eating from a young age helps to significantly reduce diet-related diseases such as diabetes and obesity.

(1) BVA survey conducted for Groupe SEB in July 2018, on a sample of 1,104 people representative of the French population, aged 18 and over.

Products at affordable prices

As part of this program, Groupe SEB offers cookware and electrical appliances at accessible prices for families (30 to 40% reduction). The objective is to offer a useful range of family products while developing a sustainable, balanced business model for the Group. These “special” sales are held four times a year on an internet platform. A study of buying habits during these campaigns and discussions with the

beneficiaries give greater insight into families and their practices in order to tailor the offering to their needs. The Group also hopes to use this program as a platform to provide advice (good planning and tips) on healthier eating.

By the end of 2021, 65,000 children had benefited from the Malin program since its launch.

SUSTAINABLE, HEALTHY AND TASTY MEALS

GRUPE SEB 2023 TARGETS

- A “healthy and sustainable eating” Charter for recipes accompanying products

A healthy and sustainable recipe Charter

To tackle the double challenge of providing healthy food that has a lower environmental impact and the need to feed 10 billion humans by 2050, a dietary transition is required particularly in Western countries. Amongst these necessary changes, experts are recommending that fruit, vegetable and pulse consumption will need to double in tandem with a reduction of over 50% in animal protein consumption ⁽¹⁾. Aside from the positive health effects, the adoption of a **flexitarian diet** ⁽²⁾ reduces the carbon footprint by over 40% ⁽³⁾.

To support this movement, in 2019 Groupe SEB finalized a “Healthy and sustainable recipe Charter”. More vegetables, cereals and pulses, less meat, limited amounts of fat and salt and no overly processed ingredients are the guidelines of this Charter. What this means in practice is managing the number of portions per person, limiting quantity and prohibiting certain ingredients. It was developed by the Food Science and sustainable development teams on the back in particular of the **recommendations of the National Health and Nutrition Program (PNNS – France)** and on the expertise of a dietitian and a chef active in this area.

TOWARD INTERNATIONAL EXPANSION

This Charter is a reference framework for expanding the proportion of healthy and sustainable recipes in the thousands of savory recipes that the Group shares with consumers via a whole range of channels: apps connected with products, brand websites, social media, cookbooks, etc. It was translated into English in 2020 so that it could be distributed to the various subsidiaries, which enrich the Group’s collection of recipes with variants tailored to local tastes and trends.

AN AMBITIOUS OBJECTIVE IN FRANCE

In France, the Group’s objective for 2023 is to have healthy and sustainable savory recipes make up **30%** of the content in the apps that come with its flagship products: the Cookeo smart multi-cooker, the Companion cooking food processor and the Actify fryer. In 2020, the Group updated its recipe collection for the first time to bring certain recipes in line with the Charter, specifically those that were almost compliant and required just a few adjustments. The Group also focused on using pulses in its new recipes. In 2021, a flexitarian

recipe pack was developed for Companion to encourage users to eat pulses and vegetables. The cookbooks take the same approach. The cookbook for the Nutricook+ steam cooker offers a balanced breakdown of recipes: pulses, meat, fruit and vegetables, and fish and seafood each represent 20% of recipes, with carbohydrates accounting for 15% and dairy products 5%. It also lists seasonal ingredients. The cookbook for the pressure cooker Clipso Minut’ Eco-Respect, launched at the end of 2020, also focuses on vegetables, pulses and fish.

Solutions combining products and services

Eating quality food is the key focus of the Group’s brands, which develop new solutions to promote healthy eating without compromising on enjoyment. Here are some examples.

TEFAL

Thanks to its invention of the nonstick frying pan, which makes it possible to cook with little to no oil, Tefal has been contributing to healthier eating from the outset, and continues to innovate in this area. For instance, the **Preserve frying pans** range is specifically designed for cooking on a low heat. This helps retain up to 30% more vitamin C in the food compared to high-temperature cooking.

In electrical products, the Actify fryer (also sold under the SEB brand), which cooks healthy, tasty meals using minimal oil, has been innovative with the **My Actify app**. It provides step-by-step help to make cooking easy and features hundreds of recipes so that people can vary their meals and eat a balanced diet. It encourages consumers to eat fresh produce, particularly fruit and vegetables, and gives advice based on the season.

Optigrill, another Tefal flagship product, offers four automatic programs solely dedicated to vegetables on its Elite model. As with previous versions, it features an exclusive grilling technology for meat and fish that considerably limits the formation of unwanted compounds. The effectiveness of this technology has been proven through assays by an independent laboratory.

On the dessert front, since 2019 the **Cake Factory** application has offered a pack of low sugar recipes.

In 2021, Tefal strengthened its partnership with Jamie Oliver (which began in 2003) to promote home-made food and a balanced diet with tasty meals. The famous chef works extensively on these topics. An extended range of *Jamie Oliver by Tefal* products will be introduced in around 30 countries.

(1) The EAT-Lancet Commission Summary Report “Food Planet Health” published in January 2019.

(2) A flexible vegetarian diet (or semi-vegetarianism).

(3) WWF France report “Pour une transition agricole et alimentaire durable” published in October 2019.

MOULINEX

An icon of home cooking, Moulinex is bolstering consumer support with its connected products. In 2019, the new **Healthy** functionality was added to the **Cookeo** multi-cooker app, providing detailed nutritional information on recipes made using the appliance. It classifies recipes into food groups – vegetables, animal proteins or starches for example – indicating the number of daily portions they offer. In October 2021, the Cookeo and Companion apps went one step further by incorporating the Nutri-Score label ⁽¹⁾. This functionality applies to both Moulinex recipes and those added by the user community, which total nearly 6,000 online recipes, the majority of which are rated A or B. Information on kcals (kilocalories) and macronutrients (amount of fat, carbohydrates, protein and salt) is now available.

SUPOR

Supor has created innovative solutions for cooking rice in a healthier way: **Healthy & Tasty** cooks rice in two stages with a system that reduces carbohydrates by 20% compared to traditional cooking methods. This new procedure has particular appeal in terms of preventing diabetes and obesity, especially in Asia-Pacific where 90% of rice production and consumption is concentrated. Healthy & Tasty was launched in 2019 under the Supor brand in China and under the Tefal brand in Malaysia, Hong Kong and Singapore.

Supor introduced vacuum technology to its blenders, which reduces the oxidization of food and conserves its nutritional value. This innovation, which features in the **Vacuum Nutrition Plus** range, was adopted by Moulinex on the European market in the **Freshboost** range.

More sustainable everyday habits**COMBATING FOOD WASTE**

Combating food waste is another area to which the Group is committed. Some products can be turned into anti-waste tools such as blenders, which allow great smoothies to be made with slightly too mature fruit and to use some fruit and vegetables whole, including the skins. The Group has developed a variety of social media content about this, including recipes using peelings or vegetable tops and the organization of zero-waste festive events (Halloween, cocktails, etc.).

It also provides information about avoiding waste in its cookbooks. The cookbook included with the Moulinex juicers (Juice & Clean, Juiceo, Power Juice), for example, is abound with ideas on how to cook the pulp instead of throwing it away. Anti-waste tips are also included on the contents pages of the cookbooks for the newly launched pressure cooker Clipso Minut' Eco-Respect and the steam cooker Nutricook+. There is no longer a risk of leaving food to spoil: the "In my fridge" function is available in all Groupe SEB apps and suggests recipes based on the food available in the user's kitchen.

STORAGE BOXES

The Group's product range also includes food storage boxes. They are increasingly popular with consumers who use them to store their foodstuffs, keep leftovers in the fridge or bring food from home.

They are also used within the Group: in Mexico, for example, the subsidiary signed an agreement with companies delivering meals to employees to eliminate all single-use plastic packaging and replace it with reusable Tefal boxes. Food retailers are also very interested in reducing disposable packaging, as seen from various recent initiatives. In Germany, the retailers HIT and Edeka provide customers with Clip & Close boxes (EMSA) for their purchases at the delicatessen counter. In France, the Vrac'N Roll start-up, a pioneer in the online sale of loose organic produce, has started using Optima boxes (EMSA) for order shipments. Stackable, strong and easy to clean, they can also be kept for re-use.

BOTTLES, MUGS, ETC. TO AVOID SINGLE-USE PLASTICS

Another Group product range in sync with more responsible daily practices: vacuum flasks and thermo mugs (EMSA, Tefal, Supor brands, etc.) are a sustainable alternative to disposable cups and other single-use plastic containers that pollute the planet. This goal led Groupe SEB to acquiring a stake in Castalie in 2020 through its SEB Alliance investment fund. Castalie designs and markets micro-filtered water fountains for companies and restaurants. Water is bottled on the consumer's premises in reusable containers (flasks, bottles, glasses, etc.). As a result, there are zero kilometers between where the water is sourced and consumed and zero plastic waste.

The environmental impact of Group products has long been part of its priorities. Two chapters in this document are dedicated to its policy in this area (see Circular revolution, page 193 and Climate action, page 198).

(1) The Nutri-Score label shows consumers a recipe's nutritional value using a five-color scale combined with a series of letter ratings ranging from A to E. Since its launch in France in 2017, several European countries have adopted it.

Collaboration and partnerships

With respect to **healthy and sustainable eating**, Groupe SEB is a stakeholder in many large research or experimentation programs:

COOK2HEALTH EUROPEAN PROJECT

The Group is participating in the EIT Health European program on the subject of “Healthy living and active aging”. In this regard, it coordinates the Cook2Health project (2016-2019), run alongside academic partners (Université Grenoble Alpes, Aberystwyth University and the University of Barcelona), physicians, dietitians and digital players. This unique clinical study was conducted with a large sample in France and the United Kingdom. Its results showed that regularly using connected kitchen appliances had a positive impact on health. The volunteers were given the Actifry fryer and the Cookeo multi-cooker, together with an app featuring 500 recipes and a personalized nutritional coaching service. The results showed that 43% of people using these products ate more healthily and changed their eating habits for good. These results contributed to the Group’s decision to add the Nutri-Score label to recipes on the Cookeo and Companion apps (see page 187).

REGIONAL FOOD TRANSITION

In France, Groupe SEB is a key partner in the “2030 Sustainable Food System” project, led by Metropolitan Dijon and selected by the State in September 2019 under the Innovation Regions scheme. This is about creating a model at the regional level (23 municipalities, 250,000 inhabitants) that demonstrates how all residents can be encouraged to eat better by promoting local produce and reducing the environmental impact of the food chain. Groupe SEB’s contribution focuses specifically on making home cooking easy so that people can eat healthily and sustainably using connected products and associated services and functions (recipes, shopping lists, cooking

tips, etc.), along the lines of the Cook2Health project. In 2021, the Group made progress on the “Conscious consumer” aspect, trialing a digital service called “*Bon pour la planète, bon pour mon assiette*” (good for the planet, good for my plate) with 30 people in the city of Dijon for six months. In 2022/2023, a second trial will be conducted around food shopping patterns.

Awareness-raising initiatives Groupe SEB helps raise awareness across society of healthier and more sustainable eating through a wide variety of methods, including holding product-based activities, creating social media content, getting involved with events on this subject and more. In the Netherlands, for example, in 2021, the Group took part in the national meat-free week by holding online cooking workshops, where chefs made vegetarian recipes. Among the kitchen tools used was an OptiGrill, which is a meat grill that can also be used to cook vegetables. The subsidiary is also involved in the national anti-food waste campaign, highlighting the value of storage boxes (Tefal/Masterseal).

In France, Groupe SEB is partnered with AgroParisTech’s Chair of Diet, Nutrition and Eating Behavior. It develops fun and innovative food education campaigns using mostly digital teaching tools that are designed for a broad audience, such as millennials, families, and people in precarious situations. In spring 2021, it launched an Instagram campaign targeting 18-to-35-year-olds, using the account @jemangepourlefutur to raise their awareness of a more sustainable diet.

In 2019/20, the Group turned to the “Diet, Nutrition and Eating Behavior” Chair when preparing an e-learning module for its employees on “The secrets to healthy, balanced and sustainable eating”. Based on quizzes and videos, it challenges conventional wisdom, provides basic explanations about fats, proteins and carbohydrates, and gives tips on eating well without harming the planet. This module has enjoyed great success in France, and an English version has been developed for employees worldwide.

BETTER HOME LIFE



HELP EVERYONE TO LIVE BETTER IN A HEALTHIER HOME REGARDLESS OF THEIR AGE AND HEALTH



INCLUSIVE-DESIGN PRODUCTS

GRUPE SEB TARGET

- Develop an inclusive design range of products per main product family

As well as permanent disabilities, anyone, at any time of their life, might experience limited sensory, physical or cognitive ability, due to injury, illness or old age. Certain situations may also create constraints, such as a young child in arms. Whether temporary or permanent, disability can affect the sense of touch, sight, hearing, taste or speech.

In order to make its products accessible to as many people as possible, in 2019 the Group decided to develop a practical good design guide in partnership with APF France Handicap and with the support of Caisse Nationale de Solidarité pour l'Autonomie. This guide, the Good Design Playbook, was completed in 2020. It is accessible, free of charge, to all stakeholders who are interested in taking an inclusive approach to design.

An open source Good Design Guide

The Good Design Playbook will bring together best design practice designed to facilitate daily usage for all users, in particular in terms of readability (size and color/contrast of writing and symbols), gripping, handling, weight, materials, etc.

In developing this guide, the Design team adopted a user-centered approach, with **people with disabilities being involved at all stages of the project**:

- observation: 90 hours of interviews and home testing to identify sticking points when using products;
- idea generation: three workshops, 60 participants (people with disabilities, helpers, designers, occupational therapists, anthropologists, engineers, etc.) and creativity tools to co-create solutions that help everyone;
- prototyping: bringing solution ideas to life (models and prototypes);
- evaluation of prototypes by people with or without disabilities to assess the universal added value of the inclusive product for all consumers.

The Good Design Playbook is also based on recognized standards. It is available in open-source digital format on Groupe SEB's website and on the APF France Handicap website. Applied to the area of small household appliances, it will not simply be a collection of best practices: it will also set out the methods and tools used to bring them out, in order to promote the expansion of good design to other sectors and other products and services.

This inclusive design guide, which so far has been unique in this product area, has received multiple awards. In 2021, it received the students' choice award as part of the ESSEC Grand Prix for Sustainable Consumer Industries. In 2020, it was recognized by the International Design for All Foundation in its Good Practices Awards. It was also awarded silver at the International Design Awards (IDA). In 2019, the collaborative nature of its approach was recognized twice: the Group received the Mines ParisTech & Cegos sustainable development CSR Award and the LSA "La conso s'engage" award.

Training teams

The Good Design Playbook is available on the intranet site and was translated into English in 2020 for international distribution within the Group. It was used for introductory training to familiarize employees with the concept of inclusive design. In 2021, it was rolled out to more than 80 employees in the Innovation community (France, Brazil, China, Germany and the US) and can still be accessed online as a webinar.

The Group aims for all employees involved in user experience to adopt this inclusive approach. Immersion workshops were held in 2019 to familiarize the Design team with different forms of disability and how they affect everyday use of products. These workshops may soon be extended to other teams. This training was led by a coordinator from the hizy.org platform, established by Handicap international and supported by Fonds Groupe SEB, along with three occupational therapists from CRIAS (Centre régional d'information pour l'agir solidaire).

Integration into the design process

In 2021, the Innovation teams (research, marketing, design, development) tested the inclusive design approach on six product families as part of an initial assessment phase, with the aim of improving the accessibility of forthcoming ranges. At the same time, the Group developed an inclusive methodology that will become an integral part of the product design process in 2022. Specific training on the topic will be given to support its implementation.

This new step raises awareness even more about the diversity of consumer profiles. The Group had already begun to bring people with disabilities into the design process for its products and services in 2020, particularly in user testing. These tests are configured progressively in accordance to international standards (e.g. SUS score – system usability scale). Similarly, consumer panels that assess products during pre-launch previews will be expanded to include more specific profiles.

Includeo, the first range with inclusive design

Putting the Good Design Playbook into practice, Groupe SEB launched a landmark range featuring its inclusive design approach for the first time in 2021. The Includeo breakfast set toaster, coffee maker and kettle have been designed to better meet the needs of all

demographics, including the elderly, people who have disabilities, people who are left-handed, etc., while featuring a smart esthetic. The ergonomic improvements are discreet but make the products easier to use, particularly in terms of operability, safety and clear labels. In partnership with HandiCaPZéro, the operating instructions were made available online and adapted for different needs, such as enlarged characters and braille and audio versions.

For the design of this inclusive set, Groupe SEB was awarded the **2021 LSA innovation award** in the “Household appliances” category.

Instructional leaflets that are easy to read and understand

The Group is working to improve all of the instructional leaflets that come with the products, based on the European rules on making materials easy to read published by Inclusion Europe. The rules cover the clarity of sentences, the choice of words, illustrations, layout, etc. In 2020, for example, the instructions for the Cookeo Touch were rewritten using the easy-to-read rules, in partnership with a sheltered employment center that works with people with disabilities. They are available in hard copy, digital and audio versions.

Brand websites and the Group's institutional site have also launched projects to improve the sites' accessibility.

Although all this progress illustrates that the Group has been placing particular emphasis on accessibility since 2018, this focus is not new. The Clipso pressure cooker, which came on the market in 1994, can be opened with a single hand. Similarly, Supor designed a rice cooker more particularly tailored to older people (very visible operating lights, easy opening button, ergonomic handle, etc.). The Air Force Flex vacuum cleaner easily vacuums under furniture without the user having to bend down, something that is important for those with back problems.

Cross-fertilization

To further strengthen its inclusive design efforts, Groupe SEB shares its approach with students from design colleges who incorporate it into their projects, which in turn feed back into the Group's best practices. It is also involved in an inter-company working group on inclusion (including Toyota, Leroy Merlin, Sodexo, Groupe Atlantic and Sismo) in a spirit of sharing knowledge, updating/further developing the process and developing specific measures.

A HEALTHY HOME

GRUPE SEB TARGET

- Create an awareness program around healthy homes

Better indoor air quality

A good home life also means ensuring that the air that we breathe is clean. Various pollution sources, such as animal hair, dust and pollen, and volatile organic compounds, can lower air quality and cause respiratory allergies. This includes formaldehyde, which is specifically found in paints and glues used in furniture and is recognized as one of the most dangerous pollutants in the home. Since 2015, the Group meets this need to purify air with the Intense Pure Air range. Its ultra-effective filtration system contains four filters. The Allergy+ filter, for fine particles, captures allergens, while another filter equipped with exclusive NanoCaptur+™ technology, definitively destroys formaldehyde. The new version of this filter, launched in 2019, is more effective (50% longer lifespan).

Thanks to its smart purification system, Intense Pure Air automatically starts working once it detects pollution in the air. It can also be connected to an app that lets you view the indoor air quality and manage the appliance remotely, providing more information on air pollutants.

At the beginning of 2022, the Group continued to innovate with the Pure Home product, which has a portable air quality sensor to detect pollution easily in any room in the home. The 360° air purifier system comes with four filter levels and features a special allergen mode with an expanded range of functions.

CLINICALLY PROVEN EFFECTIVENESS ON RESPIRATORY ALLERGIES

The Alyatec Research Center (Strasbourg hospital) achieved a world first with Groupe SEB in 2018, conducting a clinical study aimed at demonstrating the effectiveness of the Intense Pure Air purifiers on respiratory allergies. Patients suffering from allergy-related asthma were exposed to extremely fine particles of cat allergens. The tests showed that the use of Intense Pure Air purifiers could reduce the risk of allergic reaction by a factor of ten. The results of this trial were presented at the European Academy of Allergy and Clinical Immunology (EAACI) Conference in Munich. They were also published in 2019 in *Clinical & Experimental Allergy*, the official journal of The British Society for Allergy & Clinical Immunology (BSACI).

PARTICLES AS SMALL AS VIRUSES

Furthermore, tests carried out in 2020 by an external laboratory on the Pure Air and Intense Pure Air ranges showed that their filtration was up to 99.9% effective for airborne particles as small as viruses (tests carried out on the H1N1 strain, using the full device at maximum speed). In France, the Auvergne Rhône-Alpes region tested the Intense Pure Air XL purifier and added it to its public procurement catalog at the end of 2020 as part of a campaign to equip schools and high schools, particularly their canteens.

Cleaning linen and floors without chemicals

Consumers also care about eliminating bacteria, viruses and other germs with limited use of chemicals when washing linen, floors and other surfaces. A steam/heat combination has proven to be a very effective tool in this regard. It has been integrated into a range of solutions offered by the Group. To prove their effectiveness, in 2020 the Group began a series of tests that they outsourced to independent laboratories.

For floor care, Groupe SEB has an innovative solution that doesn't require detergents: the **Clean & Steam** vacuums and steam cleans the floor in one go. Besides saving time, cleaning in this way eliminates up to 99.9% of bacteria, which are destroyed by the heat. This is especially good for people suffering from allergies and parents of young children. The new version launched in 2020, Clean & Steam Revolution, is more lightweight and compact.

For household linen and textiles, the Group's steam solutions go beyond just ironing or getting creases out, they also clean the fabrics, as demonstrated by tests that have been conducted since 2020. As such, the Access Steam portable garment steamer and the Ixeo Power all-in-one solution eliminate up to 99.99% of viruses and bacteria (tests performed on cotton fabric under strict conditions). In 2021, the new Cube clothes steamer provided extra steaming power and gave users more freedom to move around. In addition, the Group has continued its work to better understand the role of heat, steam and ultraviolet-C radiation in the destruction of bacteria and viruses with the aim of using these non-toxic and more environmentally friendly technologies further.

3.10 Circular revolution



MAKE OUR PRODUCTS AND SERVICES PART OF THE CIRCULAR ECONOMY



The Group's goal in this area is to save the planet's resources by operating on several drivers: extending product life and re-use, promoting recycling and the use of recycled materials, experiment with shared product use.

The Group's brands are committed to taking this circular economy approach, particularly Rowenta, which has been heavily involved in improving the environmental performance of its products for many years. Optimizing resource consumption is one of the pillars of its new brand platform (2020), with three main areas: product sustainability

(particularly through repairing), using recycled materials and reducing energy consumption without compromising on efficiency.

The Group is also involved in several initiatives with various stakeholders. Since 2018, for example, it has supported the **Urban Mines Chair**, founded in partnership with three French "Grandes Écoles" universities (Arts et Métiers, Chimie ParisTech and Mines ParisTech) and the environmental organization Ecosystem. The Chair focuses on implementing a circular economy model that is profitable for everyone – citizens, manufacturers, recycling organizations and local authorities.

3

LONG-LASTING PRODUCTS

REPARABILITY

GRUPE SEB TARGET

- Over 90% of electrical appliances with the "15-year repairable product at fair prices" commitment (for Tefal, Moulinex, Rowenta, Krups, Seb, Calor)

92% of products repairable for 15 years at fair prices ⁽¹⁾

Product reparability is a vital aspect of the circular economy, as by increasing the lifetime of products it helps to reduce both the resources consumed and waste. It is also beneficial for consumers who get an economic benefit (generally cheaper to repair than to buy a new product) and keeps users of the Group's products loyal by extending service lives as much as possible.

The Group is a pioneer in this field. Its reparability policy, initiated in 2008, reached maturity in 2015 with its "10-year repairable product" commitment. It began taking its commitment to repair a step further in 2021, extending it to 15 years with greater work on the cost of repairs to offer very affordable rates (see below).

For Groupe SEB, its "15-year repairable product at fair prices" commitment ensures that:

- a product can be readily disassembled and reassembled;
- the spare parts are reasonably priced and readily available for at least 15 years after the last purchases;
- there is a significant network of trained repairers while ensuring optimal regional coverage.

All of this should allow a streamlined customer experience and ensure the effective repair of products for many years.

Today, the "15-year repairable product at fair prices" logo is displayed on 92% of Tefal, Rowenta, Moulinex, Krups and WMF electrical appliances in Europe, Asia, the Middle East and Africa, as well as SEB and Calor products in France and Belgium. Brazilian brand Arno also launched the same initiative in mid-2021 on an initial range of products.

The "15-year repairable product at fair prices" commitment also applies to all pressure cooker ranges, which are over 99% repairable. For this type of product, the Group keeps stocks of spare parts for up to 35 years after production has finished.

(1) Mostly repairable, on small electric appliances.

Demanding criteria

Product reparability starts from product design, and is one of the priority areas in the Group's Eco-design Guide. Right from the start, products are designed to be easily disassembled and reassembled so that only the worn parts have to be replaced. In 2016, the Group adopted a more stringent calculation method when defining the level of reparability of its electrical appliances. In addition to the criteria of availability and price of parts, this definition now includes the percentage of repairable faults.

- A **fully repairable** product (100% of faults are repairable) is when all the components that can be replaced are available and none cost more than half the price of the product.
- A product is **mostly repairable** if at least 80% of faults are repairable; one or two parts at most are not available or cost more than half of the product's price; and these parts account for less than 20% of the risk of faults.

In 2021, of the 92% of repairable electrical appliances, 78% were wholly repairable and 15% were mostly so. In parallel, the **percentage of repaired products is increasing** in approved centers: in Europe, for example, the percentage of products under warranty repaired within five days rose from 70.3% in 2012 to 85% in 2021.

An attractive repair package

In 2020, to encourage consumers to repair their products more beyond the warranty period, Groupe SEB launched a **flat-rate repair service**, with a single, fixed rate for each product category. The consumer can generally get their product repaired for less than a third of the price of an equivalent new product from the brand, whatever the malfunction, the spare parts needed, and the age of the appliance (the reparability warranty lasts for up to 15 years). They also benefit from a warranty covering the whole product for six months after the repair has been done.

This repair package has been offered for all the Group's brands in France since mid-2020. Consumers can purchase the repair package directly on the brands' websites, then follow the instructions to send the product or take it to an approved repair center. In 2021, the service was expanded to Spain, Portugal and Italy (for Tefal, Moulinex, Rowenta and Krups). It will be extended to the rest of Europe in 2022 and then to North America.

In 2021, Groupe SEB received the LSA "La conso s'engage" award for this repair package in the "Environmental Footprint" category.

Repair center and spare parts network

To ensure that repairs are of optimum quality, Groupe SEB uses a network of approved repair centers, which has gained in strength over the last 10 years. There are now over 6,200 worldwide, including 2,800 in China. The Group's local after-sales service teams are responsible for training and supporting the repair centers.

The Group guarantees the repair centers that around 50,000 listed spare parts will be available for up to 15 years after products cease to be manufactured, including products from subcontractors, at the cheapest possible price (at the end of 2021, this price remained

unchanged since the 30% reduction in 2012). For products under warranty, spare parts are delivered to repair centers within 24 to 48 hours in Western Europe, rising to a maximum of four days in other parts of the world.

Nearly 7.5 million spare parts are stored at the Group's central warehouses in Faucogney in the east of France (30,000 m² in storage area). In addition, in a growing number of countries, consumers can directly order accessories, consumables and spare parts on the brand websites. In 2021, direct orders were possible on 67 brand websites across the world. In 2020, the Group expanded its storage capacity for spare parts and accessories in Hong Kong: the new local warehouse is double the size of the previous one and allows the Group to stock triple the number of items, which are then immediately available for repairers and consumers in Asia.

DIY repair and 3D printing

Customer support experienced a spike in activity in 2020/21, particularly during the lockdowns caused by the public health crisis: all around the world, consumers used and repaired their appliances more. Many consumers repaired products out of warranty themselves: in Europe, for example, the Group recorded increases of between 20% and 40% (depending on the time period) in orders for spare parts and consumables from its websites, and approved repair centers experienced similar increases in demand for these items. Conversely, the number of repairs carried out by approved centers, which were mainly on products under warranty, remained the same.

The Group also uses **3D printing**, which means some spare parts can be manufactured on demand. This simplifies inventory management and increases availability almost to infinity. Since 2020, more than 100 3D-printed functional and technical parts have been supplied to all repairers worldwide with the note "3D-printed part certified by the manufacturer". The most basic of these are available on brand websites for consumers who wish to repair their products themselves (e.g. a vacuum bag holder for an old model).

RépareSeb in Paris: a dedicated circular and solidarity economic hub

Opened in December 2020 in the 18th arrondissement of Paris, the **RépareSeb** project has a dual objective: to work toward a circular economy by repairing small domestic electrical appliances while helping people previously excluded from the world of work to get into employment. It is a joint social venture created by Groupe SEB and the Ares Group (Association pour la Réinsertion Économique et Sociale) in partnership with the City of Paris and offers several complementary services:

- small electrical appliance repair in a workshop that is certified for all Groupe SEB brands;
- appliance rental service in partnership with Eurêcook (see page 197);
- product refurbishment (mostly recovered as part of the after-sales service) for resale as "second hand" on site at fair prices;
- an incubator for start-ups in the circular economy;
- raising public awareness of responsible consumer practices.

RépareSeb ultimately aims to help around twenty people, who are seeking to enter the world of work, to find employment every year. This project has won multiple awards: the “*Projet collaboratif de l’industrie et de ses partenaires*” award from ESSEC in 2021; winner of the 11th edition of the “*Trophées Parisiens de l’Économie sociale et solidaire (ESS)*” in 2020; and the LSA “*La conso s’engage*” award in the “Charity Collaboration” category for its partnership with ARES in 2020.

Raising awareness among consumers and other stakeholders

Regardless of whether the products are under warranty or not, the Group encourages consumers to repair their appliances instead of exchanging or repurchasing them. It directs them to approved repair centers using a variety of media, including product documentation, brand websites, explanatory videos...

It shares information on its reparability policy widely, in particular to its stakeholders in Europe (press, NGOs, consumer associations, public organizations, etc.). Its “15-year repairable product at fair prices” commitment is shared widely on social networks in Spain, Portugal, Romania, Poland, and other countries. As the Group is considered to be the European leader in reparability, it has been invited to present its approach at conferences organized by various public institutions, such as the Belgian Senate, the European Court of Justice and the Métropole du Grand Paris.

This commitment to reparability has won the Group many awards. In 2018, it won the award for “Social and Environmental Responsibility” at the European Business Awards in Warsaw, having been selected from 112,000 companies from 34 European countries.

PRODUCTS WITHIN THE RECYCLING LOOP

DESIGNING RECYCLABLE PRODUCTS

Product recyclability is a priority of the Group’s eco-design guide (see page 201) and all products are assessed for their recycling potential using a standardized method. When designing a product, the Group gives preference to materials that can be recycled (metallic components, certain plastics like polypropylene) and plans for quick and easy disassembly.

For example, the Tefal Turbo Pro Anticalc steam iron had a heat shield (the part above the sole-plate) made from recyclable PBT, rather than non-recyclable BMC, which was the case for previous ranges. Thanks to this change made in 2016, the recyclability rate rose to 82% compared to 76% for an equivalent iron with a BMC shield. Since then, all new steam iron ranges manufactured at Pont-Evêque (France) incorporate this part. The same change was made to the Calor Express Compact steam ironing station. Another illustration of the improved recyclability: in 2018, the Erbach (Germany) site adopted a new co-injection process that removes the use of non-recyclable glue. The Eco-Respect range of food processors (Moulinex/Tefal), launched in 2021, has a recyclability rate of up to 95%.

The average potential recyclability rate for new electrical product families designed in 2020 was over 80%.

USING RECYCLED MATERIALS

GRUPE SEB 2023 TARGETS

- 50% of recycled materials in Group products (including packaging)

Groupe SEB uses more and more recycled materials in its products. In 2013, the Group set itself the target of incorporating 20% recycled materials in new products and packaging by 2020. It has now exceeded this goal, achieving 34%. The target is now 50% by 2023.

It also made a specific commitment **on recycled plastics**, with the goal of doubling the annual use in France by 2025 compared to 2017 (subject to any changes in applicable regulations that might impact this strategy). By the same token, the product design process now includes a new stage in which the purchasing and development teams thoroughly explore the possibility of using recycled plastic in various parts.

Metals: more recycled aluminum in cookware

As regards metals, across all products, most of the stainless steel used by the Group is already from recycled sources. This rate is over 80% in stainless steel cookware produced in Europe (utensils, frying pans, saucepans, stewing pots, pressure cookers, etc.). In the case of aluminum, mostly used for this product category, the proportion of recycled materials is lower but is rising on the back of efforts by the teams in question. Using recycled aluminum produces 90% less greenhouse gases than primary aluminum and consumes 16 times less energy. Tefal launched its first range of 100% recycled aluminum products in 2009 (Natura). Three years later, it introduced the first recycling system for cookware in France. Of products recently put on the market, the Eco-Respect and Resource frying pan ranges, which also use 100% recycled aluminum, won the Grand Prix de la Responsabilité Sociétale des Marques in 2019 (France).

Recycled plastic: significant progress

A PIONEERING ROLE

The Group's recycled plastics strategy began 10 years ago with the Enjoy utensils, made from 95% recycled **PET**. It has since continued to ramp up efforts in this area, led by the Purchasing, Quality, Standards and Environment and Research departments in liaison with the Industry and Marketing departments: cooperation with recyclers to improve the quality of the plastics in question, verifying their regulatory compliance, performing injection and prototype testing, launching pre-production runs, etc. Compared to plastics from oil, recycled plastics reduce the impact on global warming by up to 70%.

The Group was a pioneer in setting up the first **circular economy loop for small electrical appliances** in France with Veolia and the eco-organization Ecosystem (2015). This cooperation led to the first steam generator with a **polypropylene** casing made from recycled electrical and electronic appliances, produced in Pont-Evêque (Silence Steam, Rowenta).

Rowenta extended use of this material to the Silence Force Compact (2018) vacuum cleaner bases through specific investment in production lines at the Vernon site. In 2021, this change was made on 63% of all bagged vacuum cleaners produced on the site.

MORE AND MORE PRODUCTS WITH RECYCLED PLASTIC

The list of products using recycled plastic continues to grow. Up to 65% of the four Moulinex/Tefal Eco-Respect (2021) food processors, manufactured in Lourdes, are made from recycled plastic. This figure is set to increase in the near future with the development of new recycled plastics that can be used in components that come into contact with food.

The Expresseria (Krupps) coffee machine, manufactured in Mayenne, is also moving in this direction. The bases, outer casings, bean hoppers and covers on all full-automatic machines were made from recycled PC/ABS in 2021. For example, the new full-automatic Evidence Eco Design, launched at the beginning of 2022, contains a total of 62% recycled plastic.

A number of other projects are underway, including ones around utensils and appliances for cooking meals with others (crêpes, raclette, etc.). In 2021, the Group designed a range of EMSA/Tefal storage boxes containing 85% biosourced plastic (cooking oil, wood and paper waste, etc.) as well as a range of flasks made from 50% recycled plastic (launched in 2022). Both types of plastic have been ISCC certified⁽¹⁾. The use of recycled plastic is also growing in South America and Asia. In Brazil, an Arno fan and a non-automatic washing machine have been designed to use up to 70% recycled plastic, while in Vietnam, a range of fans uses 50% recycled plastic. In both cases, the polypropylene comes from local recycling industries. In addition to its long-standing partnership with Veolia in France, the Group is gradually expanding its portfolio of recyclers on all continents.

END-OF-LIFE RECYCLING

In Europe, national **eco-organizations** manage the collection and processing of small electrical appliances that are at the end of their service life. Groupe SEB is particularly involved in this in France, as part of Ecosystem, the country's largest eco-organization for WEEE (Waste Electronic and Electrical Equipment).

As yet, there is no specific channel for aluminum pans, saucepans or stew pots, however. In France, for example, 60% end up as household waste (6,000 tons per year), even though they are 80% recyclable. Since 2012, Groupe SEB has expanded the number of initiatives designed to promote **cookware recycling**, in particular in Europe with the Tefal brand (France, Netherlands, Norway, etc.). The operations involve a partnership between the Group, specialist recycling companies and partner distributors. Consumers are encouraged to bring their old products back to the store, in exchange for a discount voucher to purchase a new item. The offer has focused on 100% recycled aluminum cookware since 2018. The used products are collected before being sorted and crushed. The main materials (aluminum, stainless steel and plastic) are separated, then recycled to manufacture new products, including cookware.

In France, the initiative was repeated in 2021 with the stores Leclerc (partner since the beginning), Carrefour, Auchan, Système U, Cora and BHV. In France, these actions have helped to collect and recycle more than 1,000 tons of cookware – 1.5 million products – over ten years.

Campaigns to collect and recycle frying pans and saucepans are being rolled out in ever more countries and retailers. In 2021, they ran for the first time in Russia and the United Arab Emirates.

(1) International sustainability & carbon certification – mass balance approach.

SHARED USE PRODUCTS

The Group is at the forefront of new, more sustainable, consumer models similar to product-service systems, and since 2015 has been testing an innovative **kitchen appliance rental service** in France to respond to ad hoc consumer requirements. Christened **Eurêcook**, it was initially rolled out in the Dijon area in partnership with a network of public and private sector operators such as ADEME ⁽¹⁾, the ENVIE association and Groupe Casino. In October 2018, it was launched in Paris, this time in partnership with ENVIE and Monoprix, the leader in city center shopping. The principle is simple: the consumer books their Seb, Tefal or Moulinex appliance on the www.eurecook.fr website or in one of the five Parisian Monoprix stores initially participating in the campaign. They choose the length of the rental (from a weekend to a week) then pick up the appliance at one of the collection points or with their shopping delivery. Once they have been returned, the products are systematically cleaned, checked and re-packaged by workers from a professional integration scheme (ENVIE).

This service has taken on a new dimension in 2021 in Paris as part of the RépareSeb project. This service can now be rolled out throughout the country by delivering the rented product to the customer's house and having them return it at a drop-off point (see page 194).

PRODUCTS WITH MULTIPLE LIVES

GRUPE SEB TARGET

- Trial business models that give a new life to Group products

Re-use of small electrical appliances

When consumers return products, for example as part of after-sales service or in response to specific sales offers, and they can still be used, the Group makes every effort to give them a new life rather than shipping them off for dismantling or recycling.

Thus, most of the products returned to the Group's site in Alençon through distributors' after-sales services have not been used much and have a single fault. Most of them are repaired at the Parisian organization RépareSeb to be resold as second-hand products with warranties. Since 2017, Groupe SEB France has also enlisted the ENVIE Anjou inclusive employment organization to handle part of the process, whereby it dismantles and repairs the products at its workshop near Angers before reselling them at a reasonable price in its store with a one-year guarantee. In 2021, the organization refurbished more than 6,000 appliances that would have otherwise been destroyed. Since the beginning, this partnership with Groupe SEB has enabled 22 people to rejoin the world of work.

Refurbishment of frying pans and saucepans

The **All-Clad** brand extends the lifetime of products with an unprecedented offering. Since 2015, it has offered its catering customers second-hand frying pans reconditioned at the Canonsburg plant in the United States. The pans recovered from chefs are disassembled, cleaned, returned to their original condition, brushed, and polished for a pristine result. They leave the plant looking as good as new but at half the price and with much less of an impact on the environment (95% less energy consumed). This ENCORE range has received support from a number of chefs. 5,000 frying pans have been reconditioned within the past five years.

3

(1) French Agency for the Environment and Energy Management.

3.11 Climate action



CONTRIBUTE TO THE FIGHT AGAINST CLIMATE CHANGE THANKS TO OUR LOW-CARBON STRATEGY



From the design of a product to the end of its life, the Group takes measures to limit its environmental footprint (eco-design, eco-manufacturing, eco-logistics, recycling, etc.) and contribute to combating climate change. It does so by using its product **eco-design guide** and **ISO 14001** international certification. In the factories, offices, laboratories and warehouses, all Group employees and contractors are made aware of the importance of respecting the environment. Groupe SEB's environmental strategy is supervised by the Quality, Standards

and Environment department and is coordinated across the sites by Environment, Health and Safety Coordinators. Information on Groupe SEB's environmental expenditure is available on page 290.

The data given below are for a worldwide scope for ISO 14001-certified entities ⁽¹⁾. Data concerning new acquisitions will be included progressively, as and when they are integrated into the various Group processes.

ANALYSIS OF THE GROUP'S GREENHOUSE GAS EMISSIONS

Groupe SEB measures its greenhouse gas (GHG) emissions along its entire supply chain in line with the international GHG protocol developed by the World Resources Institute and the World Business Council for sustainable development (see methodological note on page 199). This assessment distinguishes between Scope 1 and 2 greenhouse gas emissions that are directly linked to the Group's production activities and indirect Scope 3 emissions (see Glossary on the next page).

Scope 1 and 2 emissions and those part of Scope 3 (upstream and downstream transport of components and products) have been evaluated every year since 2017.

The purchase of products and services and the use of products sold are the most significant emission items in scope 3. In 2021, Groupe SEB set up a working group to define the annual calculation methods for the emissions from these two major sources. This work is due to be completed during 2022.

In 2020, total GHG emissions for Groupe SEB represented 15.5 million tons of CO₂ equivalent ⁽²⁾.

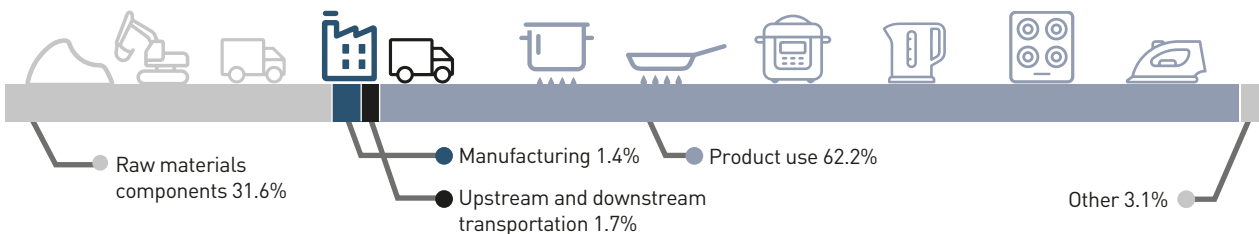
These break down as follows:

Scope 1 (absolute) = 71,532 tCO₂eq

Scope 2 (absolute) = 144,982 tCO₂eq

Scope 3 (absolute) = 15,301,744 tCO₂eq

BREAKDOWN OF GROUPE SEB'S ANNUAL GREENHOUSE GAS EMISSIONS



(1) Certificates obtained by sites prior to their acquisition by Groupe SEB were not taken into consideration.

(2) Scope of Groupe SEB entities ISO 14001 certified in 2019 and before.

GLOSSARY

Scope 1: emissions linked to the consumption of fossil fuels (mostly natural gas) used for certain industrial processes or to heat buildings on the Group's ISO 14001-certified industrial and logistics sites.

Scope 2: emissions caused by the consumption of electricity bought on the Group's industrial and logistics sites.

Scope 1 and 2 emissions consist of the Group's emissions from its plants and logistics sites (see "Eco-manufacturing" section on page 203).

Scope 3: indirect emissions that are not directly linked to the manufacture of products (e.g. purchases of goods and services, the use of products sold, and downstream and upstream transport).

Raw materials and components: emissions linked to the extraction of raw materials and the processing of materials and components by Groupe SEB.

Production: emissions linked to the energy consumed by the Group's industrial and logistics sites (combustion of fossil fuels and electricity consumption) = scopes 1 and 2.

Upstream and downstream transportation: emissions linked to the transport of elements of the value chain. Upstream applies to elements that are purchased by a Groupe Seb site. Downstream applies to finished products from the factories to the customers' warehouses. The term covers the emissions from the movement of goods by land, sea and air.

Use of products: the calculation of emissions linked to the use of products takes into account the electricity consumed by small electrical

appliances, the gas and electricity required for operation, and the washing (in hot water) of cookware. For every product category, the calculation considers their hypothetical use over the year and the sales volume.

Other: this emissions item covers various types of emissions that are not very significant if taken separately. It includes, for example, emissions linked to Group employees' journeys to work, business travel, and consumers' trips to stores. It also includes emissions linked to the end of life of products.

METHODOLOGICAL NOTE

The emissions factors used are taken from databases (that of the International Energy Agency and the carbon database of ADEME ⁽¹⁾). There is a degree of uncertainty in the GHG Protocol's calculation method, since it is based on average emissions factors and given the number and type of data requested. It nevertheless provides information about the proportions of the Group's main emissions items, which serve as a useful guide for its strategies to reduce its carbon footprint.

To calculate the Group's carbon footprint, the teams used the eco-production reporting data for scopes 1 and 2, and the life cycle studies for the different product families for scope 3. The GHG emissions generated by product manufacture, described in the "Eco-manufacturing" section (page 203), and the GHG emissions linked to logistics presented in the "Eco-logistics" section (page 208), are monitored by a dedicated reporting system.

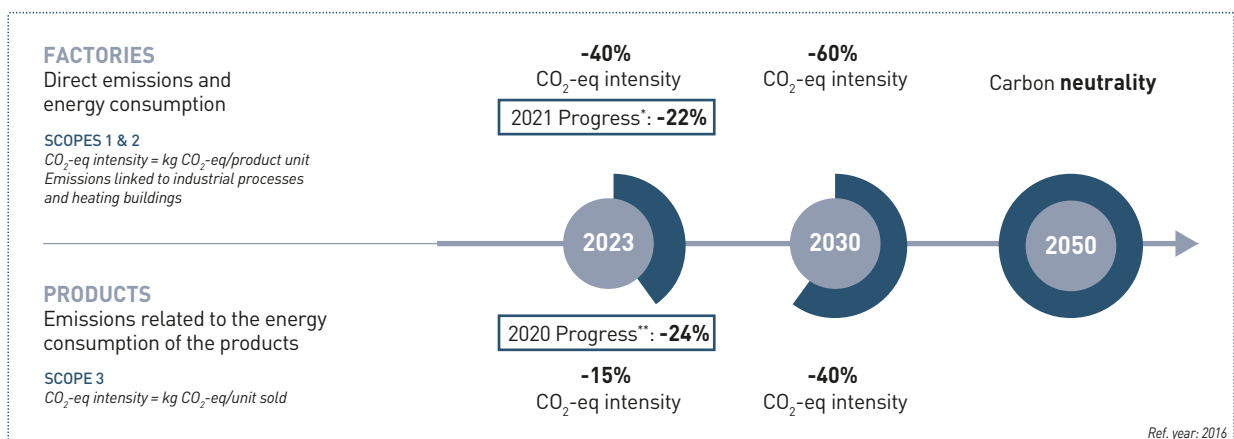
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CONTRIBUTE TO CARBON NEUTRALITY IN 2050: SCIENCE BASED TARGETS

To strengthen its contribution to combating climate change, in 2016 Groupe SEB joined the Science Based Targets initiative launched by the WWF, alongside the Global Compact (UN), the WRI (World Resources Institute) and the CDP (Carbon Disclosure Project). This initiative encourages large companies worldwide to align their greenhouse gas emission reduction targets with the IPCC's

recommendation for limiting the average global temperature rise to below 2 °C by the end of the century.

In 2018, the Group set out its own short and long-term SBT targets. They were officially approved by the SBT Initiative (SBTi) in 2019. Groupe SEB is thus amongst the 100 leading companies worldwide to have brought their low-carbon strategy into line with the Paris Accord.



^{*} Intensity results of Scopes 1 and 2, with the scope being entities included in the science-based targets calculation.
^{**} Intensity results of Scope 3 of "Use of Sold Product," with the scope being products included in the SBT targets calculation.
 The figure for 2021 is not currently available at the time of the URD being published because the two processes are out of sync by a few months.

(1) French Agency for the Environment and Energy Management.

The Group established special governance to achieve these goals and specify the necessary course:

- the **“product manufacturing” low-carbon strategy (scopes 1 & 2)** is defined and controlled by a low-carbon Steering Committee coordinated by the Sustainable Development department. It brings together representatives from the Cookware and Small Electrical Appliance Industry departments, the Quality Standards and Environment department, the Purchasing and Management Control department. This Committee follows the environmental road-map, which more broadly covers all issues pertaining to environmental conservation. The strategy for working toward carbon neutrality at industrial sites is broken down into three areas:
 - reducing the sites’ energy use by optimizing consumption: energy audits, roll-out of an energy indicator (kWh/product unit) within manufacturing operations, adjusting processes, choice of less carbon-intensive energy sources, etc.,
 - increase in the share of renewable energy: on-site energy generation using solar panels, purchasing green energy through long-term Power Purchase Agreements,
 - as a final measure: offsetting residual greenhouse gas emissions by supporting ecosystem restoration projects, primarily in forestry, featuring a biodiversity conservation label.

See details about these actions on page 203 (“Eco-manufacturing”);

- the **“use of products” low-carbon strategy (scope 3)** is coordinated via the eco-design road map. Under this road map, in-depth reviews (2019) were carried out for each product category to adjust the priority areas to its particularities. Actions to reduce greenhouse gas emissions caused by the use of products generally include:
 - repairing products,
 - integrating recycled materials,
 - raising consumer awareness about the right conditions for using products,
 - reducing how much energy products consume (eco-design and new technologies).

See details about these actions on page 193 (“Circular revolution”) and page 201 (“Eco-design”).

To strengthen its environmental approach, the Group worked with the **WWF** NGO, which supported it with multiple specific projects including, in 2018, the formalization of SBT targets and its eco-packaging policy (see page 202).

ECO-DESIGN

WHAT “ECO-DESIGNED PRODUCT” MEANS

Groupe SEB’s eco-design policy aims to reduce the environmental footprint of the Group’s products throughout their life cycle. Launched in 2003, it has continued to go from strength to strength. In 2020, the Group refined its definition of an eco-designed product. It is a product that must meet its eco-design criteria:

- a product designed to last and be repaired;
- an increasingly recyclable product;
- materials with a reduced environmental impact;
- better energy efficiency;
- more eco-friendly packaging.

There are specific criteria (quantitative thresholds and/or qualitative features) for sustainability, recyclability, energy efficiency, and the integration of materials with a reduced environmental impact for each product category: small electrical appliances, Cookware, and Kitchen Utensils and Gadgets. Formalized in 2020, these criteria were tested with the assistance of Ernst & Young to ensure that they were relevant and robust. They act as operating guidelines for the teams.

ECODESIGN LABEL AND RAISING CONSUMER AWARENESS

In 2021, to promote its eco-design with consumers, Groupe SEB created its ECOdesign label, which is certified by an independent third party (Ernst & Young) with regard to ISO 14020 and ISO 14021 standards. This label allows consumers to quickly identify the products that conform to the strictest eco-design specifications. It covers the whole gamut of products from the Group’s brands, from small appliances to cookware.

The first ECOdesign certified range was launched in Europe in autumn 2021: Eco Respect is a full range of products for preparing food (Moulinex/Tefal) and is manufactured in Lourdes. The products contain up to 65% recycled plastic and are up to 95% recyclable. Packaging is made from at least 90% recycled cardboard, uses vegetable-based ink, and no longer contains plastic bags or polystyrene. Some of the Group’s other products were also awarded the ECOdesign label in 2021, such as the Natural Chef frying pan (Tefal), the Clipso Minut’ Eco-Respect pressure cooker (Seb/Tefal) and the Crep Party crepe maker (Tefal).

In addition to eco-design, reducing the environmental impact of products also depends on how they are used by consumers. As a result, Groupe SEB is making efforts to inform and raise awareness among users. On the Tefal and Moulinex sites, for instance, new dedicated pages are highlighting the eco-design concept, such as what it means, what the ECOdesign label is, examples of certified products, advice on how to use products in a way that limits their environmental impact, and ideas on how to be eco-responsible.

ECO-DESIGN GUIDE

Throughout the product creation process, the teams rely on the Group’s **eco-design guide**, developed in 2014. It includes every stage of the life cycle of products and their packaging (extraction of raw materials, manufacturing, transport, use, and end of life). It has been distributed to the entire innovation community (e.g. the marketing, R&D, design, purchasing, quality and legal teams) and is the focus of regular training sessions.

Enhanced training

In 2020, the Group incorporated eco-design into the new Path to Innovation training program (see page 175) with a more operational perspective. The goal is to help innovation teams better understand eco-design concepts and challenges, to understand the opportunities they represent in their area, and to make the most of them by using the resources provided by the Group (tools, case studies, monitoring documents, etc.).

Two modules launched in 2021. The first focuses on the fundamentals of eco-design. It is available in an e-learning format for more than 800 employees of the Products and Innovation community around the world. The second module is a more in-depth training session that is aimed at teams directly involved in eco-design projects.

LIFE CYCLE STUDIES AND ENVIRONMENTAL PROFILES

The Group regularly updates its product life cycle analysis (LCA). These significant studies ⁽¹⁾, which measure the various impacts of products on the environment, enable us to focus our research on reducing their ecological footprint. In 2021, around 80% of families of products defined as the most significant were covered by a life cycle analysis. Five new LCAs were conducted in 2021 (two types of frying pans, storage boxes, induction cooktops, Steampod hair straightener).

The Group has also set out to establish the environmental profile of each product family through summary fact sheets for internal use. Based on the results of the LCA study, they respond to three questions: Which stage of the product life cycle affects climate change the most? What resources are required to manufacture the product and make it work? What ways are there to reduce the impact on the climate and resources? Designed with the participation of the development, marketing and quality teams, these facts sheets have been made available on the intranet. They are both awareness-raising materials and a tool to assist with targeting eco-design efforts.

By 2025, the Group is committed to including biodiversity impact in all new LCAs to establish the current situation before undertaking measures to make improvements in this area.

(1) *Life-cycle analyses carried out on models that are the most representative of each Group product family in terms of technical characteristics, sales and geographical distribution.*

ENERGY EFFICIENCY

Over the whole product life cycle analysis, close to three quarters of the carbon impact comes from their energy consumption during the use phase, which far outstrips the figure for the manufacturing phase (1.3%). Aware of the importance of the energy issue, the Group has ramped up its coordination of such initiatives. It is concentrating its efforts on **about fifteen priority product families**, those with the greater impact on electrical consumption in terms of their individual consumption and the volumes sold. For each one, the Group defined a standard method for calculating consumption and energy efficiency, and selected one or two standard products that will be used as a benchmark for measuring progress. The following are some representative examples of the Group's work and progress on energy efficiency:

- **Vacuum cleaners:** in ten years (2010-2020), the Group cut the average energy consumption of its canister vacuum cleaners by more than a third, without compromising on cleaning power or noise level. To achieve this, it developed low input/high output motors, designed more effective suction nozzles and improved all air flows to reduce charge losses.
- **Kettles:** aside from temperature setting functionality, which has already been incorporated, the Group is working on multiple areas of improvement, in particular to help consumers to heat just the amount of water they need. Tefal's Delfini range, for example, has a marker for a single cup.
- **Hair dryers:** in 2020, an update to the two key ranges Studio Dry and Powerline (Rowenta/Calor) incorporated Effiwatts technology. The hair dryers consume on average 20% less energy than the standard models without affecting performance. This is what enabled Effiwatts hair dryers to obtain the Solar Impulse Efficient Solution label awarded by the Solar Impulse Foundation.
- **Fans:** this product family has improved its energy profile since 2018. The Air Protect Eco-(Samurai) fan now uses 50% less energy than the benchmark model, achieving the same performance level.
- **Steam generators:** for an increasing number of appliances, the product automatically starts in "eco" mode rather than in standard mode. This initial default setting removes the risk of the consumer using a setting that is potentially more than they need. A similar solution is currently being explored for irons.

ECO-PACKAGING

GRUPE SEB TARGET

- Zero plastic packaging
- Zero expanded polystyrene
- 90% recycled fibers

The Group's eco-design policy includes product packaging (eco-packaging). The packaging must fulfill its functions in terms of protection, storage, transport, information and handling, while minimizing its environmental impact. The Group standardized and formalized its responsible packaging policy in 2018 with the support of the WWF (World Wide Fund for Nature). In 2020, to further support project prioritization and monitoring, the Group created an eco-packaging Steering Committee comprising the Development, Marketing, Purchasing and sustainable development teams. The eco-packaging policy was produced and co-signed by the Sustainable Development department and the Purchasing department, and it has 10 targets.

Practical steps for an eco-packaging policy

The top three priorities for 2023 are to use 90% recycled fibers, eliminate internal plastic packaging and eliminate expanded polystyrene packaging. The packaging must be designed along with the product, minimizing empty space and the amount of materials needed, while guaranteeing product quality during transport. Packaging that is difficult to recycle must be limited and any superfluous packaging avoided. Suppliers are also strongly encouraged to use FSC certified cardboard sources. For printing, inks must be water or plant based, without mineral oils. With regard to inserted documents (user instructions, safety recommendations, etc.), the Group wants to make these paperless and so reduce the amount of paper used. Consumers are being made more aware of waste sorting and recycling through information given on the packaging.

Cardboard to replace plastic bags and expanded polystyrene supports

With regard to the level of **recycled fibers**, the packaging used at the European, Asian and South American production sites is already above the 90% target. The Group is therefore focusing its efforts in North America.

As regards the elimination of plastic packaging and the replacement of expanded polystyrene supports, actions were stepped up in 2020 with solutions typically made from cardboard. Woks and fondue appliances (Tefal) manufactured in Rumilly, for example, are no longer packaged in a plastic bag and are now protected and secured in place using a custom-designed cardboard sleeve. Over the past two years, the list of products that have made these changes has continued to grow: multi-cooker Cookeo (Moulinex), the five-second mini meat mincer (Tefal), etc. The Group is continuing to develop various packaging solutions for product cushioning, including "honeycomb cardboard" and molded pulp, an option that has already been used for several years now for Rowenta vacuum cleaners manufactured in Vernon.

Among the new products in 2021, the Eco-Respect range of food processors and the Clipso Minut' Eco-Respect (see ECDesign label, page 201) meet all the eco-packaging criteria: their packaging contains at least 90% of recycled fibers, zero expanded polystyrene and zero plastic packaging, while they also use vegetable-based ink.

Eco-designed e-commerce packaging to limit overpackaging

The explosion in online sales led to a sharp increase in e-commerce retailers overpackaging products to send to consumers from their logistics platforms. To avoid this environmentally unfriendly practice, the Group has developed a specific packaging for e-commerce. The solution no longer requires the product to be repackaged between leaving the factory and arriving on the consumer's doorstep. The packaging is made from 100% recycled cardboard, which can in turn be recycled, and does not use any plastic or polystyrene bags. It meets retailers' most stringent certifications in terms of product protection and user experience.

This innovative solution, implemented in 2020 at the Tefal site in Rumilly, was awarded the Grand Prix Responsabilité Sociétale de la Marque (organized by ProDurable and LinkUp Factory): Tefal took home the "Coup de cœur" favorite award for the eco-designed e-commerce packaging. Furthermore, in 2021, the Group's mail order service replaced all the plastic cushioning materials with crumpled paper.

Other examples of progress on eco-packaging include bakeware (Kaiser) intended for the 8,000 counter displays designed for retailers: since 2019, they have ceased being individually wrapped and instead are stored in bulk until placed on the counter display, before being sent to the outlets. Result: 6.5 tons of cardboard and 600 kg of plastic saved a year.

RECYCLABILITY AND USING RECYCLED MATERIALS

See page 195.

REPARABILITY

See page 193.

HARMLESSNESS AND UNPOPULAR SUBSTANCES

See page 185.

ECO-MANUFACTURING

GRUPE SEB TARGET – 2023

- 100% of plants ISO 14001 certified
- -40% carbon intensity of our plants (base year 2016)

Covid-19 has had a moderate impact on greenhouse gas emissions from plants, varying greatly between the plants around the world, closely linked to the scenario in each country and the local health measures in place. In 2021, Vietnam experienced the biggest impact (closure or slowdown of plant production for several months).

ISO 14001 certification

Grroupe SEB's goal is for all of its industrial and logistics entities to be ISO 14001 certified worldwide.

(Worldwide)

	2021	2020	2019
Number of certifiable entities	46	44	41
Entities holding ISO 14001 certification *	100%	100%	100%

* Based on industrial and logistics entities at the end of the year considered (including the Group's head office).

All the entities scheduled for ISO 14001 certification in 2021 successfully obtained their certificates, with several sites recently included in the certification scope: Borg El Arab in Egypt and sites in China – Supor LKA in Shaoxing, Supor and WMF in Yuhuan, and EMSA in Taicang.

Since 2017, the Group has been using the latest version of ISO 14001, which strengthens the role of management and promotes a more global approach to the impact of site operations on product life cycle.

GLOBAL GROWTH BASED ON ISO 14001 CERTIFICATION

Since 2003, the Group has adopted a worldwide environment management system. This system aims, first and foremost, to prevent pollution, control the use of resources (energy and water) and reduce waste. This approach translates into **ISO 14001 certification** of sites based on compliance with applicable laws and regulations, and the principle of ongoing improvement in environmental performance and prevention of pollution.

This change implies the upskilling of the teams through training and increased involvement of the international network of 35 **Health, Safety and Environment coordinators**. When new environmental coordinators join the network, they always have a welcome meeting during which they are shown the Group's eco-manufacturing road map and all the processes and tools implemented. This network is coordinated in particular through quarterly meetings, typically using video.

ECO-INNOVATIVE PROJECTS: BEST PRACTICES FOR SHARING

In order to share best practices, each plant and logistics site worldwide is invited each year to present at least one **eco-innovative project** designed to reduce the environmental impact. It has highlighted and shared around 300 projects since 2014. More than half of these focus on reducing energy use and using renewable energy, a quarter focus on recycling and reducing waste and 20 seek to reduce water consumption. The remainder is split between several topics, prime among them is the protection of biodiversity and environmental awareness.

After a break in 2020 due to the Covid-19 pandemic, the challenge resumed in 2021 with a call for projects for both years (2020 and 2021). The Baddi site in India participated for the first time and submitted two energy projects. A total of 50 projects were received.

REDUCING THE SITES' CARBON FOOTPRINT

To achieve its low carbon targets for product manufacturing (scopes 1 and 2, see page 199), the Group acts on the two main drivers: reduction in energy consumption and use of renewable energy.

Using less energy

In 2019, the Group rolled out an energy management **standard**, based on the essential requirements of **ISO 50001**. It was incorporated into the in-house audit manual and is gradually being applied to all sites, harmonizing practices in terms of organization, energy monitoring, training, etc. Several of the Group's sites that are already ISO 50001 certified have made considerable advances in this area: Erbach (Germany), Rumilly and Tournus (France), most of WMF's European sites and the EMSA site in Emsdetten.

Since 2020, the Group has trialed a system designed to measure, monitor and manage energy consumption as a means of optimizing the energy efficiency of its sites: **DSM (digital shop-floor management) Énergie**. The system was trialed at two sites in France and will be gradually rolled out internationally. Using sensors installed on equipment, monitoring software and energy management modules, the system will allow sites to quickly take the necessary remedial actions in the event of consumption drift (alerts) and will help them carry out more in-depth analyses to refine machine settings (predicting tools). Energy experts at the industrial sites are in prime position to leverage the data collected by the system, with the support of the DSM Énergie corporate team. Everyone is trained in energy management in industry.

On the Group's sites worldwide, the search for energy efficiency has led to a multitude of actions that can be shared as good practices.

Here are some examples:

- in China, the Supor sites in Shaoxing and Hangzhou upgraded all of their plastic **injection molding machines** between 2017 and 2019, fitting them with an insulation strip that cuts energy consumption by 30% while improving operator comfort (drop in ambient temperature). Along the same lines, other Group sites made progress on insulating the plastic injection barrels, including in Emsdetten (Germany) and Mayenne (France) in 2019 and in Cajica (Colombia) in 2021. The Xiangsu site (China) launched a program to optimize insulation and the **mold** heating system with the key being energy consumption of close to 50% less when operating;
- the Shaoxing site has invested in a new all-in-one **screen printing machine** that both prints and dries the ink, cutting energy consumption by 80%;
- **compressed air** production is another area targeted for improving energy efficiency with the replacement of existing equipment with next generation compressors, often with variable speeds. In addition to their improved energy efficiency and quieter operation, in many cases they allow heat to be recovered to heat the premises. Following the Lourdes site in 2019, the Rumilly site made such investments in 2021. It has also installed a heat recovery system on a cooling unit. The Shaoxing, Hangzhou and Erbach sites are also making similar efforts in this area;
- in Germany, the WMF/Silit site in Riedlingen installed a new **heating** management system in 2021, allowing different buildings to be managed individually with many programming options (day/night, reduced activity, etc.). This helps reduce natural gas consumption for heating by nearly 30%. In Omegna (Italy), the site has taken advantage of two existing 80m wells (used for its industrial processes) to introduce a reversible cooling/heating system for its offices. The system is based on the fact that, at that depth, water remains at a stable temperature (around 10 °C), whatever the season. Passing through a circuit which does the rounds of the site premises, the water cools the buildings in summer and can heat them in winter.

Generally speaking, all the sites are continuing to gradually replace their existing lights (particularly including fluorescent tubes) with LED systems (50% to 75% lower consumption). This operation will not only reduce the energy footprint, but also generate significant savings.

Developing renewable energy

The Is-sur-Tille site (France) was the first in the Group to install a solar power air-conditioning system for an assembly workshop where the temperature was very high in the summer. Photovoltaic panels supply the electricity needed by the air-conditioning units, and when these units are not in use, it is used for other purposes. In 2021, the site went one step further, taking its organic waste (produced by maintaining green spaces and testing cookware) to a neighboring agricultural biogas plant, where it is transformed into biogas that in turn powers the industrial site. Recycling waste in this way reduces the use of fossil fuels and cuts heating-related greenhouse gas emissions by a factor of over four.

In 2019, solar panels were installed at SEB Campus in Écully with the goal of covering 20% of its energy consumption as well as at the headquarters of the subsidiary in the Netherlands. Photovoltaic

electricity production began at two industrial sites in 2020: Pont-Évêque in France and Rionegro in Colombia. In Rionegro, the Group used the Power Purchase Agreement (PPA) mechanism for the first time with support from public authorities. Instead of investing in a solar power plant itself, it signed a long-term contract (20 years) with a renewable energy producer (in this case: GreenYellow). The producer financed the electricity production facilities on the site, and sells electricity back to the site at an attractive price, which is set at the beginning of the contract and stays fixed for its entire duration. Other projects that use PPAs are being explored, specifically in France, China, Egypt, Vietnam and the United States.

By 2023, one or two new renewable energy projects will be launched at a Group site every year. It should be noted that the Wilbur Curtis site in Montebello (United States), which the Group recently acquired, has solar panels that generate over half its electricity (Wilbur Curtis is not yet included in Group reporting).

CONSUMPTION OF RESOURCES

(ISO 14001-certified entities)

Direct raw materials

(in tons)	2021	2020	2019
Total consumption of metals ⁽¹⁾	226,888	175,936	186,937
Total consumption of plastics ⁽²⁾	98,570	92,628	100,558
Total consumption of packaging	162,644	106,119	106,546

(1) Data updated in 2019 and 2020 following a methodology correction.

(2) This indicator consolidates polymers including plastics and rubber.

Several sites are innovating to reduce the amount of materials used. In Riedlingen, WMF reduced as far as possible the dimensions of the steel disks used to manufacture its stewing pots. For the 24 cm diameter product range alone, the site saved over 32 tons of steel in 2019.

Steps taken to improve packaging are detailed on page 202 (Eco-packaging).

Indirect raw materials

	2021	2020 ⁽²⁾	2019 ⁽²⁾
Total consumption of natural gas (in GWh)	305.5	260.8	283.4
Total consumption of liquefied gas (in GWh) ⁽¹⁾	69.1	62.4	55.2
Total consumption of electricity (in GWh)	396.6	362.8	385.6
Total consumption of water (in thousands of m ³)	3,318.7	3027.1	3398.9
Total consumption of heating oil excluding fuel (in GWh) ⁽¹⁾	3.1	1.6	1.6

(1) The units of these indicators, already declared respectively in tonnes and m³, have been standardized for the sake of consistency.

(2) Updated data for 2019 and 2020.

Total natural gas consumption increased by 17% this year. Activity recovered in Europe and Asia, which led to an increase in the use of natural gas for industrial processes and heating buildings. With natural gas being the main source of energy for heating at the Group's plants, weather patterns have a significant effect on consumption.

The increase in activity at the Supor Yuhuan and Seb Do Brasil Itatiaia sites, where liquefied gas is used in the manufacturing processes, explains the 11% rise in liquefied gas consumption.

On a similar scale, the increase in electricity consumption is also linked to a strong upturn in activity, particularly at the Supor Wuhan and Tefal Rumilly sites.

Water consumption has also increased but at lower levels than 2019, thanks to local projects.

The recovery of activity at the Hayingen and Geisingen sites, as well as seasonal variations in climate, have led to twice as much fuel oil being consumed for heating.

REDUCING WATER CONSUMPTION

The Group is mindful of conserving water resources and is implementing action plans to reduce water consumption and recycle wastewater on industrial sites. It aims to reduce water consumption by 20% per item produced by 2023 (base year: 2016). Many sites are involved in this approach: the Canonsburg site (All-Clad) has developed a program to eradicate excessive water consumption, while the sites in Hangzhou (China) and Rionegro (Colombia) recycle waste water which, after treatment, is re-used in production or to supply the washrooms. The Rionegro site has also put in place a system for capturing and storing rainwater, covering over half of the site's water needs. In Itatiaia (Brazil), some of the wastewater treated by the water treatment plant is used to clean tools.

As most of the Group's water consumption is for manufacturing **cookware**, especially in the washing stages, the Group makes investments to make production processes water efficient. For example, the Selongey (France) site began replacing its existing wash tunnels with more efficient equipment in 2019. It aims to reduce water consumption by 70%, saving 50% in natural gas and 10% in electricity. The first wash tunnel was changed in 2019, and the three others will be changed by 2026. A similar project began at the WMF site in Domazlice (Czech Republic) in 2021. In Vietnam, optimizing the circulation of water in the washing lines reduced water consumption by 20%, and in Yuhuan (Supor), automated valves were installed to regulate the use of water and cleaning products.

GROUP SITES AND WATER STRESS ZONES

In addition to reducing the volumes consumed, it is important to consider where water is used geographically to look at consumption in relation to regions under water stress where water is a sensitive resource. In 2015, the Group carried out an analysis of its industrial facilities according to the geographic location of the sites in question,

(ISO 14001-certified entities)

	2021	2020 ⁽²⁾	2019 ⁽²⁾
Non-hazardous waste (NHW) ⁽¹⁾ (in tons)	29,680	25,866	34,825
Percentage of NHW recycled (in %)	59.7	59.6	69
Percentage of NHW used for energy ⁽¹⁾ (in %)	18.3	19.3	15.1
Production of Hazardous Waste – excluding waste oil, effluent and sludges (in tons)	3,016	5,033	1,991
Sludges produced by internal wastewater treatment plants (in tons)	4,198	3,949	3,708

(1) Excluding Oils, Metals and Sludges.

(2) Updated data for 2019 and 2020.

The recovery of global activity has led to significant variations in non-hazardous waste compared to 2020. There was less hazardous waste in 2021, which mainly comes from on-site works. In 2021, 78% of the non-hazardous waste was treated through recycling or used to

using the Aqueduct Water Risk Atlas reference tool published by World Resources Institute (WRI). This tool measures availability, quality and water-related dispute risks on an aggregate basis. The assessment carried out by the Group was updated in 2021 with a view to updating its Water Strategy. The Group has also begun conducting a climate change vulnerability assessment of its activities (see "Duty of vigilance", page 142). There is a specific focus on assessing the Group's exposure to water stress over the next 10 years.

WASTE

Progress is being made in the reduction of industrial waste, capitalizing on practical initiatives. On many of the Group's plants, the largest volume of non-hazardous waste comes from the **packaging of delivered components**. To reduce this, some packaging is now being sent back to suppliers to re-use for future deliveries: in Erbach for the cardboard that protects the iron soleplates (6.4 tons of waste saved per year), in Selongey for the containers of pressure cooker modules and handles, and also in Is-sur-Tille, Vernon, Shanghai, and elsewhere. In Vietnam, the Binh Duong site (Asia Fan) eliminated the plastic sachets around the fan components.

Pallets are also re-used: in Lourdes and Vernon, component delivery pallets have been aligned with the palletization standards of the Group's finished products so that they can be re-used for shipments to customers. Some initiatives also relate to **production methods**, such as in Erbach where optimization of the assembly process of some irons has reduced the amount of glue waste from the rinsing cycles by a factor of three. In Pont-Evêque (France), the ink-pots in the tampon printing machines are being progressively modified to be able to adjust the volume of ink to production requirements, allowing the quantity used to be reduced by around a third.

produce energy. The portions of waste sent to the recycling streams are subject to highly variable local regulations and international context. The Group also records its metal waste: 19,488 tons.

GREENHOUSE GAS EMISSIONS

(ISO 14001-certified entities)

Greenhouse gas emissions (Scopes 1 and 2) (in tons CO ₂ equivalent)	2021 ⁽³⁾	2020 ⁽²⁾	2019 ⁽¹⁾
EMEA	61,090	52,578	58,708
Americas	16,190	13,289	14,400
Asia	164,734	150,647	155,246
World	242,014	216,515	228,354

(1) Entities certified in 2018 and earlier.

(2) Entities certified in 2019 and earlier (one newly certified site compared to 2018).

(3) Entities certified in 2020 and earlier (three newly certified sites compared to 2019).

The overall rise in the energy consumption of the sites has led to a 12% increase in greenhouse gas emissions between 2020 and 2021. The increases in electricity consumption in China contributed significantly to this rise.

With regard to volatile organic compounds (VOCs), Groupe SEB regularly tests its emissions in order to treat and control these emissions. The Group has made significant investments, totaling several million euros, to improve the sites most concerned by VOCs (e.g. Rumilly). These investments aimed to treat emissions as well as to overhaul processes in order to very substantially reduce VOCs.

PREVENTION OF POLLUTION

Prevention of air, soil and water pollution is the first pillar of the Group's environmental policy, designed to protect the ecological balance around our sites. In 2018, the Group strengthened its tools in this area, putting in place an environmental risk assessment methodology common to all the sites and defining a common standard for emergency response situations. All environmental risk analyses are incorporated into a centralized database, providing a comprehensive overview at Group level and making it easier for sites to share information.

Discharges into water

All the sites have preventive systems, for example water reservoirs for extinguishing fires and pipe cut-off systems. Several of them have made significant investments since 2018 in modernizing their wastewater treatment plants, particularly Hangzhou and Shaoxing in China.

In 2019, the EMSA site in Emsdetten (Germany) worked to conserve water while reducing waste. The goal was to eliminate any risk of the dispersal of the plastic granules used in the manufacturing process to prevent them from getting into the wastewater and then into nature in the form of micro-plastics. Recovery systems were therefore installed in the various areas where the granules are used.

Chemical Oxygen Demand (ISO 14001-certified entities)

Chemical Oxygen Demand (COD) represents the amount of oxygen necessary to oxidize the organic matter and mineral content in a body of water. It is used to measure the degree of organic and chemical pollution of the water. In 2021, Groupe SEB emitted 159 tons of COD from its own wastewater treatment plants.

Impact on soil

Besides metal stamping (pressure cookers, frying pans and saucepans), surface treatments (non-stick) and the manufacture of certain components that occupy less than 10% of total production staff, most of Groupe SEB's production involves assembly operations. Groupe SEB therefore believes it has no significant impact on or material use of land. In addition, where industrial restructuring resulted in plant closures, Groupe SEB ensured that sites were reclaimed in accordance with local legislation. Where appropriate or required by law, the Group conducts soil and sub-soil surveys, even though most sites are not subject to any such compulsory assessments. Pollution studies carried out at sites that have been operational long term, confirmed that the Group's business does not have any notable impact on the soil and sub-soil.

Noise and other disturbances

At many sites, management of noise pollution must comply with regulations, and the management of any complaints in this regard must be managed in accordance with ISO 14001. All certified sites therefore have procedures in place to deal with these complaints. Furthermore, noise pollution, light pollution and odors from the Group's sites are insignificant, given its operations.

BIODIVERSITY

The Group's biodiversity policy has two priorities. The first is to minimize the environmental strain of its activities. This involves combating climate change and the overexploitation of resources through a more circular economy (use of recycled materials, ensuring products can be repaired, etc.). The second priority is to support biodiversity through specific actions (conservation gardens, shelter for wildlife, maintenance of wetlands, etc.). Faced with the urgency of the biodiversity loss, and within the framework of its commitment to the Act4nature international initiative (voluntary commitment in favor of biodiversity intended French international companies), the Group plans to support projects for the preservation of ecosystems or projects of reforestation.

Best practices

In 2019, the Group did a **global inventory of the practices** of its sites in terms of protecting biodiversity by means of a questionnaire structured by major themes (wetlands, pollinating insects, birds, woodlands, etc.). The most striking and easily replicable initiatives were compiled into a booklet for all sites worldwide. The Group encourages all its entities to take steps to protect biodiversity. For example, it is committed to eliminating the use of plant protection products in the maintenance of green spaces on all sites by 2025. This is already happening at Group headquarters: SEB Campus banned such products some years ago. In 2020, biodiversity has been integrated into the “country” roadmaps.

The SEB Campus also houses a 300 m² **conservation garden**, established in 2016 with the **Vavilov** Institute (Saint Petersburg), the oldest plant gene bank in the world. The Group joined the network of Vavilov gardens in order to maintain biodiversity and develop healthy and responsible eating. This garden brings together varieties created in Rhône-Alps in the 19th and 20th centuries, old Russian varieties and

a collection of wild species. Employees at the Campus can sign up for workshops on aspects of gardening, which are run from March to November. To accommodate the surge in demand, double the amount of workshops were held in 2020. The garden can also be self-guided, thanks to information panels. In response to the success of this initiative, the Group decided to host a second garden by 2023, somewhere other than France if possible.

Many sites created flower meadows such as Emsdetten (Germany) or Is-sur-Tille (France). The latter installed a **swallow tower** used by a colony of swallows as a place to give birth and set up a home in a place where they were not usually found. Between 50 and 150 hatchlings take flight from there each year. Another such tower was also installed at SEB Campus. Other initiatives include: the Rumilly site (France) has hives; at Erbach (Germany), ponies take care of mowing the grass and at Canonsburg (United States) an aquatic biodiversity area was developed, using rainwater harvesting, just like at SEB Campus. Many sites also planted trees, usually fruit trees (Egypt, India, Colombia, China, etc.).

ECO-LOGISTICS

GRUPE SEB 2023 TARGETS

- -10% carbon intensity of the transportation of our products and components (GHG emissions by product transported – base year 2016)

The transport of products, as well as the raw materials and components used to manufacture them, is a major source of Groupe SEB’s greenhouse gas emissions. Reducing the carbon footprint is one of the main priorities of the eco-design guide.

Groupe SEB’s Supply Chain department oversees the Group’s eco-logistics policy and strategy. Its eco-logistics unit coordinates all actions, in France and internationally, and consolidates annual data using the Tennaxia sustainable development reporting system. It relies on the logistics managers of the plants and commercial subsidiaries in carrying out this work.

An initial assessment of greenhouse gas emissions related to logistics transport was conducted by the Group in 2009. To reduce its emissions, **the Group is focusing on four areas:**

- increasing the loading rate of transport units (trucks or containers);
- reducing distances traveled (direct deliveries);
- developing alternative modes of transport to road (e.g., rail, river) and using alternative fuels;
- responsible purchasing (through the choice of shippers).

The eco-logistics unit and the purchasing teams developed a checking procedure for environmental criteria during transport calls for tender (2018). The aim is to prefer, at the same cost, suppliers who perform best in this area, in particular those that have signed up to the Objectif CO₂ Charter established by the French Ministry of Transport and ADEME. The criteria examined cover fuel-saving equipment, eco-driving, use of alternative fuels, route optimization software, etc.

FRET 21 SCHEME

Since 2017, Groupe SEB has been signed up to the Fret 21 scheme launched by the ADEME and the AUTF ⁽¹⁾ to help companies better incorporate the impact of transport within their sustainable development strategies. Between 2017 and 2019, this scheme was piloted with routes starting at French sites. Over three years, the measures taken helped reduce greenhouse gas emissions by nearly 4% within this scope.

In 2020, the Group renewed this commitment for three years with a broader scope, such as incorporating shipping from China to Europe up to the end consumer. It aims to reduce greenhouse gas emissions by 7% within this scope, which is nearly a third of the Group’s emissions from transporting products. In addition to continuing efforts already underway, the Group is focusing on using alternative fuels (B100, NVG, etc.), using low-emissions transport and rolling out the Oracle Transport Management system.

Groupe SEB uses the Fret 21 calculator for assessing GHG emissions linked to the global transportation of its products and components. It makes it possible to gradually improve the reliability of the Group’s carbon analysis, in particular by reducing the extrapolation aspect.

Since 2005, Groupe SEB has also been a member of **Club Déméter**, which brings together retailers, logistics partners, manufacturers and public bodies such as ADEME, University of Aix-Marseille and Mines Paris. As a place in which to share thoughts and experiences, the aim of this club is to promote environmentally friendly logistics and to implement operational solutions designed to reduce environmental impacts.

(1) French Association of Freight Transport Users.

GREENHOUSE GAS EMISSIONS RELATED TO TRANSPORT

Worldwide (excluding Krampouz)

	2021 ⁽²⁾	2020 ⁽¹⁾	2019
Average value of greenhouse gas emissions related to transport (in tons of CO ₂ equivalent)	316,238	259,826	241,810

(1) Integration of EMSA entities into the 2020 reporting.

(2) Integration of WMF entities into the 2021 reporting.

The flows concerned in the calculation of greenhouse gas emissions are:

- transportation of components and raw materials between Tier 1 suppliers and the manufacturing site if this belongs to Groupe SEB;
- transportation of finished products between Tier 1 suppliers and warehouses of Groupe SEB subsidiaries;
- transportation of the finished product between its manufacturing site and the subsidiary's warehouse;
- distribution from the subsidiary's warehouse to the client's delivery address.

All modes of transport are included: road, rail, sea, river and air.

Each year, a new audit is carried out and the Supply Chain department seeks to expand the calculation scope for CO₂ emissions to cover new countries. The share of extrapolated emissions is therefore steadily declining.

In 2021, Groupe SEB emitted 316,238 tons of CO₂ equivalent: 20.5% from maritime transport, 75.6% from road transport, 3.5% from air transport and 0.4% from rail and river transport.

The carbon intensity of the transportation of products and components decreased by 3% in 2021 compared to the base year 2016.

As part of efforts to continually improve, the greenhouse gas emissions of Brazil, Supor (China) and EMSA are no longer extrapolated.

LOADING OF TRANSPORT UNITS

To reduce CO₂ emissions from the transportation of products and components, the Group is continuing to improve the loading rate of transport units. It makes particular use of the **EffyPACK** process (which stands for "PACKaging system for supply chain EFFiciency") which uses the PackSoft software to improve palletization. The rollout of the PackSoft/EffyPACK solution continued in 2021, particularly for small appliances in China.

In 2019, the Group also chose a new transport management system (OTM – Oracle Transport Management) to optimize the container loading plans. This system makes it possible to fill the same container with products corresponding to different suppliers, references and orders. This provides greater flexibility to better adjust to the order levels of trading subsidiaries while ensuring the container is as full as possible. This system continued to be implemented internationally in 2021.

Reducing empty space in packaging

The Group also endeavors to reduce the empty space inside packaging as much as possible. Transporting less empty space means emitting less CO₂ while cutting costs. Since 2017, this parameter has been part of the product design/development process and the teams concerned (R&D, Marketing, Quality, etc.) have been trained in this topic via e-learning. The eco-logistics unit developed a tool for estimating the economic (avoided expenses in €) and ecological (avoided CO₂ kg) savings obtained by optimized product design minimizing empty space in the packaging. It tested it with multiple teams and showed that **a minor change can have a major impact**, even without modifying product design. For example, in the case of the Ultra Silence Force (Arno) desk fan launched in 2020, simply separating the fan head, neck and base during packaging (which can be easily reassembled by consumers) makes it easier to arrange the different product components. This reduces packaging volume and empty space by 30%, and so increases the number of products per pallet, bringing both environmental and economic benefits.

A similar project was conducted with the Steampod steam hair straightener (Rowenta/L'Oréal partnership): the teams reduced both the product footprint (including integrated tank) and the size of the packaging, doubling the number of products per palette as a result. The end result: out of approximately 600,000 items sold in 2020, the project helped to prevent 343 tons of CO₂ in emissions (the equivalent of traveling around the earth 72 times by car) and save 200,000 m² of cardboard (or 1,680 trees).

	2021	2020	2019
Container loading rate	84.6%	83.7%	83.9%
Truck loading rate (intergroup shipments) *	63.4%	63.1%	63.0%

* Intergroup shipments refer to shipments from plants to consolidation platforms (Rumilly P2 and Mions) or subsidiaries' warehouses, as well as to shipments between consolidation platforms and subsidiaries' warehouses.

Containers departing from China have a loading rate of 84.5%. Containers departing from Europe have a loading rate of 87.1%.

Whatever the mode of transport in question, it is physically impossible to achieve a consolidated global loading rate of 100%. Due to huge variations in the size of the products/packaging being transported, it is inevitable that some empty spaces will remain, even if state-of-the-art software solutions are used to optimize the loading configuration. This remains the case with homogeneous cargo (loading one single type of product) as the dimensions of the container or truck will never be an exact multiple of the length x height x width of the cargo's packaging. This is especially true for intercontinental transport, particularly from or to Asia, as it is necessary to leave a minimum gap between products to allow for slight variations in the volume of the packaging due to fluctuations in humidity levels.

SELECTING AND ORGANIZING MODES OF TRANSPORT

The Group also fosters research into transportation solutions with a lower environmental impact. For long distances, primarily departing from China, the maritime route emits the lowest levels of CO₂ and is the least costly. Emissions have also been improved by the use of new high-performance container ships: in 15 years, they have cut CO₂ emissions per ton transported by half.

IT

REDUCING THE CARBON FOOTPRINT OF IT EQUIPMENT

Groupe SEB is implementing an eco-responsible IT policy based on the 72 Green IT best practices benchmark drafted by the collaborative platform Opquast (Open Quality Standards). Its activities in this regard strive to make progress in several areas:

Eco-friendly printing policy

All of the Group's multi-functional printers were upgraded in Europe (807 machines in 2021) in 2018. The new generation of printers have improved environmental performance, particularly in terms of energy use (optimized standby mode). Moreover, the program to reduce the number of printers in service and make the shared use of multi-functional machines more widespread is gradually being extended internationally. It helps to reduce the volume of printing: a reduction of 25% in 2021 compared to 2020 (Europe excluding the WMF), the equivalent of 316 trees saved. Since 2007, the volume of printing has more than halved in Europe.

Alternatives to road transport

In other cases (pre- and post-shipments to/from ports, transport between the Group's plants and centers or those of its subsidiaries), the Group is working hard on developing **non-road transport, i.e., transport by rail and river**, mainly in Europe. This approach is also being implemented outside Europe, such as in Mexico. In 2021, 53% of containers arriving at the port of Lázaro Cárdenas were forwarded to the subsidiary's logistics center by train. Worldwide, 11.3% of inland container transport (to or from ports) was by train or barge in 2021. In France, Groupe SEB has had the MedLink Port label since 2015. This distinction is given to the biggest users of the river route (the Rhône) departing from the port of Fos.

Direct deliveries

The Group also optimizes the how transport flows are organized to reduce the distance traveled. For example, it prioritizes direct deliveries to European customers from its plants or Mions platform in France, without passing through the subsidiaries' warehouses. These direct deliveries doubled in 2021 in terms of the number of transport units. Similarly, some containers arriving in Le Havre are dispatched directly to French retailers without passing through the Group's logistics platforms.

In the event of an urgent supply of components, the Group prioritizes trains over planes as far as possible, in particular **between China and Europe**. Rail times are half the time required for maritime freight (three weeks on average compared with six for ships and two for planes), which is often sufficient. In terms of carbon footprint and financially, it is much more favorable than planes (-94% CO₂ emissions).

Processing of end-of-life equipment

In France, computers and telephones at the end of their useful lives have been given, since 2012, to the company Dataserv, which calls on the company working in the protected sector – Triade Avenir – to dismantle the products. In ten years, more than 13,360 devices have been managed in this way. The Group also donates some equipment to associations or schools that request it. The practice is governed by a formalized procedure and made available to all the entities worldwide. It specifies the technical and administrative rules to follow (formatting, data erasure, licenses, etc.) and aims to ensure that the beneficiaries match the Group's values.

In 2021, the Group enlisted Recyclea to recycle servers, a company that provides work to people with disabilities and employs people in professional integration programs.

Computer servers that emit less greenhouse gas

The Group's IT infrastructure rationalization project, launched in 2016, has resulted in its applications being hosted in two data centers operated by Equinix, in the Paris region. These two sites are

committed to an energy efficiency approach, as attested by their ISO 50001 certification. They are 100% powered by renewable energy from hydroelectric power stations. In 2020, the Group replaced its 16 largest servers, which were hosted in the two data centers, with eight devices that are both more powerful and more energy efficient. The new storage devices contain 14 disks instead of 68, providing three times the capacity and lower energy consumption. These two changes led to a reduction in electricity consumption of approximately 18%. Another benefit is that they save space, which in turn saves energy (smaller rooms requiring fewer cooling systems, for example).

New ways of communicating as alternatives to travel

Instant communication tools such as Skype and Teams are having a significant impact on reducing travel. In 2021, the sharp increase in their use continued due to more telecommuting in the context of

Covid-19. They allowed approximately 63,700 meetings to take place each month on average (nearly six times more than in 2019) as well as 760,000 one-to-one connections. The videoconferencing system, for its part, recorded an average of 19 video conferences a month (average length: 2 hours 55 minutes), the number of which fell because of the widespread use of Skype/Teams.

At the end of 2020, the Group carried out a self-assessment of 72 good practices from the Opquast benchmark, to measure how far it had traveled since the previous assessment (2013) and identify areas for improvement. In six years, the Group has increased the number of good practices implemented from 39% to 76%. The areas needing improvement included raising employee awareness, particularly on how to use search engines properly, and reducing energy use at workstations. It is worth mentioning that the development of cloud-based IT solutions makes it possible to adjust how machines and services operate depending on requirements, such as shutting some of them down at night or at weekends.

3.12 Report of the independent third-party on the verification of the consolidated non-financial statement included in the Group management report

For the year ended December 31, 2021

This is a free translation into English of the Independent Third-Party's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the shareholders,

In our capacity as an Independent Third Party, member of Mazars Group and accredited by COFRAC Inspection under number 3-1058 (scope of accreditation available on www.cofrac.fr), we carried out work aimed at formulating a reasoned opinion that expresses a limited level of assurance on the historical information (observed and extrapolated) of the consolidated extra-financial performance statement, for the financial year ended December 31, 2021 (hereinafter respectively the "Information" and the "Statement"), presented in the management report of the group in application of the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the Commercial Code.

CONCLUSION

Based on the procedures we performed, as described in the "Nature and scope of our work" and the evidence we collected, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

COMMENTS

Without modifying our conclusion presented above and in accordance with article A. 225-3 of the French Commercial Code, we formulate the following comment:

- In line with the group management rules and as indicated in the methodological note, the reporting of the workforce of the entity of SUPOR in China includes temporary workers. Temporary workers represent 31% of the headcount of SUPOR in China and 10% of the total workforce.

PREPARATION OF THE NON-FINANCIAL PERFORMANCE STATEMENT

The absence of a generally accepted and commonly used framework or established practices on which to base the evaluation and measurement of the Information permits the use of different, but acceptable, measurement techniques which may affect comparability between entities and within the time.

Consequently, the Information must be read and understood with reference to the entity's procedures (hereinafter the "Guidelines"), the significant elements of which are presented in the Statement.

LIMITS INHERENT IN THE PREPARATION OF THE INFORMATION

The Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of the external data used. Some information is sensitive to the methodological choices, assumptions and/or estimates used for their preparation and presented in the Statement.

THE ENTITY'S RESPONSIBILITY

The Board of Directors is responsible for:

- selecting or setting appropriate criteria for the preparation of the Information;
- preparing the Statement with reference to legal and regulatory requirements, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and also, the Information required by Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- and implementing internal control procedures deemed necessary to the preparation of information, free from material misstatements, whether due to fraud or error.

3

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of Information (observed or extrapolated) provided in accordance with article R. 225 105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

This is not our responsibility to express an opinion on:

- the entity's compliance with other applicable legal and regulatory requirements (in particular with regard to the Information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the due diligence plan and the fight against corruption and tax evasion);
- the compliance of products and services with applicable regulations.

REGULATORY PROVISIONS AND APPLICABLE PROFESSIONAL STANDARDS

The work described below was performed with reference to the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with ISAE 3000.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements, and the professional doctrine of the French National Association of Auditors.

MEANS AND RESOURCES

Our work was carried out by a team of 4 people between November 2021 and March 2022 and for 6 weeks.

We conducted around twenty interviews with the people responsible for preparing the Declaration, representing in particular the CSR Department, the Human Resources Department, the Training Department, the Health and Safety Department, the Environmental Department and the Supply Chain Department.

NATURE AND SCOPE OF OUR WORK

We planned and performed our work considering the risks of significant misstatement of the Information.

We are convinced that the procedures we have carried out in the exercise of our professional judgment enable us to provide a limited assurance conclusion;

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, when appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- we verified that the Statement provides the Information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the Information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with the entity's activity all the consolidated entities' activities, including when relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and;
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix; concerning the risk related to "Fight against corruption" and "Human Rights violation", our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of entities ⁽¹⁾;
- we verified that the Statement covers the scope of consolidation, i.e., all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures implemented by the entity and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 21% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

(1) Supor China Shaoxing Prod., Supor China Yuhuan Prod., Supor China Wuhan Prod., GS VOSTOK St Petersburg, TEFAL Tournus.

The procedures performed for a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional doctrine of the French Institute of Statutory Auditors ("CNCC"). Indeed, the procedures performed for reasonable assurance required more comprehensive verification work.

The Independent third party,
Mazars SAS
Paris La Défense, the 22nd of March 2022,
French original signed by
Edwige REY
CSR Partner

APPENDIX: INFORMATION CONSIDERED AS MOST SIGNIFICANT AND SELECTED ENTITIES TESTED IN DETAIL

3

The qualitative information (actions and results) that we considered to be the most important is that relating to the main risks:

- Health and safety conditions at work;
- Attraction and retention of talent;
- Corruption;
- Human Rights;
- Climate change.

The key performance indicators and other quantitative results that we considered the most important:

- Total workforce as of December 31, 2021;
- Lost Time Injury Rate;
- Average employee turnover rate;
- Rate of roll-out of Code of Ethics e-learning training;
- Percentage of sites with an overall compliance score greater than 80%;
- Electricity consumption;
- Gas consumption;
- Evolution of the carbon intensity per manufactured finished product (scopes 1 and 2);
- Greenhouse gas emissions related to the transportation of products and components per product sold;
- Quantity of waste generated;
- Financial and product donations for philanthropic actions (SUPOR China).

3

Corporate Social Responsibility