GROUPE SEB

UNIVERSAL REGISTRATION DOCUMENT AND ANNUAL FINANCIAL REPORT **2022**

SUMMARY

Information required for Annual financial report, pursuant to Article L. 451-1-2 of the Monetary and Financial Code are identified in the correspondence table in Chapter 9.4 page 397.

Universal Registration Document

& Annual Financial Report 2022

€7.960 million
2022 SALES

-4.7%
ORGANIC SALES EVOLUTION

€316 million
2022 NET RESULT

> 30,000
EMPLOYEES WORLDWIDE

The world leader in Small Domestic Equipment

Groupe SEB pursues a **multi-specialist** strategy with top-ranking positions in small electrical appliances and a strong global leadership in cookware. Its mission is **making consumers' everyday lives easier and more enjoyable and contributing to better living all around the world**.

Operating in nearly 150 countries, Groupe SEB has built strong positions across continents through a product offering, both global and local, addressing consumer expectations throughout the world.

This offering is enhanced by an **exceptional brand portfolio**.

On top of the Consumer business, Groupe SEB has developed since 2016 into the professional segment, and in particular the professional coffee market.

The Group's success is rooted in its **long-term vision**, committed to achieving the **right balance between growth and competitiveness** in order to create value for all its stakeholders.

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Universal Registration Document has been filed on April 6, 2023 with the AMF, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This Universal Registration Document is a reproduction of the official version of the Universal Registration Document including the 2022 annual financial report, which has been prepared in XHTML and is available on the websites of the AMF (www.amf-france.org) and Groupe SEB (www.groupeseb.com).

Message from the Chairman

“After a record year in 2021, 2022 turned out to be more challenging, particularly as a result of greater tension in the macroeconomic and geopolitical context. However, the Group proved itself responsive and resilient, without straying from its long-term course.

Beyond our financial performance, which did reflect these difficulties but moved in the right direction in the second six-month period, we continued our progress in terms of sustainable development. We are facing huge environmental and societal challenges, and it is imperative that we take the long view with regard to our actions and continue to accelerate in these areas.

2022 was also a year of change in corporate governance, with the splitting of the functions of Chairman and Chief Executive Officer. This development reflects the spirit of continuity that has always guided Groupe SEB and the family concert.

For more than three years, Stanislas de Gramont has played a key role by my side as Chief Operating Officer. Today, he possesses all of the qualities necessary to perform the role of the Group’s Chief Executive Officer, a position he has held since 1 July. He has the full confidence of both me and the Board of Directors.

I have always been, and I remain, enthusiastic about the Group, whose future and forthcoming success are ensured by our strong strategic priorities, our meaningful values and the commitment of our employees, whom I thank once again.

As a committed Chairman, I am pleased to continue to serve the Group and to pursue our ambition of sustainable performance.”

Thierry DE LA TOUR D’ARTAISE
Chairman of the Board of Directors

Message from the CEO

"After a record year in 2021, and faced with a challenging economic situation, our sales were resilient overall in 2022. We were particularly satisfied with our performance in China, where Supor reached the milestone of €2 billion in sales for the first time.

However, our results were impacted by significant headwinds. In this context, the Group again demonstrated a high level of responsiveness and rapidly implemented effective action plans to adapt to market developments and protect its profitability.

Beyond short-term imperatives, we also continued to invest in our strategic tools: product innovation, international expansion of our flagship products, attractiveness of our brands, and the activation of all our retail distribution channels. There was also no letup in capital expenditure to improve our competitiveness – our investments in industry, logistics and information systems are crucial for the future.

I would like to acknowledge and express my gratitude for the outstanding commitment of all our teams, without whom these achievements would not have been possible.

Visibility remains limited for the year 2023. Despite a downturn in the first quarter, the Group expects a gradual improvement in its Consumer revenue, strong growth in Professional sales and an increase in its operating margin throughout the year.

We are confident that the global Small Domestic Equipment and Professional Coffee markets will continue to develop, and we recently acquired San Marco in order to further improve our strength in this area. We remain convinced of the merits of our business model, which will enable us to take full advantage of strong structural demand, a source of growth opportunities for Groupe SEB."

Stanislas DE GRAMONT
Chief Executive Officer

An **extensive and diversified** offering

KITCHEN ELECTRICS

Electrical cooking: deep fryers, rice cookers, electrical pressure cookers, informal meal appliances, waffle makers, grills, toasters, multicookers…

Beverage preparation: coffee makers (filter and pod), espresso machines, electrical kettles, home beer-taps…

Food preparation: blenders, soy milk makers, cooking food processors, kitchen machines, mixers, beaters…

HOME AND PERSONAL CARE

Linen care: irons and steam generators, garment steamers...

Home care: canister vacuum cleaners with or without dust bag, steam and upright vacuum cleaners, vacuum sweepers, versatile vacuums, robots…

Home comfort: fans, heaters, air purifiers…

Personal care: hair care appliances, depilators, electrical beard trimmers and hair clippers, bathroom scales...

COOKWARE

Frying pans, saucepans, woks, pressure cookers, bakeware, kitchen utensils, food storage containers, vacuum flasks and mugs...

CONSUMER BRANDS

GLOBAL

Tefal · Rowenta · Moulinex · KRUPS

REGIONAL

SUPOR · DASH · T-fal · ARNO · IMUSA · SEB · Calor · emsa · Original KAISER · MAHARAJA WHITELINE · ASIA · MIRRO · WearEver · PANEX · OBH NORDICA · samurai · Rochedo · clock · umco

PREMIUM BRANDS

WMF · Lagostina · All-Clad METALCRAFTERS LLC CANONSBURG, PA USA · Silit

PROFESSIONAL BRANDS

WMF · schaerer swiss coffee competence · HEPP · Curtis · Krampouz · zummo

PROFESSIONAL BUSINESS

Coffee machines — Other professional equipments

Business **model**

OUR RESOURCES (1)

STAFF

More than **30,000** employees

16 hours/year of training per employee in average (over 3 years)

41.1% women managers

INNOVATION AND DIGITAL

> 1,500 people in the innovation community

3.6% of sales reinvested in innovation (2)

> 70% of media investment in digital

INDUSTRY AND PURCHASING

60% of products manufactured in-house

21% of production based in Europe

~ €2bn direct purchasing

€233m invested(3) i.e. **2.9%** of sales

FINANCES AND SHAREHOLDING

Sales of: **€7,960m**, ORFA of: **€620m**

and profit of: **€316m**

Net debt/Adjusted EBITDA: **2.3** at 31 December 2022

Long-term reference shareholders

SOCIETY AND ENVIRONMENT

100% of sites ISO 14001 certified

> €3m per year spent on philanthropy

1 Code of Ethics with **18** sections, translated into **11** languages

Focus **on growth**

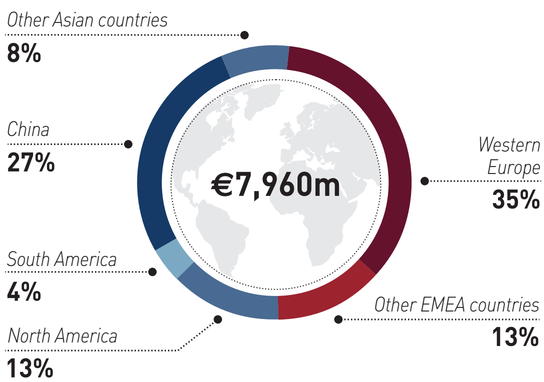
- Strength and complementarity of our brands
- Product innovation
- International expansion

2022

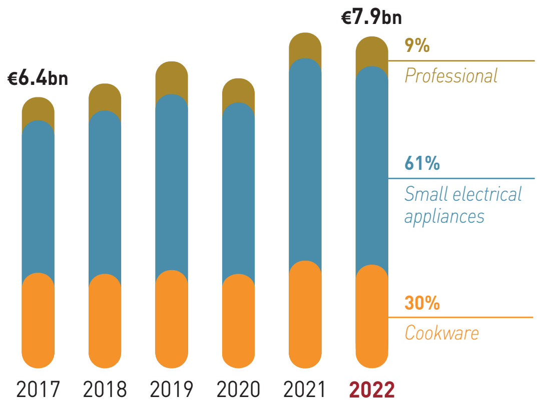
€7,960m Sales

-4.7% Organic growth

A GLOBAL...



ACTIVITIES WITH STRONG POTENTIAL



Optimize our industrial facilities...

- Optimize purchasing and logistics
- Improve industrial productivity
- Simplify structures and processes

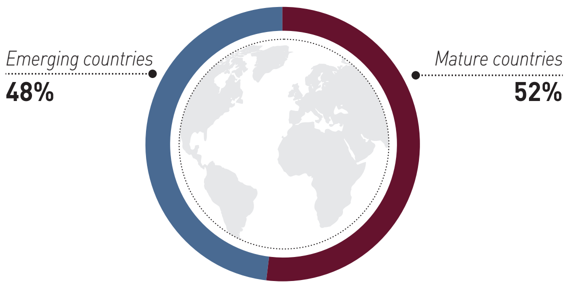
(1) Data 2022. (2) Net investments in R&D, strategic marketing and design. (3) Cash outflows for purchase of PP&E and intangible assets.

Groupe SEB is the **world leader in Small Domestic Equipment**.
Its consumer markets are steadily growing, estimated at over **€75bn** in 2022: **over €50bn** for Small Electrical Appliances, over **€25bn** for Cookware.

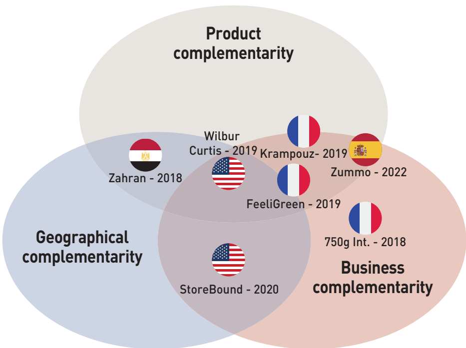
- Multi-channel distribution strategy
- Development in the professional market
- Active acquisition policy

Presence in nearly **150 countries**
Leadership positions in over **25 countries**

...AND BALANCED PRESENCE



TARGETED ACQUISITIONS TO STRENGTHEN ITS LEADERSHIP*



* *Acquisitions of the last 5 years.*

Strengthen **our competitiveness**

... and develop our assets

- High value technological products manufactured in mature countries
- Basic products outsourced
- Focus on the circular economy

(4) Lost-time accidents.

OUR ADVANCES (1)

STAFF

1 global social protection floor

Workplace accidents (4) divided by **3** in 5 years

INNOVATION AND DIGITAL

503 patents filed

Around **40%** of consumer sales through e-commerce

INDUSTRY AND PURCHASING

More than **200 millions** products manufactured

66% of direct purchasing covered by the supplier panel

FINANCES AND SHAREHOLDING

Annual change in sales over 5 years of **-4%**

7.8% operating margin

Change in annual net profit over 5 years of **-3%**

SOCIETY AND ENVIRONMENT

> 510 projects supported by the Fonds Groupe SEB since its creation

>90% of domestic electrical appliances are covered by the “15 years repairable at fair price” commitment

-34% carbon intensity for our plants (scopes 1 & 2) between 2016 and 2022

Corporate Social Responsibility

A committed Group

Driven by the humanist values passed on by its founders, Groupe SEB has always pursued a corporate philosophy that is based on a sense of responsibility, solidarity and commitment. Convinced that sustainable development is a driver for creating value in the countries in which it operates, its employees, consumers, customers and shareholders, the Group has been committed for many years to an approach that is ethical, economically profitable, socially equitable and environmentally friendly.

Building on the progress made in these various areas, in 2018 the Group went a step further, defining a strategy that takes into account environmental and societal challenges and sets goals for its activities and business lines to act in a responsible and ethical manner throughout the value chain. This ambition, expressed in the signature **"Act for Sustainable livings"**, is based on four pillars that relate to the Group's quantitative objectives for 2023.

Through this ambition, the Group contributes to 10 of the 17 Sustainable Development Goals set by the United Nations.

The four pillars and associated goals, policies, and outcomes are detailed in Chapter 3 of this document (p. 137).

ACT FOR SUSTAINABLE LIVINGS

PILLAR	UNITED NATION SUSTAINABLE DEVELOPPEMENT GOALS	ENGAGEMENT
People matter	1 NO POVERTY; 4 QUALITY EDUCATION; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES	Demonstrate on a daily basis our respect for everyone (employees, consumers, stakeholders) and our utility to society
Sustainable innovation	2 ZERO HUNGER; 3 GOOD HEALTH AND WELL-BEING	Offer products and services that facilitate a sustainable lifestyle for consumers **to cook healthy and sustainable food and live better at home**
Circular revolution	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION	Put our products and services at the heart of the circular economy
Climate action	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION	Contribute to the fight against climate change thanks to our low-carbon strategy, in line with the "well below 2°C" scenario of the Paris Agreement

Board of **Directors** at 31 December 2022

THIERRY DE LA TOUR D'ARTAISE
Chairman of the Board of Directors

DELPHINE BERTRAND
Director – member of the Founder Group, member of FÉDÉRACTIVE

NORA BEY
Director Representing Employees

VENELLE INVESTISSEMENT
Director – member of the Founder Group

DAMARYS BRAIDA
Permanent representative of VENELLE INVESTISSEMENT on the Board of Directors

JEAN-PIERRE DUPRIEU
Independent director

GÉNÉRACTION
Director – member of the Founder Group

CAROLINE CHEVALLEY
Permanent representative of GÉNÉRACTION on the Board of Directors

YSEULYS COSTES
Independent director

WILLIAM GAIRARD
Director – member of the Founder Group, member of VENELLE INVESTISSEMENT

PEUGEOT INVEST ASSETS*
Independent director

BERTRAND FINET
Permanent representative of Peugeot Invest Assets on the Board of Directors

BRIGITTE FORESTIER
Director representing employee shareholders

JÉRÔME LESCURE
Director – member of the Founder Group, member of VENELLE INVESTISSEMENT

LAURENT HENRY
Director Representing Employees

BPIFRANCE INVESTISSEMENT
Independent director

ANNE GUÉRIN
Permanent representative of BPIFRANCE INVESTISSEMENT on the Board of Directors

FONDS STRATÉGIQUE DE PARTICIPATIONS (FSP)
Independent director

CATHERINE POURRE
Permanent representative of FSP on the Board of Directors

THIERRY LESCURE
Director – member of the Founder Group, member of GÉNÉRACTION

AUDE DE VASSART
Director, member of the Founder Group, member of VENELLE INVESTISSEMENT

Member of the Audit and Compliance Committee
Member of the Governance and Remuneration Committee
Member of the Strategic and CSR Committee

Family directors
Independent directors
Employee directors

* *Formerly FFP Invest*

16 members

>1/3 independent directors

54% of women

10 meetings in 2022 including 3 held remotely

96% attendance rate

Since 1995, the Board of Directors has had specialized Committees to help it in areas for which specific skills and meetings are required.

Audit and Compliance Committee

4 members
Independent chairperson

5
Meetings in 2022
with 1 held remotly

100%
attendance rate

Governance and Remuneration Committee

5 members
Independent chairperson

5
Meetings in 2022
all in physics

100%
attendance rate

Strategic and CSR Committee

6 members
3 independent chairperson

1
Meeting in 2022
in physics

100%
attendance rate

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS IN 2022

During the last year, the General Assembly of May 19, 2022 proceeded to:

- the renewal of the term of office of Delphine Bertrand as director for a period of four years;
- the appointment of BPIFRANCE INVESTISSEMENT for a term of four years - represented in the person of Anne Guérin - as an independent director to replace Jean-Noël Labroue, whose term expired at the end of the General Meeting.

As of December 31, 2022, the Board of Directors is composed of 16 members.

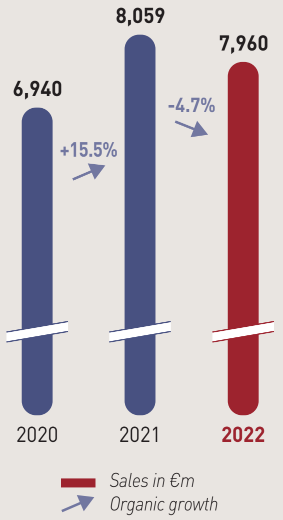
CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS IN 2023

The proposals relating to changes in the composition of the Board (renewal and/or appointment), as recommended by the Governance and Compensation Committee, to be submitted to the General Meeting of 17 May, 2023 are presented in chapter 8 of this Universal Registration Document.

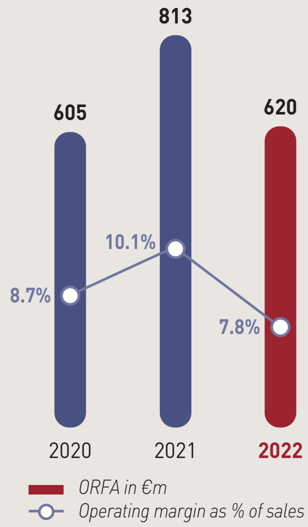
Key figures 2022

Financial performance

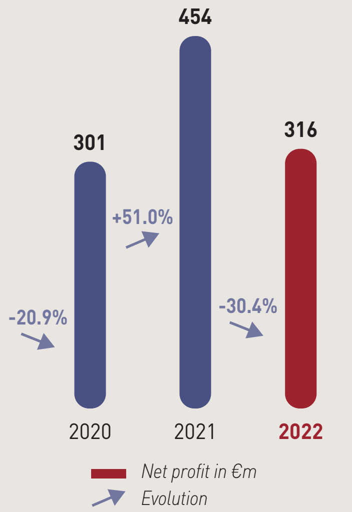
SALES AND ORGANIC GROWTH



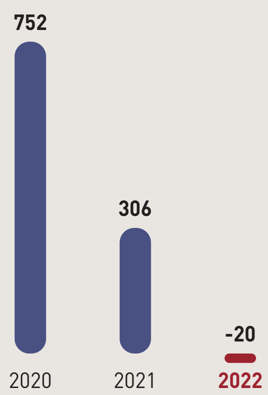
OPERATING RESULT FROM ACTIVITY AND OPERATING MARGIN



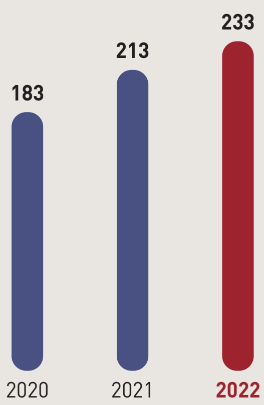
PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT



FREE CASH FLOW (IN €M)

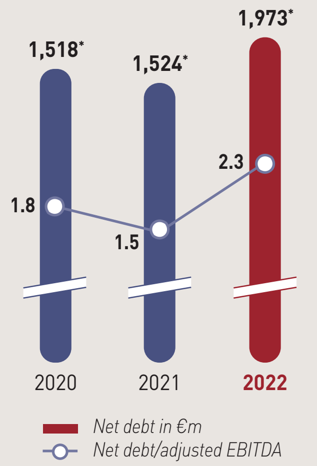


INVESTMENTS* (IN €M)



* Cash flow for tangible and intangible investments

NET DEBT AND DEBT RATIO AT 31/12

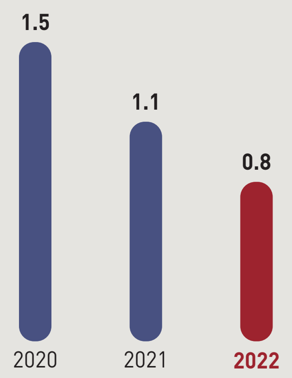


* Incl. respectively €339m, €335m and €371m of IFRS 16 in 2020, 2021 and 2022.

Extra-financial **performance**

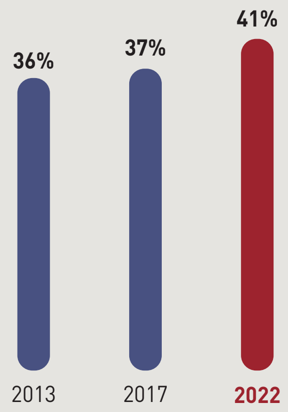
Social and societal performance

EMPLOYEE HEALTH AND SAFETY
Evolution of LTIR*, total Group

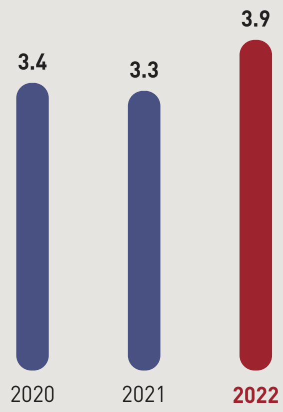


* Lost Time Injury Rate

DIVERSITY
Change in the percentage of women managers, total Group

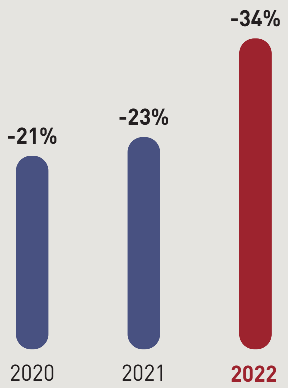


PHILANTROPY
Philantropy expenses, total Group (in millions of euros)



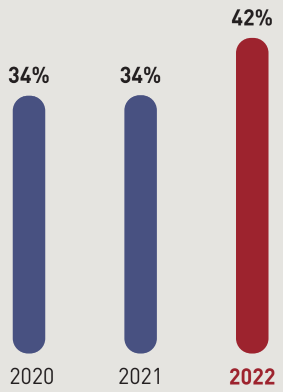
Environmental performance

ECO-PRODUCTION
Evolution of GHG* emissions related to plants, by product manufactured (scope 1 and 2), ref. 2016

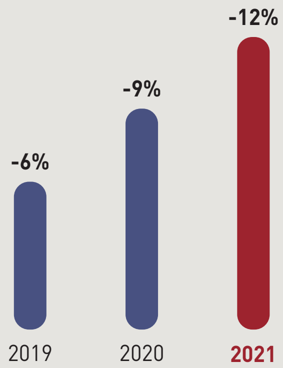


* Greenhouse gases.

RECYCLED MATERIALS
Percentage of recycled materials in products and packaging manufactured by the Group



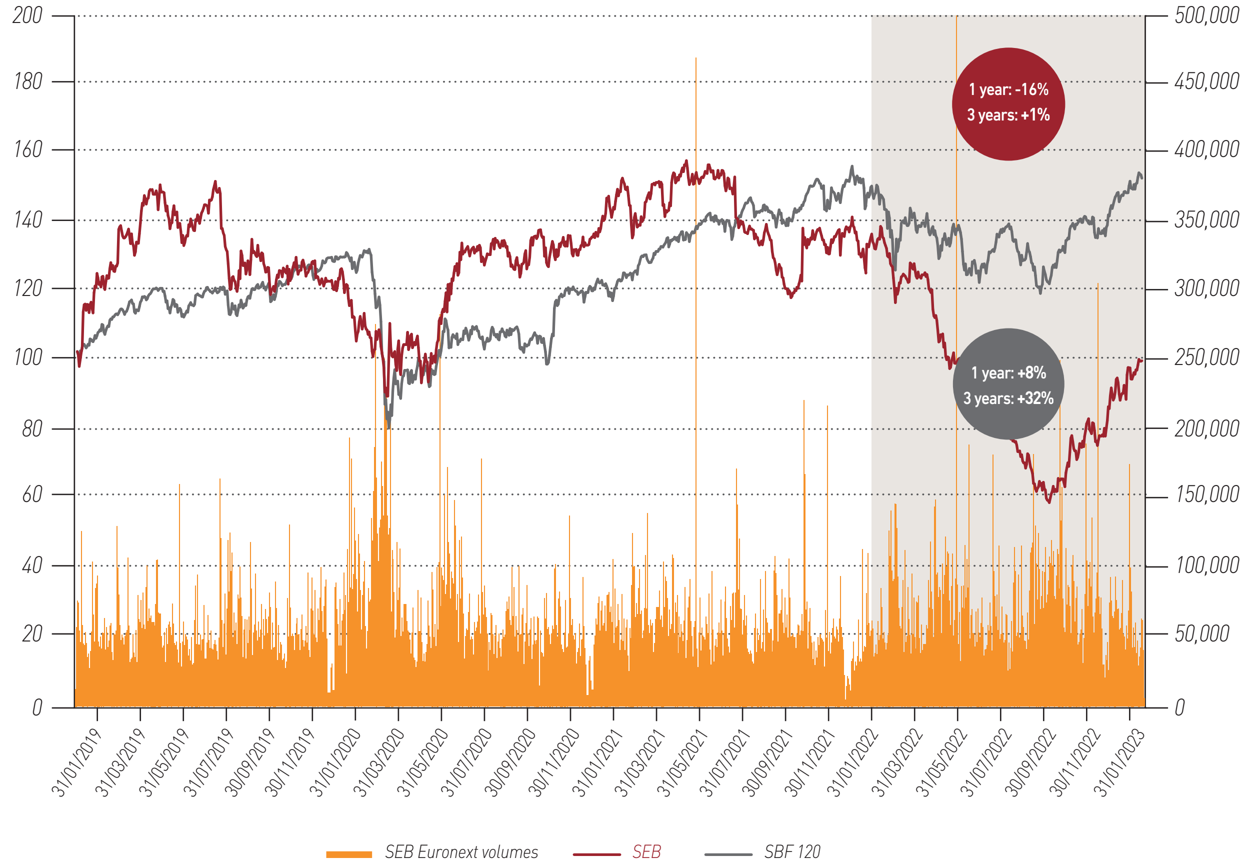
ECO-DESIGN
Evolution of GHG* emissions linked to the use of products, by product sold, ref. 2016



* Greenhouse gases. Data for 2022 are not available at the time of publication of this document. See methodological note on page 217.

Stock market **performance**

EVOLUTION IN THE SHARE PRICE SINCE 31/12/2018



DATA SHEET

LISTING
Euronext Paris,
Compartment A

ISIN CODE
FR0000121709

LEI CODE
969500WP61NBK098AC47

LISTING DATE
27 May 1975

NUMBER OF SHARES
55,337,770 shares with
a par value of €1

STOCK MARKET INDEXES
CAC®Mid 60, SBF® 120,
CAC® Mid & Small,
CAC® All-Tradable,
STOXX® Europe 600,
Vigeo Europe 120,
MSCI Global, FTSE4Good
Euronext CDP Environment
France
Euronext Family Business

OTHER INFORMATION
Eligible in SRD

TICKERS
Reuters: SEBF.PA
Bloomberg: SK.FP

PERFORMANCE 2022

Closing price at
31/12/2022: **€78.25**

Stock Market Capitalization
at 31/12/2022 .... **€4,330m**

Highest price mid-session: **€142**

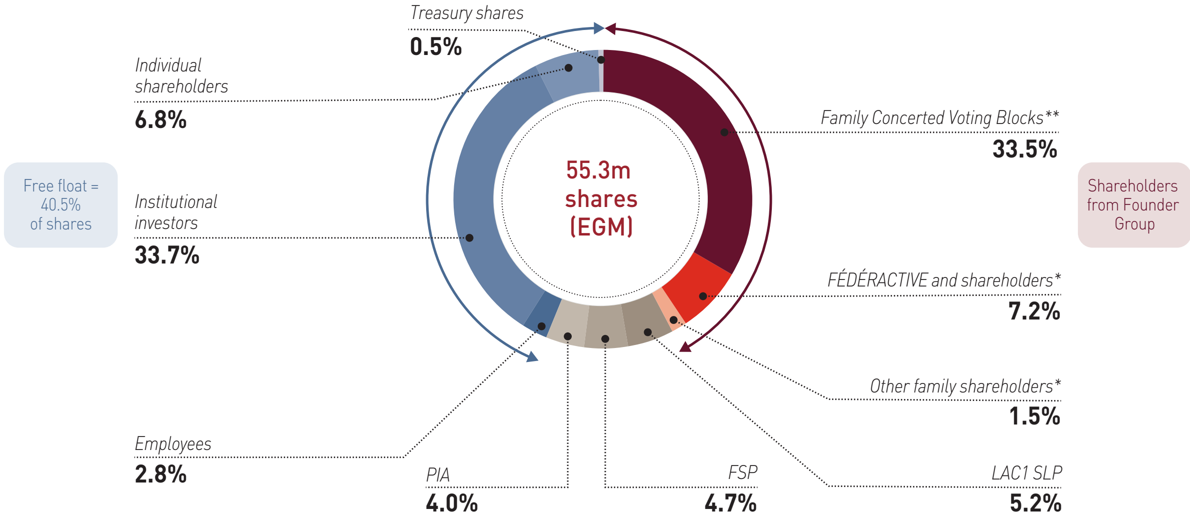
Lowest price mid-session:..... **€55.20**

Average for the year
(closing price): **€96.43**

Average of the last
30 prices for 2022 .... **€77.90**

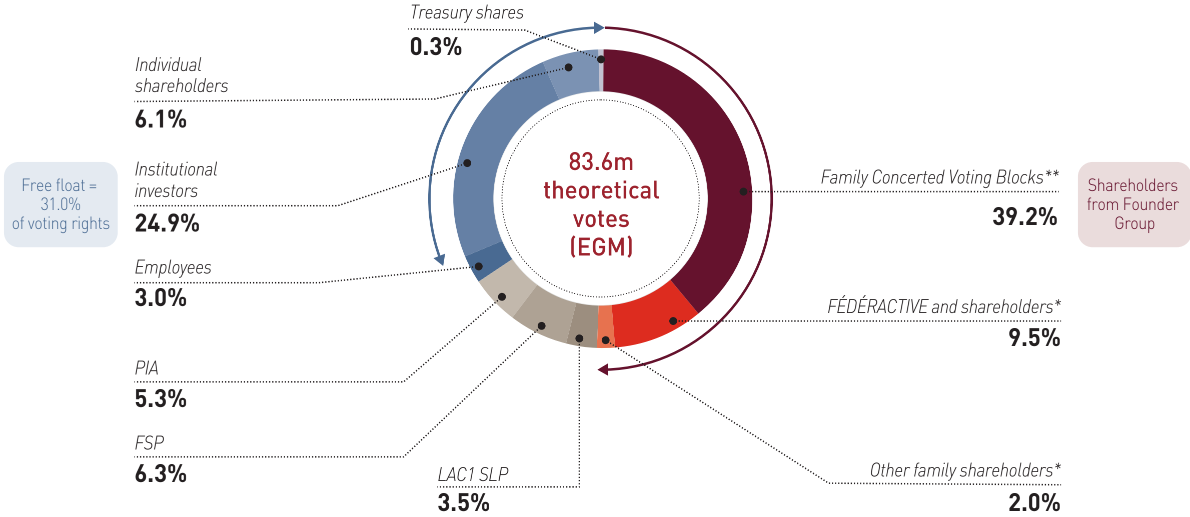
Average daily trading volume
(number of shares): **77,708**

BREAKDOWN OF SHAREHOLDING AT 31/12/2022



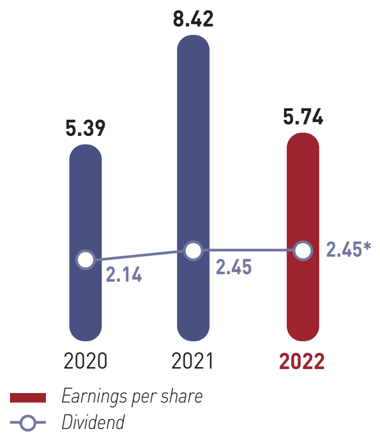
*Shareholders from Founder Group.
**Shareholders from Founder Group continuing the initial Concerted Voting Block (Agreement of Feb. 27th, 2019) including VENELLE INVESTISSEMENT, GÉNÉRACTION, HRC and other family shareholders.

BREAKDOWN OF VOTING RIGHTS AT 31/12/2022



*Shareholders from Founder Group.
**Shareholders from Founder Group continuing the initial Concerted Voting Block (Agreement of Feb. 27th, 2019) including VENELLE INVESTISSEMENT, GÉNÉRACTION, HRC and other family shareholders.

EARNINGS PER SHARE AND DIVIDEND *(in €)*



* proposed to the Shareholders' Meeting of May 17, 2023

1 Introduction to the Group

1.1 Business sector

OUR CONSUMER MARKET

THE WORLDWIDE SMALL DOMESTIC EQUIPMENT MARKET

Over the years, Groupe SEB has forged **a leadership position and acquired a status as a global leader in Small Domestic Equipment.** This sector covers **Small Electrical Appliances** and **Cookware**, accounting respectively for approximately 65% and 35% of its Consumer sales.

Based on the latest available statistics and Group assumptions, the size of the market addressed is currently estimated at over €50 billion for Small Electrical Appliances and more than €25 billion for Cookware (including kitchen utensils).

THE SMALL ELECTRICAL APPLIANCES MARKET

The Small Electrical Appliances market in which Groupe SEB operates comprises several segments that vary significantly in size, ranked below in decreasing order in terms of the Group's revenue:

> €50bn*
GLOBAL MARKET 2022

€4,8bn
2022 SALES

65%
OF CONSUMER SALES

KITCHEN ELECTRICS

- **Electrical cooking:** deep fryers, rice cookers, electrical pressure cookers, informal meal appliances, waffle makers, grills, toasters, multicookers…
- **Beverage preparation:** coffee makers (filter and pod), espresso machines, electrical kettles, home beer-taps…
- **Food preparation:** *blenders*, soy milk makers, cooking food processors, kitchen machines, mixers, beaters…

1

≈ 45%
OF CONSUMER SALES

HOME AND PERSONAL CARE

- **Linen care:** irons and steam generators, garment steamers…
- **Home care:** canister vacuum cleaners with or without dust bag, versatile vacuums, robots, steam and upright vacuum cleaners, vacuum sweepers…
- **Home comfort:** fans, heaters, air purifiers…
- **Personal care:** hair care appliances, depilators, electrical beard trimmers and hair clippers, bathroom scales…

1
Linen care

≈ 20%
OF CONSUMER SALES

* *Based on the latest available statistics and panels (GfK, Euromonitor, etc.) restated and Group estimates.*

THE COOKWARE AND KITCHEN UTENSIL MARKET

The market is split fairly evenly between these two segments. For cookware (mainly frying pans, saucepans, stewing pots, pressure cookers, woks, bakeware and oven dishes) Groupe SEB is the undisputed global leader and is continuing to expand its product offering by diversifying in particular the materials (alumium, coated or not, enamelled or not), ceramic, stainless steel, cast aluminium...). The kitchen utensil and accessories market includes, for example, kitchen knives, insulated flasks and mugs, food storage boxes and containers, spatulas, ladles, skimmers, etc. Groupe SEB ranks among the top five global players in this segment. However, its share remains limited in this highly fragmented but extremely promising market.

> €25bn* GLOBAL MARKET 2022

€2.4bn SALES 2022

35% OF CONSUMER SALES

1 **Cookware**

MARKET TRENDS AND OUTLOOK

The global Small Domestic Equipment market is divided into many distinct national and regional markets with their own local consumer cooking, eating and product utilization habits. It also lacks comprehensive coverage by research panels (primarily GFK) or other market research bodies. This, at times, makes it difficult to reconcile industry figures (inclusion of new categories or geographic segments, for example) in order to produce a global picture of the sector.

At worldwide level and from a long-term perspective, **the Small Domestic Equipment sector has demonstrated its resilience during periods of crisis and solid growth within a neutral or positive economic environment**. This performance reflects the combined impact of various factors:

- global consumption trends driven by the development of "homemade" cooking and a growing interest in health and well-being;
- moderate but steady growth in most of the mature markets, characterized by:
  - a high equipment rate, though unevenly spread across product families,
  - responsiveness to innovation,
  - a robust replacement market and a trading up trend reflecting demand for more functional and connected products, which favors duplication of equipment.

At the same time, the entry-level segment, driven by demand for basic, low-priced products typically produced in China has remained steady;

- overall solid but more volatile growth in emerging markets, according to the general environment and events. These markets are experiencing significant growth in their gross domestic product and are currently in high demand. The buoyant growth is fueled by rising consumption stemming from a booming middle class, increasing urbanization and the development of modern retail channels, including e-commerce;
- the co-existence of "global" products addressing universal needs or easy to tailor by region with a product offering adapted to specific lifestyles and consumption habits (particularly in relation to food) in local markets;
- an average sale price of around €60 for a small electrical appliance in Western Europe, for example, largely affordable by the general public and requiring no credit or a limited use of credit;
- a certain seasonality, shared by all market players, largely linked to the high percentage of products sold during holiday periods or for special events (Christmas, Chinese New Year, Ramadan, Singles' Day in China, Prime Day, Mother's Day, Candlemas, etc.);
- contributions for many years from products and solutions developed in partnership with major consumer goods players backed by strong advertising resources, like with single-serve coffee making, for example.

In addition to these specific features, there have been significant **changes in distribution** in recent years.

Growth in the market is currently being largely driven by e-commerce: major national or international specialists (pure players like Amazon, Tmall, JD.com, Cnova, etc.) as well as the websites of initially offline retailers ("click-and-mortar" retailers).

The Covid-19 crisis catalyzed this phenomenon, sharply accelerating the development of online sales and the transformation of traditional distributors. This change confirmed the blurring of the boundaries between physical retail and e-commerce. The trend is now toward omni-channel distribution, which gives consumers a much broader range of options.

* *Based on the latest available statistics and panels (GfK, Euromonitor, etc.) restated and Group estimates.*

MULTIPLE FORMS OF COMPETITION

In a worldwide perspective, the very nature of the Small Domestic Equipment market requires **a strategy that is both global and local** in order to effectively address the expectations of consumers around the globe. The expansion of international brands, which can in some cases be marketed under strong local/regional brands in their domestic market, falls in line with this two-pronged approach and offers economies of scale.

On this basis, Groupe SEB is the only player boasting **such broad international reach**, supported by a portfolio containing a wealth of global brands and brands with local leadership positions. This gives it a strategic advantage versus a very disparate range of competitors consisting of:

- **large global groups, generalists or specialists in one or two small electrical appliance categories:** Philips and Electrolux have a diversified product offering, while Dyson and Vorwerk focus on a high-end positioning in a few product segments. These highly international players are joined by, for example, Spectrum Brands and Conair, which market their ranges primarily in the United States and Europe; Bosch-Siemens and Braun (Procter & Gamble), which are mainly active in Europe; and J.S Global, which deploys its brands in China (Joyoung, Shark), the United States (Shark and Ninja) and more recently in Europe (particularly in the United Kingdom). Furthermore, De'Longhi, a major player in coffee and food preparation (De'Longhi and Kenwood), is gradually broadening its sectoral and international presence;
- **major cookware and kitchen utensil manufacturers** with a regional and international presence, such as the German companies Fissler and Zwilling-Staub, Tramontina in North and South America, the US group Meyer, Tupperware, Rubbermaid (Newell Brands), Oxo (Helen of Troy);
- **groups or companies operating primarily in their domestic markets or a small number of reference markets:** Magimix, Taurus, Imetec, Severin, in particular, in several European countries; Arcelik in Turkey; Bork and Polaris in Russia; Newell Brands, Hamilton Beach Brands; which is present in North America, Oster, Mondial, Britania in South America; and Panasonic, Midea and Joyoung in Asia;
- **leading players in the high-end segment concentrating on a single product category:** in small electrical appliances with innovative technologies, such as iRobot (vacuum cleaners), or with high-end positioning, such as Jura (coffee machines) and in cookware, for example the French company Le Creuset, which specializes in cast iron products;
- **private labels or white label goods** in large part focused on aggressively priced entry-level products from Chinese sub-contractors which, however, have a market share that is weak overall in terms of small electrical appliances. Conversely, in cookware, the Group's main competitors internationally are often private labels;
- Asian players gaining traction in their domestic but also international markets (Xiaomi) and new businesses – often specializing in a region and a range of products – being launched on the internet first (Instant Pot, Cecotec);
- companies which have activities and brands in both B2B and consumer segments, as in the cases of KitchenAid (Whirlpool), Magimix (Robot-Coupe), Jura and Vorwerk, for example.

OUR PROFESSIONAL MARKET

Groupe SEB operates in the Professional segment through its Professional Coffee business, which accounts for more than 90% of revenue for this segment. In addition to Professional Coffee, the Group also operates in the hospitality sector, supplying professional equipment to hotels as well as crepe makers and planchas (through its subsidiary Krampouz acquired in 2019), and, more recently, professional juicers through its subsidiary Zummo, acquired in 2022.

This represents a highly complementarary strategic diversification from the Consumer business focused on the Small Domestic Equipment market.

PROFESSIONAL COFFEE MACHINES

GLOBAL MARKET 2022 (automatic espresso machines, excluding service activity): **>€1bn**

€725m* 2022 SALES

9 % OF GROUP SALES

1 Automatic espresso machines

The Professional Coffee market consists of four main technologies: filter coffee machines, traditional machines, vending machines, and fully automatic machines. The acquisition of WMF in 2016 created an excellent opportunity for Groupe SEB to enter the latter segment. Its automatic coffee machines are marketed to hotels, restaurants, cafés/coffee shops, bakeries, and convenience stores, sometimes in partnership with coffee roasters.

Through its two brands, WMF and Schaerer, Groupe SEB is the world leader in the highly concentrated market of fully automatic espresso machines, in which Franke, Thermoplan and Melitta are also international players. Certain brands such as Jura hold strong positions in specific segments.

Concerning the specific segment of automatic espresso machines, after a 25% economic decline in 2020 due to the Covid pandemic, market growth resumed, reaching around 10% in 2021 and 2022, with the momentum varying strongly from one region to another.

The underlying long-term growth, based on the global development of out-of-home coffee consumption, as well as the consolidation of the market and its premiumization, however, remain sustainable trends.

On top of a steadily growing core business, significant equipment or machine replacement contracts add momentum. Signed with major fast food chains, convenience stores or service stations, they generate an accelerator effect on growth but also create volatility.

Through the acquisition of Wilbur Curtis in the United States in early 2019, the Group has also gained a foothold in the professional filter coffee segment, a mature market which is still a major coffee consumption benchmark in the US. Wilbur Curtis' recognized expertise, its very broad customer portfolio and its vast US presence have made it the number two in the professional US filter coffee segment, with around one-quarter of the market.

Beyond the sale of machines, the Group also carries out service business (maintenance, repair, etc.), a recurring portion of revenue that is continuously expanding and represents approximately one-third of the revenue from Professional Coffee.

* *Including revenue from other Professional activities (Hotel, Krampouz, Zummo).*

1.2 Strategy and objectives: profitable growth

A LONG-TIME COMMITMENT TO INNOVATION

1950 Flagship products such as the Seb pressure cooker and the Moulinex food mill paved the way for the first electrical products in the 1950s: irons, coffee grinders, etc.

First Seb pressure cooker

1960 The development of products that make everyday life easier and eliminate tedious tasks continued at a faster pace in the 1960s, with new steam irons, vacuum cleaners and food preparation equipment as well as the launch of odorless deep fryers by Seb.

First odorless electric fryer

1970 The period from 1970 to 1990 saw continuous technical progress and the introduction of color in kitchen appliances, together with the arrival of user-friendly devices and the launch of numerous electronically enhanced products: bathroom scales, programmable coffee makers, cookers with electric timers, and so on.

Any-slice toaster Seb

1990 In the 1990s, both Groupe SEB and Moulinex brought new simplicity to the world of small domestic appliances, including pressure cookers with easy closing mechanisms, removable handles for frying pans and saucepans, compact vacuum cleaners with triangular-shaped heads, etc.

*Dymbo,
the first compact vacuum cleaner,
Rowenta*

THE TECHNOLOGICAL SPRINGBOARD

DIGITALIZATION & CONNECTIVITY

The development of connected products helps to improve the consumer experience. The availability of associated services as part of a comprehensive ecosystem takes various forms: access to updated recipes on mobile apps, tutorials, shopping list management, and more.

The user experience is being continually enhanced and re ed in this area; the launch of the Cookeo Touch and i-Companion XL Touch models in March 2020, with WiFi connectivity, is raising the bar in terms of use and meal preparation, range of recipes, intuitiveness and multi-functionality.

Through these product/application pairings, the Group now has a community of several million active members. Groupe SEB Media is strengthening this sector. Its goal is to operate in several key areas: digital content distribution technologies, a recipe portfolio, and several services such as the creation of original culinary content on major digital platforms. Plus a number of services such as the creation of original culinary content on major digital platforms. This determined focus on social media is also the approach adopted by StoreBound, a US company in which the Group acquired a majority stake in July 2020.

*WMF
Kitchen-MINIS
Blender*

*Calor
Care for You
Automatic steamer*

*Ingenio
Stackable
cookware*

*Krups Evidence
Machine expresso
automatique*

*Moulinex Cuisine
Companion Touch Robot
cuiseur*

OF THE 2000s...

Companion Touch
Connected and tactile cooking food processor

ActiFry
Oil-free fryer

Vacuum Nutrition Plus Blender SUPOR

Cookeo Touch Connected multicooker

Tefal Resource Frying pan made of recycled aluminum

Supor Infrared rice cooker

COMMITTED TO HIGH-QUALITY FOOD

2010

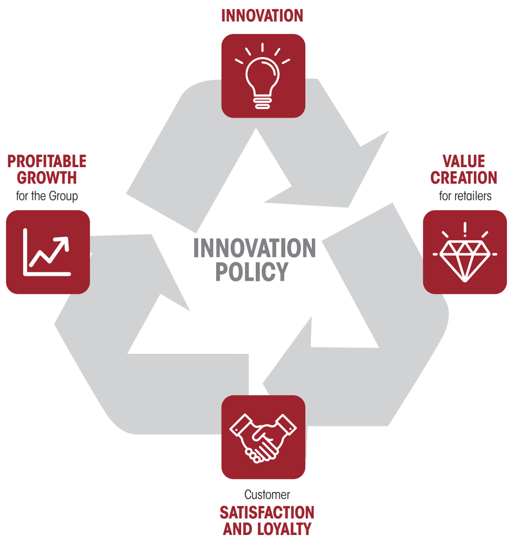
The Group's innovation strategy fully incorporates issues surrounding sustainability and major societal trends, such as efforts to combat food waste, daily practices with a reduced environmental impact, energy efficiency, and repairability and recyclability.

A global player in the culinary sector, the Group is committed to firmly encouraging a high-quality diet that is healthy, tasty and responsible all at the same time. This responsibility comes under the "Cooking for Good" pillar of the Group's sustainable development strategy, which recommends home-made food over processed products.

This commitment to "healthy eating" takes the form of both initiatives to raise consumer awareness of nutrition, which our brands conduct in various countries, and numerous research projects in which the Group participates, primarily in Europe with the InnoLife European consortium, the EIT Health program, the Cook2Health project or the consumer-activist project (in association with the City of Dijon).

2020

A VIRTUOUS STRATEGY…



In keeping with an understanding of major societal trends, and in line with its mission to facilitate and improve the daily life of consumers around the world and to contribute to better living, Groupe SEB's innovation strategy is consistent with a structured approach to creating the product offering.

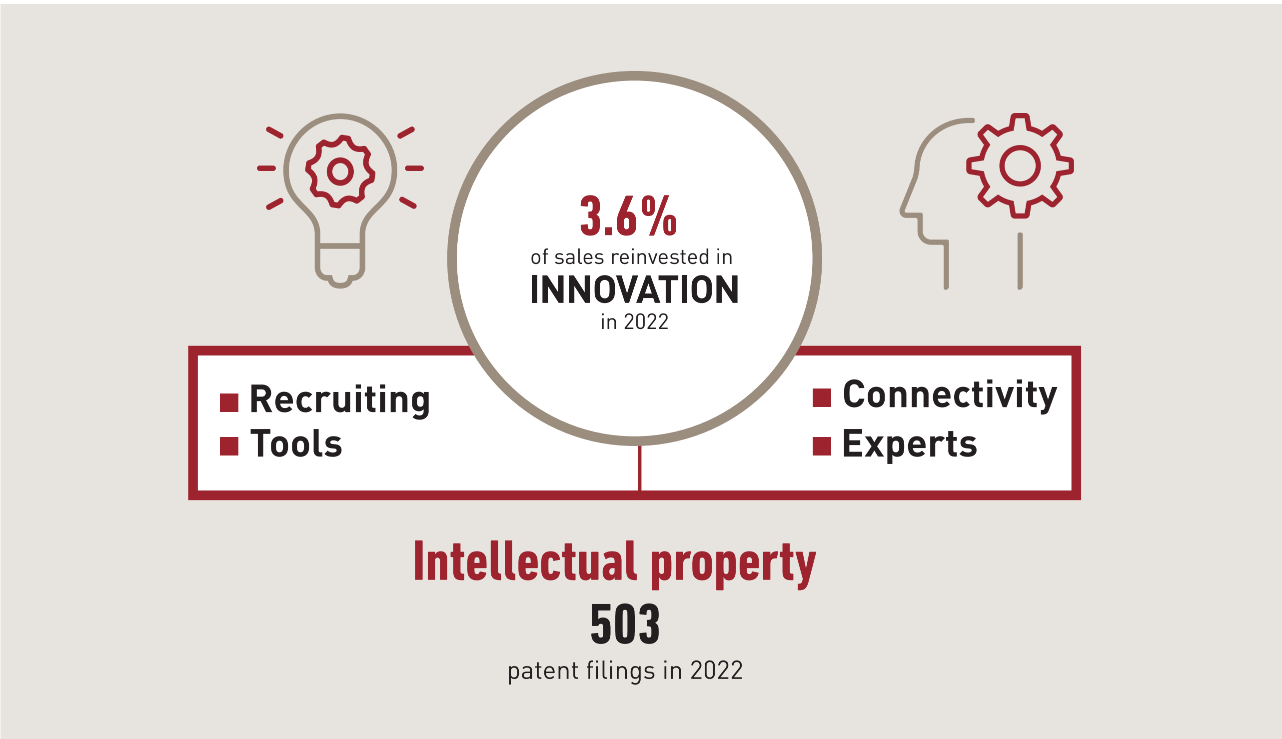
Recent years have been marked by significant changes that have either had a direct or indirect influence on the Small Domestic Equipment universe: new consumer behavior (home deliveries, smartphone addiction, etc.), changes in the distribution industry (acceleration of omni-channel retail, new customer experience standards, proliferation of data consumers), increased environmental awareness, transformation of the competitive landscape, new technologies (especially batteries, connectivity), etc. As well as listening to consumers and conducting an in-depth analysis of their needs (both expressed and latent), models for innovation must incorporate these changes and invest in these new action areas. Priority projects also need to be supported by the invention of breakthrough concepts or unprecedented functionality, using one-of-a-kind designs.

The Group's objective is to consistently enhance the consumer experience, particularly through the availability of solutions covering the related products and services as part of a comprehensive ecosystem. Furthermore, right from the product design phase, we incorporate social and environmental responsibility into all processes throughout the life cycle, focusing in particular on:

- energy consumption during manufacture and use;
- repairability, recyclability or second-hand use, use of recycled materials; and
- ergonomics and inclusive design, etc.

For Groupe SEB, innovation is part of a virtuous cycle: as a creator of value for customers/retailers and a source of progress, satisfaction and commitment for consumers, it generates profitable growth, which is key for supporting innovation efforts, etc.

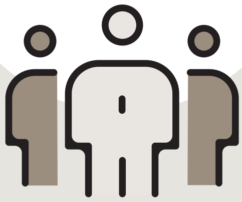
… SUPPORTED BY INVESTMENTS



A STRUCTURED INTERNAL ORGANIZATION…

INNOVATION COMMUNITY

>1,500
employees
working in
R&D, marketing and design



The Group articulates its approach around 2 major hubs:

- **A Global Innovation Hub at the Group's head office for its small electrical appliance business** accelerates the development and launch of its new products.
- A global innovation center in Rumilly for **cookware**.

Two SEBLabs, testing ground dedicated to creativity and bringing new products to life, are home to interdisciplinary project teams, bringing together members from marketing, research and design with in-house and external experts. Their objective is to generate and more quickly select the ideas with the most potential.

Intellectual property, tasked with protecting the Group's intellectual assets by way of patents, active protection against infringement and competitive intelligence.

… OPEN TO OUTSIDE COLLABORATION

Partnerships in a broad range of fields, such as materials, information and communications technologies, electrical engineering, food science:

- Universities/Schools/Engineering Firms.
- Research Institutes/Testing Laboratories.
- European institutions: through the EIT program.
- Innovation Community. The objective is to collaborate with specialized companies (in food processing, consumer goods, digital transition) to anticipate new food-related trends.

Innovate with SEB, a website for inventors, scientists, researchers and designers who want to innovate with the Group to pitch their inventions.

SEB & You is a nearly 8,000-strong community launched in 2015 to encourage consumers to contribute to the Group's innovation process and to test new product ideas: to date, more than 6,500 products have been tested. Initially present in France and Germany, SEB & You saw its community expand and diversify geographically.

Communities have become an important component in the Group's innovation process. By listening to members of its various communities through apps (4 million active members) and social media (11 million fans on nearly 500 active accounts) and also through information updates from its consumer service centers, the Group can constantly enhance and improve its approach to the innovation process.

SEB ALLIANCE: FINANCING AND PARTNERING WITH INNOVATIVE START-UPS

In May 2011, the Group created a corporate venture vehicle, SEB Alliance, to improve its technology monitoring system by investing in innovative, technology-focused companies in areas such as connected home and digital applications, robotics, well-being and population aging, and reducing the environmental footprint.

In this context, SEB Alliance favors acquiring minority stakes. SEB Alliance has invested directly in around 20 companies since it was created, in areas that are consistent with Groupe SEB's strategic areas for innovation, and could result in consumer applications, such as:

- Digital/artificial intelligence with ChefClub, a specialist in the production and dissemination of online cooking content, or Another Brain, a developer of next-generation artificial intelligence technology;
- Technology/robotics with RobArt (smart navigation solutions) and ITEN, a micro-batteries specialist;
- "Impact" companies, which place the positive, social, societal or environmental notion at the heart of their economic model. This is particularly the case with Angell (electric bicycles, soft mobility), Castalie (water fountains) – whose manifesto is the fight against "the madness of single-use plastic" – and Back Market, the leading marketplace for refurbished devices as well as Too Good To Go, whose objective is to combat food waste;
- Adjacent categories with Lumi (Aqara brand home automation products), Click & Grow, specialized in solutions for indoor vegetable gardens, and IEVA, a connected beauty player that designs and offers personalized products and services.

GROUPE SEB INVESTS IN ITEN, FRENCH SPECIALIST IN MICRO-BATTERIES

On 4 October 2022, Groupe SEB announced through its investment company, SEB Alliance, that it had participated in the new fund-raising round of ITEN, France's leading specialist in ceramic Li-ion technology.

SEB Alliance is supporting ITEN during this phase of industrialization of its products. Based on a fully ceramic electrode architecture, these micro-batteries offer both high energy storage density and high power, all in a miniaturized product. They are compatible with automated manufacturing processes used in the electronics industry and meet the miniaturization needs of connected and communicating objects (IoT sensors, smartcards, backups etc.). As well as their technical performance, ITEN's ceramic Li-ion micro-batteries have characteristics that are vital in addressing environmental challenges. They contain no heavy metal, are fully recyclable and rechargeable, and have a very long useful life.

To further expand the scope of its watch and its ecosystem in the United States, in China and in specific investment segments, SEB Alliance has also forged strategic partnerships with innovation investment funds (Cathay Innovation, Innovacom, Xange, Kreaxi, SOSV, BtoV, Daphni, Sofimac) that the company may support as a co-investor.

For example, on 12 May 2022, the Group announced **its investment in Blisce** – the first venture investment company – **run by Alexandre Mars.**

This new investment allows SEB Alliance to continue its development with a positioning that complements its indirect investment strategy. The Group was particularly impressed with its investments in companies making a positive impact, tying in with its main areas of focus for development: digital, health/wellness, and societal and environmental transitions. This investment allows the Group to be more open to *start-ups* in the United States.

SEB ALLIANCE

SINCE 2011

>20 minority direct investments

>200 startup dossiers received

>10 partners funds*

* SEB Alliance is a strategic financial investor in these funds

3 main target sectors

Digital and connected home
Wellbeing and population ageing
Reducing the environmental footprint

Watch Shared technology

R&D collaboration
International scope
of which Europe,
the US and China

R&D and Business Collaboration

Prototypes and studies
Co-development
Commercial partnerships

A PORTFOLIO OF DIFFERENTIATED AND COMPLEMENTARY BRANDS

The Group has a portfolio of 32 brands, the largest in its industry, which it operates worldwide. Its unique portfolio sets the Group apart from its rivals and is a powerful vehicle for accelerating market penetration and sustainable organic growth. This multi-brand strategy, which has been strengthened by acquisitions over the years, gives it both broad and deep coverage of markets. It is deployed with three major complementary sub-groups as its basis:

- **Consume**r brands, with a broad geographical and category presence in the Small Domestic Equipment universe, as well as multi-channel distribution.
  - Tefal is the most global of the globally renowned brands with a major international cookware portfolio. Moulinex, Krups, and Rowenta have more limited reach: Moulinex in the electrical cooking appliances segment, Krups in coffee, and Rowenta in home and personal care. All are very high-profile and highly attractive to consumers. To illustrate, Tefal and Moulinex regularly feature in rankings of France's favorite household appliance brands (Opinionway studies) and Krups was awarded "Superbrands 2021/2022" in Germany for the third time.
  - In addition to these international brands, there are regional brands (Supor in China, Arno in Brazil, Imusa in Colombia, Seb and Calor in France, etc.). Their strength resides in their long-standing presence in their markets, with the Group's brands averaging 85 years in age. At the heart of households and everyday home life, they have been developed especially with regional or local consumption habits in mind. As such, they are standard setters for distributors and consumers in the countries in which they operate.
- **Premium** brands (WMF, Lagostina, All-Clad, and Silit) are managed in a specific way, guaranteeing strong, uniform expression of their identity and values (communication, design, pricing policy, etc.). They are generally distributed through channels in a more selective way.
- **professional brands** (WMF, Schaerer, Wilbur Curtis, Hepp, Krampouz, Zummo) sell coffee machines, hotel equipment and professional products B2B only and mainly to hotels, large restaurant chains and convenience stores.

The Group's brands are fully committed to raising consumer awareness of sustainable development: healthy eating, combating food waste, air quality, repairability, recyclability and inclusiveness of our products. They advocate this approach to corporate, social and environmental responsibility, and have opted to position themselves strongly in this area.

Groupe SEB supports its brands and products through significant investment in marketing and advertising:

€584m in 2022 representing approximately **8%** of revenues, about **70%** of which are digital.

In addition to the management of its brand portfolio, the Group pursues a strategy of partnerships to develop new concepts and step up its sales through the co-branding of two high-profile brands. Accounting for between 5% and 10% of revenue, these partnerships are major drivers of innovation and growth for the Group. Joint development agreements have also been signed with major names in the food industry, such as Nestlé for Nespresso and Dolce Gusto, and Heineken for BeerTender and The SUB, and in the cosmetics industry, such as L'Oréal for Steampod. Some partnerships also improve our corporate image, associating our products with other brands or organizations under licensing agreements with brands, or with endorsement contracts, like cookware lines developed in collaboration with renowned chefs such as Jamie Oliver or Pierre Gagnaire (Tefal). In the latter case, the aim is to marry the passion and knowledge of these chefs with Tefal's technology and expertise. Since 2021, the Group has expanded its partnership with Jamie Oliver to make not only cookware but electrical cooking appliances available to consumers worldwide under the *Jamie Oliver* by Tefal label.

The Group also extended this partnership policy, particularly in the digital and community domains, with ChefClub and, in the circular economy domain, with Back Market.

A GLOBAL AND DIVERSIFIED PRESENCE

Small Domestic Equipment (Consumer) is Groupe SEB's core business. Over the last 40 years, the Group has successfully developed strong positions across all continents with a commercial presence in nearly 150 countries. This unique global footprint is the result of an expansion strategy that combines internal growth with acquisitions.

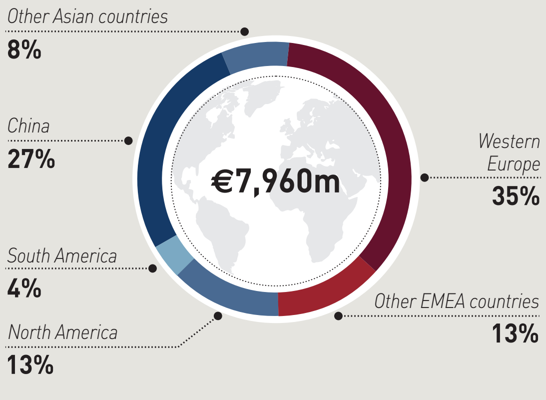
The scope of its constantly expanding product offering and its ability to adapt to the specific needs of different markets while relying on the power of its brand portfolio have helped the Group build strong local positions - this is particularly the case in Western Europe, Central Europe, Turkey, China, Japan, Colombia, Mexico, etc. Nearly three-quarters of the Group's sales are generated in countries where it has a leadership position.

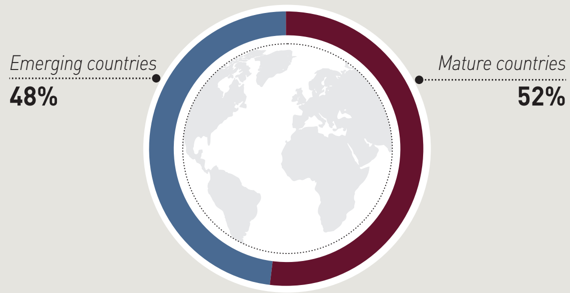
This "multi-local" presence thus enables the Group to diversify its exposure to different economies and to seize opportunities for growth in the countries in which it has a presence, depending on the varying levels to which households are equipped with small electrical appliances and cookware. This provides the Group with long-term drivers for growth that range from renewal, duplication of equipment and upgrading in mature markets, to the high potential of emerging markets, particularly with the rise of the middle class, increased purchasing power and rapid urbanization that brings with it changing behaviors in daily life.

Over the years, Groupe SEB has significantly increased its critical mass in its historic markets while incubating business in countries enjoying rapid growth (Central Europe, Egypt, Colombia, Thailand, Malaysia, etc.).

The Professional business accounted for 9% of total Group sales in 2022. Based on the expertise and strength of WMF and Schaerer in German-speaking countries, it is continuing to expand internationally, with particularly strong advances in Europe, North America and China.

A GLOBAL BUSINESS, WELL-BALANCED BETWEEN MATURE AND EMERGING MARKETS





A MULTI-CHANNEL DISTRIBUTION STRATEGY

The Group's Consumer business relies on a large, diversified network of distributors, giving it a solid commercial base. Combined with a multi-brand and multi-product strategy, this network enables the Group to build constructive long-term relationships with customers on the basis of a varied range of offerings.

Although it can differ from country to country as a result of the specific features of the local retail markets, the Group's exposure is relatively balanced between:

- mass food retailers, with which the Group has established and maintains long-standing partner relationships;
- specialist retailers (specialized in electrical equipment, household appliances, etc.), key clients for the Group whose expertise has been a mutual driver for growth over the years;
- traditional stores/convenience stores or groups of independents, which still play an important role in many emerging markets;
- E-commerce (pure players, either directly or via marketplaces, and the online sales platforms of bricks-and-mortar customers, Click & Mortar, etc.). Initially led by China, the rapid rise of e-commerce in recent years is now being fueled by all markets.

In addition, the Group also has a network of stores, operated either directly or under franchise, or via exclusive distribution. The network was totaling nearly 1,250 stores at the end of 2022, in various formats around the world. Their positioning may be multi-brand (Home & Cook and Tefal Shops) or mono-brand (Supor Lifestores and WMF). This network, which is one of the biggest customer, represents more than 5% of consumer sales.

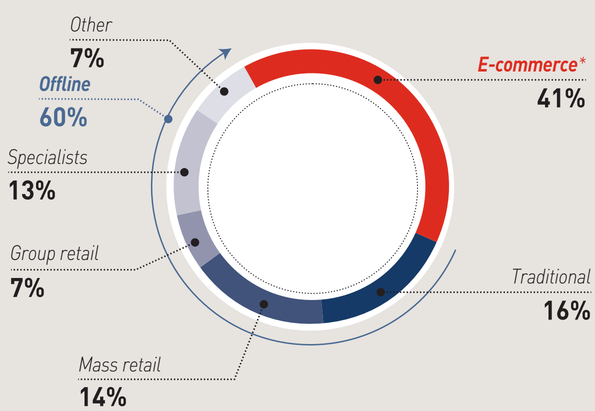
This approach is complemented by the Group's commitment to a direct online sales strategy (online DTC), which combines brands' own websites with marketplaces. In 2022, the Group continued to strengthen its direct online sales structures and, at the end of the year, could rely on 70 merchant sites for its brands. In 2022, the Group's online sales sites generated over 55 million visitors.

In recent years, the retail environment has undergone profound changes related to the explosion of e-commerce (pure players and Click & Mortar traders). This disrupts the sector's strategic segmentation, due to the immediacy of e-commerce and its offering founded on the optimum combination of choice, price and service. It also capitalizes on consumer data, making it possible to conduct extremely effective targeted marketing that generates sales.

The Covid-19 crisis (imperative to stay at home, closure of physical stores) intensified the growth of online sales, which accelerated sharply. For the Group, this resulted in an increased weighting of e-commerce in its retail sales, which continued to increase in 2021 and then in 2022.

This crisis confirmed the blurring of the boundaries between physical retail and e-commerce; the trend is now toward omni-channel distribution.

CONSUMER SALES BY DISTRIBUTION CHANEL



* Pure players and Click & Mortar

(Group's estimates at 31/12/2022)

In this changing environment, Groupe SEB is committed to enhancing its access to consumers by:

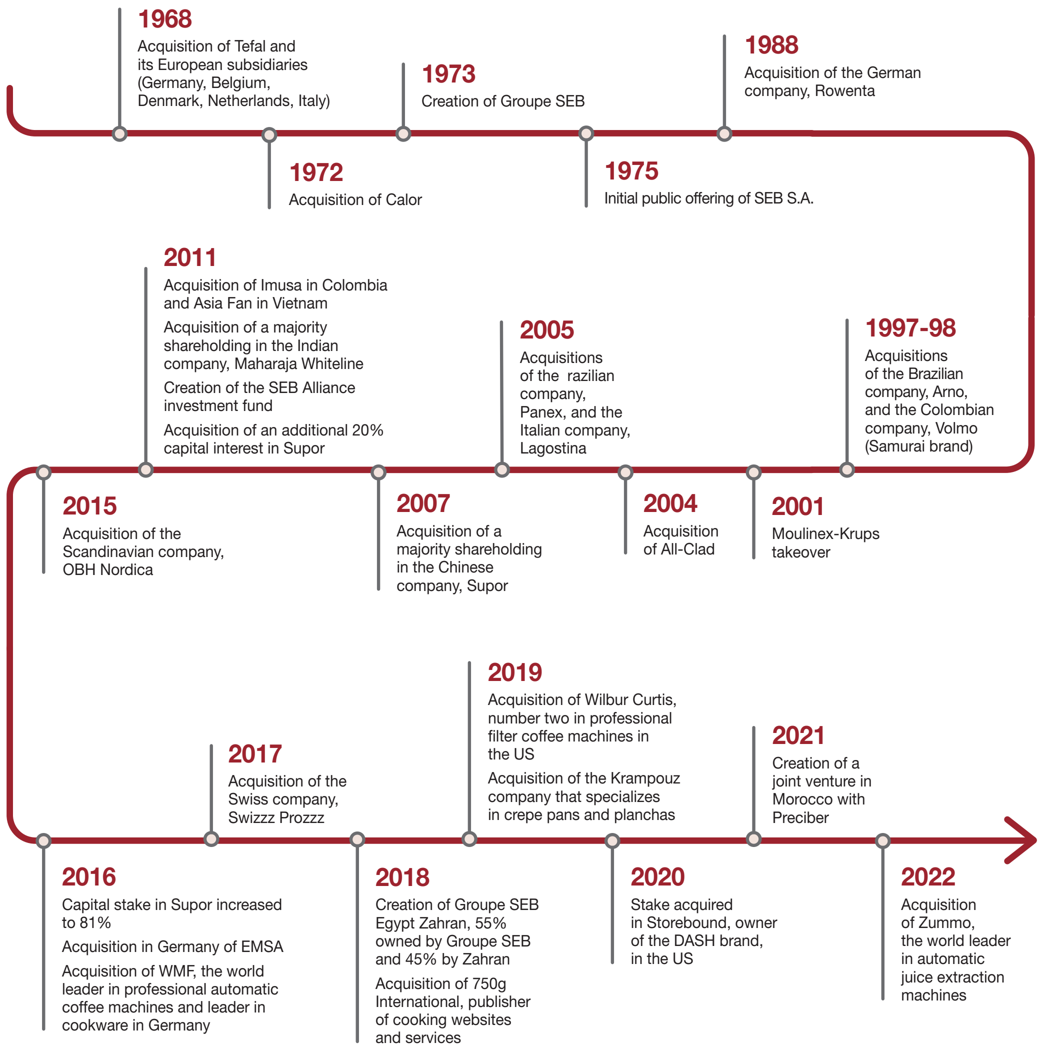
- ramping up our digital marketing policy (brand websites, digital campaigns, data marketing, live streaming, etc.) to increase the number of points of contact we have with consumers, millennials in particular. In 2022, digital accounted for over 70% of the Group's direct media investments (compared to 25% in 2015);
- increasing consumer engagement around our products and brands by developing ecosystems such as apps, being active in online communities and social networks, etc.;
- delivering the best in-store execution - through category management, effective merchandising, the creation of dedicated shop-in-shops and promotional events - as well as for e-commerce;

AN ACTIVE ACQUISITION POLICY

Acquisitions complement the Group's organic growth strategy and provide a catalyst for expansion. As an operator in the Small Domestic Equipment market, which is still highly fragmented, in recent years Groupe SEB has positioned itself as a consolidator in this sector. The acquisitions it has made have enabled it to achieve leadership status in many countries and product categories, helping the Group to forge its global leadership positions. In addition to a number of large-scale, strategic transactions, such as the acquisitions of **Supor** or **WMF** (see below), the Group has conducted numerous targeted acquisitions with the aim of strengthening its market position.

Groupe SEB's acquisition strategy is based on the principle of complementarity, whether in terms of geographical location, category, brand or business model. This was the prevailing principle in the takeovers of **Arno** in Brazil (market penetration), **Lagostina** and **All-Clad** (Italian and US premium cookware brands), **Imusa** in Colombia (cookware, in addition to the Samurai brand of small electrical appliances) and **EMSA**, a German brand specializing in kitchen utensils and accessories. In July 2020, Groupe SEB completed the acquisition of a majority stake in **StoreBound**, owner of the **DASH,** present on the American market. kitchen products brand. At the end of 2021, the Group signed an agreement with **Preciber**, leading to the creation of the joint venture **Groupe SEB Maroc**, which is 55% controlled by Groupe SEB.

In Professional Coffee, complementarity was also behind the 2019 takeover of Wilbur Curtis, the second largest filter coffee machine manufacturer in the US, which strengthened the Group's presence in the coffee machine sector, established established in the United States with **Schaerer**. Elsewhere in the Professional world, the Group also consolidated its offering by firstly acquiring control in 2019 of **Krampouz**, a specialist in crepe makers and planchas, and in 2022 of **Zummo**, the world leader in automatic fruit juice extraction machines. At the beginning of 2023, the acquisition of the Italian company La San Marco, which specializes in traditional lever-operated coffee machines, represents a further step forward and enables the Group to continue diversifying its professional product offering.



In addition to accurately identifying the target company and having the necessary financial capacity to conduct the transaction, external growth requires an ability to integrate new acquisitions effectively and to generate synergies. Over the years, as our acquisitions have increased in number, Groupe SEB has built up considerable experience in integrating acquired companies, which is often a complex exercise, given the many issues at stake. Integration Committees are set up, with members who represent the management and operational teams of both entities. These Committees draw up the master plan for the merger and set the objectives, monitor the progress of projects and measure the synergies created.

TWO STRATEGIC ACQUISITIONS THAT HAVE TRANSFORMED THE GROUP

2007: Acquisition of Supor

At the end of 2007, the Group took control of Chinese company **Supor.**

This operation was complex due to the specific issues it involved: geographical and cultural remoteness, language barrier, more complex integration, coordination of communication between two listed companies, etc.

Subsequently, the Group increased its controlling interest in several stages (+20% in December 2011, +1.6% in January 2015, and +7.9% in June 2016) for a current holding of 82.4%.

Since the acquisition in 2007, Supor's development momentum has been extremely robust, reflecting both a booming Chinese Small Domestic Equipment market and Supor's conquest strategy. This was based on the strength of the brand as well as on a resolute policy of innovation, continuous expansion of the product offering, expansion on Chinese territory and an omni-channel presence. It allowed Supor's leadership in cookware to be strengthened and significant market share gains in kitchen electrics, where Supor has taken the combined online and offline leadership in 2022 and, for the first time, crossed the two billion euro revenue mark in the domestic market in 2022.

2016: acquisition of WMF

In 2016, the Group acquired **WMF**, a flagship of the German industry with two major business lines: professional coffee machines and catering equipment, as well as Small Domestic Equipment (cookware and small electrical appliances). Through this strategic acquisition, Groupe SEB:

- acquired a solid worldwide leadership in the very attractive professional automatic espresso machines market characterized by strong growth, normative earnings and significant recurring revenue, reflecting important contributions from after-sales operations;
- considerably strengthened our position in the cookware segment by becoming the leader in Germany, with, in particular, a high-end stainless steel product offering;
- accessed an important network of 200 retail outlets in Germany, providing a powerful vehicle for promoting our image and sales.

GROUPE SEB CONTINUES TO STRENGTHEN ITSELF IN THE PROFESSIONAL MARKET WITH THE ACQUISITION OF ZUMMO, A WORLD LEADER IN AUTOMATIC FRUIT JUICE EXTRACTION MACHINES

Three years after the acquisition of Wilbur Curtis and Krampouz, Groupe SEB is expanding its professional offering once more to meet its strong development ambitions in this segment.

Thus, in July 2022, Groupe SEB announced the acquisition of Zummo, the Spanish world-leading maker of automatic fruit juice extraction machines.

The technologies it has developed over time have given Zummo has a significant competitive advantage in an extremely dynamic market.

Numerous synergies will be created for all of Groupe SEB customers: hotels, major restaurant brands and local businesses, in France and throughout the world.

THE NEED FOR COMPETITIVENESS

Groupe SEB takes a long-term view when thinking about its competitiveness. It is structured around several fundamental principles: providing the best service to its customers, ensuring profitable growth, optimizing costs and generating cash flow, while strengthening the skills of its employees and safeguarding the planet.

The Group is committed to:

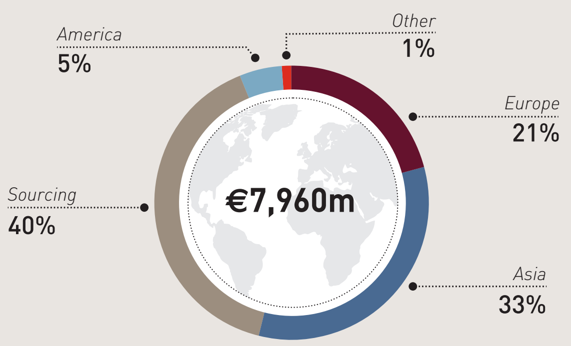
- deploying the best industrial practices in order to continue improving the productivity of its sites and the capital employed;
- optimizing its logistics chain so that it is tailored to the types of customers it serves and supported by solid planning;
- relying on flexible and streamlined structures, thanks in particular to increased digitization of its processes.

As part of its social and environmental responsibility, Groupe SEB has, for many years, been committed to a virtuous approach based around the circular economy (eco-design, eco-production, eco-logistics, collection and recycling of products at the end of their useful life) and, more broadly, to reducing the carbon footprint of its business.

A POWERFUL AND VERSATILE MANUFACTURING BASE

In a competitive environment where business models are mainly based on outsourcing production, Groupe SEB is claiming its status as a manufacturing company, which gives it major competitive advantages. This status is built on a powerful and versatile manufacturing base, made up of 39 sites around the world. The locations of these sites have been chosen so as to respond efficiently to the specific features of the markets:

DISTRIBUTION OF SALES PRODUCTION 2022



- European manufacturing targets mainly mature markets. French and European plants specialize in product lines for which the Group is a market leader. They rely on expertise and tailored technologies (product designs, automated processes, workflows, etc.) and produce volumes that guarantee a critical size;
- manufacturing in emerging markets focuses on the needs of these (local) markets and, for mature markets, on products for which the Group wishes to retain control of its specific technologies (concerning products and process) at lower production costs;
- outsourcing (of production) for common products or products for which the Group does not have a strong differentiating factor internally. The choice of what to outsource is based on a systematic “make or buy” judgment process that decides between investing in production and using subcontracting.

In 2022, our 39 industrial sites manufactured approximately 60% of the products marketed by the Group worldwide.

SUPPLY CHAIN AS A PRODUCTIVITY LEVER

Groupe SEB manages its manufacturing facilities with flexibility and discipline, with its sights set on constantly improving product quality, customer service, personal safety and environmental protection. With this in mind, it has deployed SEB standards for production processes at all of its sites. These specifically relate to:

- the PCO (Product Cost Optimization) project, which aims to reduce the cost price of existing products, optimize the future product offering, and increase perceived value;
- the OPS (Opération Performance SEB) global program of industrial and operational excellence, which is materialized by the deployment of the "lean manufacturing" in order to optimize our value chain from the beginning to the end, from our suppliers to our customers, and which aims at reducing stocks and outstandings, while shortening our delays, in a totally collaborative approach. This OPS program enables the Group to guarantee a high level of quality, both in its processes and in its products.

Improvement projects are systematically supported by a health-and-safety approach, and the number of workplace accidents fell threefold between 2018 and 2022 (more details are given in Chapter 3 on "Social, societal and environmental responsibility" on pages 137 to 234). In particular, the Group is committed to combating musculoskeletal disorders (MSDs), which are often caused by repetitive movements at certain workstations. In order to prevent these from occurring and to halt their progression, the Group has prioritized the ergonomics of the workstations, automation, awareness-raising and training of the employees affected, and the integration of MSD prevention from the product design stage. Furthermore, the assessments carried out as part of the Group's International Health Plan at all industrial and logistical sites have identified the main health risks (dust, noise, repetitive work, etc.). This review was the starting point for the implementation of Group standards and the setting of health targets, with monitoring indicators. This progress contributed significantly to improvements in industrial performance.

The Group also prudently manages its production capacity, targets its capital expenditure and continues to adapt its production facilities on a regular basis. It takes account of economic market realities by adjusting volumes or rescaling sites, transferring operations from one entity to another, refitting sites, maintaining strict control of manufacturing costs, refocusing production and purchasing finished products according to needs.

2022 was characterized by a sharp decline in activity at the majority of production sites due to the specific economic situation and the excess inventory of finished products inventories on the markets and in our warehouses. The Group adapted by significantly reducing the use of temporary employees, but this reduction of activity generated an under-absorption of industrial costs that was not fully compensated by productivity. In the long term, we are continuing our actions to improve performance and to adapt our industrial footprint, and more specifically:

- the closure, as of 30 June 2022, of the historic Erbach site in Germany, which specialized in linen care products, and the consolidation of the industrial ironing business line, mainly in the Pont-Evêque plant in France;

- continued capacity investments (ongoing ramp-up of the Borg al Arab sites in Egypt, Domazlice in Czech Republic, Cajica in Colombia, Shaoxing in China, Chi Minh in Vietnam, Saint-Lô in France...) to better serve the regional markets;
- the continuation of productivity plans in factories and the optimization of our logistics footprint to reduce structural costs and capital expenditures, while reducing lead times and improving customer service;
- the acceleration of energy saving plans to reduce our carbon footprint and to cope with cost inflation. We are undertaking an ambitious investment plan of **just over €30** million over two years to renovate our energy-intensive industrial processes, insulate our buildings and set up solar installations..
- the construction of a new 100,000 m2 logistics center in Bully-les-Mines (Hauts-de-France), dedicated to the Northern European markets, with a view to commissioning it in spring 2023.

In line with the above, total capital expenditure for 2022 was **€233 million,** compared to €213 million in 2021.

New warehouse in Bully-les-Mines

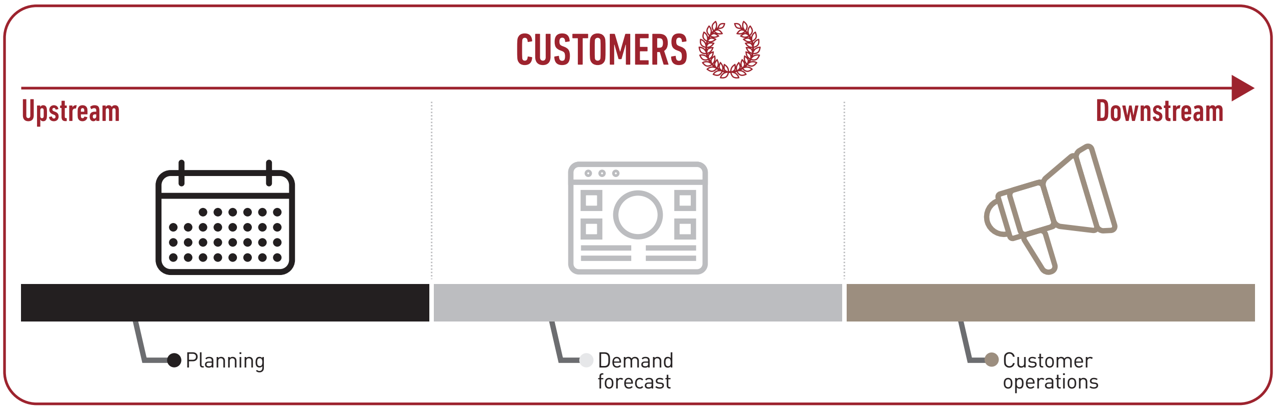
- 100,000 m^2 surface area
- Delivered in December 2022 and operational from March 2023
- 130,000 stackable palettes on average
- Up to 100 trucks per day
- 500 employees by 2030

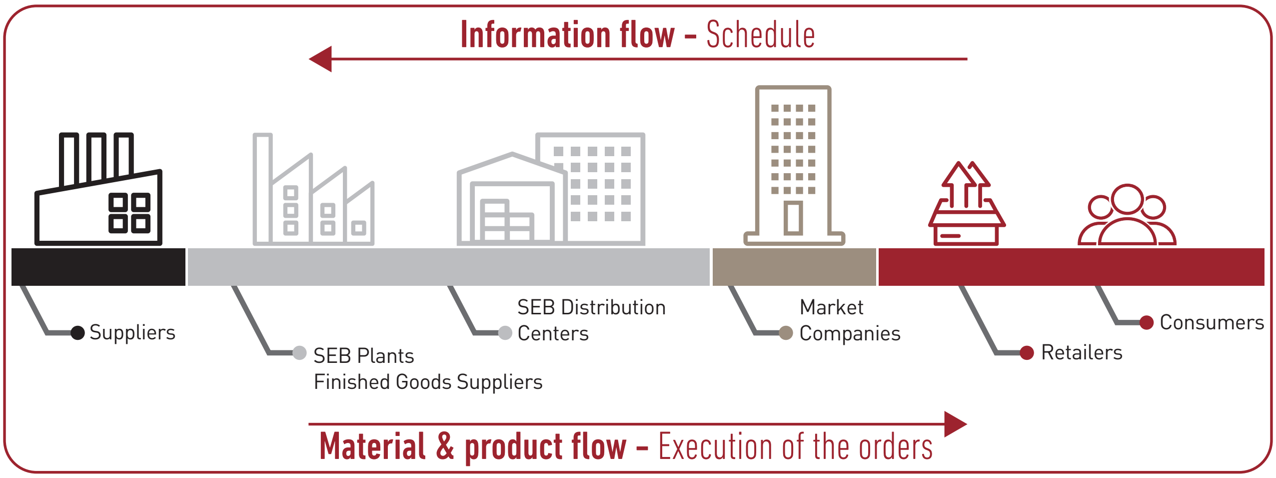
Technology platforms – vehicles for competitiveness

These represent the technological foundations for developing new products. They bring together all the Group's know-how and use it to assist certain product families by:

- cutting down the time-to-market for new products, through shortening development periods;
- using acquired experience to ensure quality of new products;
- contributing to standardization and economies of scale;
- facilitating a high level of flexibility in product versioning so as to meet our customers' needs as quickly as possible.

The Industry of the Future will also help us to reach a new milestone in terms of our industrial and logistical performance in order to improve how we serve our customers' needs. One of the key projects, involving both the industrial and information systems teams, is the establishment of a futuristic factory model using supervisory and data processing systems to improve performance, the availability of means of production, anticipation of breakdowns, but also quality, traceability and optimization of energy consumption. At the same time, the Group is developing new, more economical and flexible automation models, using collaborative robots (cobots) and auto-guided vehicles (AGV) to reduce the difficulty of tasks. Lastly, augmented reality systems will help operators achieve their goals and improve performance.



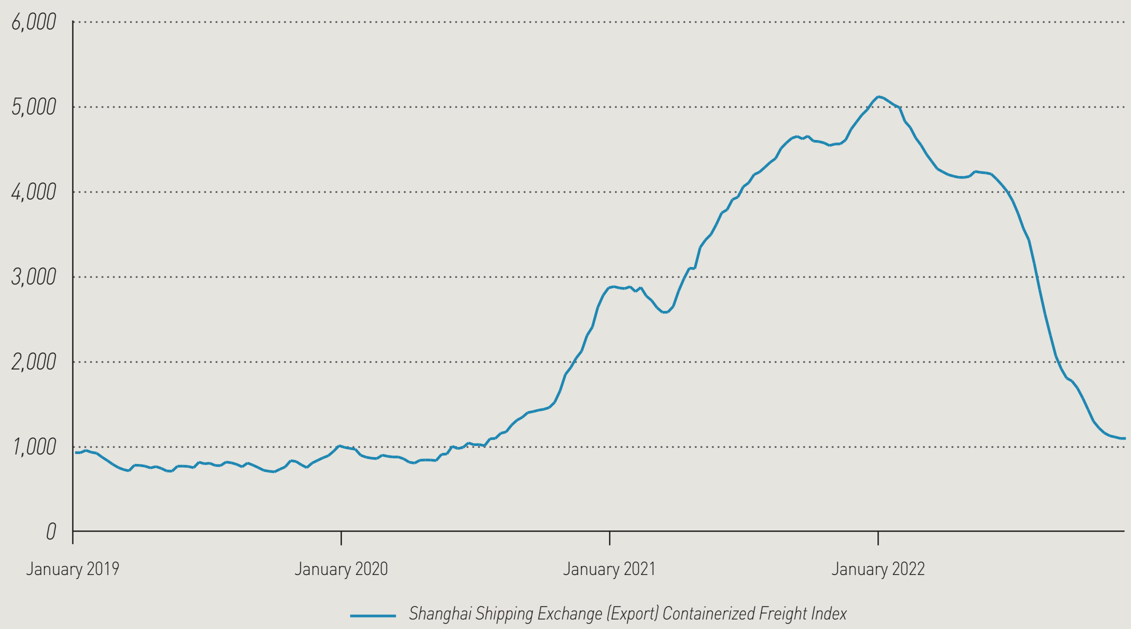


Crucial links in the supply chain, planning and logistics are managed at the global level in order to ensure that deliveries to our customers arrive within the required deadlines, while also optimizing transport and storage costs, as well as our finished product inventory. To achieve this, the Group has modernized its transversal and collaborative S&OP (*Sales and Operating Planning*) process, from sales forecasting in market companies to capacity planning, production and delivery to the customer.

As part of its optimization process, the Group keeps the entire value chain under continuous review, to streamline and accelerate flows, ultimately improving the service rate. The Group regularly reviews the geographical location of certain suppliers, particularly suppliers of components and sub-assemblies, with the aim of increasing their proximity to its plants to facilitate delayed differentiation and improve responsiveness.

Since 2021, the limited and often unpredictable availability of materials, components and transportation has led the Group to develop even more double purchasing sources, long-term partnerships, and to provide visibility on our needs at a very early stage to secure our supplies.

SEA FREIGHT PRICE EVOLUTION SINCE END-2019 (IN DOLLARS)



RAW MATERIAL PRICE EVOLUTION

Source : Bloomberg

A RIGOROUS AND RESPONSIBLE PURCHASING POLICY

Reporting to the General Management for Industry, the Purchasing department implements the Group's purchasing policy in compliance with the requirements of standards and regulations. It seeks to secure supplies, optimize purchasing conditions and standardize practices within the Group. The purchases include both:

- production purchases, which cover the needs for materials (metals, plastics, paper/cardboard for packaging, etc.) and components (parts, sub-assemblies, etc.) for industry;
- non-production purchases (transport and logistics, services, information systems, travel, etc.);
- purchases of externally sourced finished products.

Generally speaking, they are mainly managed at Group level, through a panel of approved suppliers and the use of shared global product family platforms at the global level. This approach enables the Group to buy in bulk and standardize materials and components. It also allows optimal conditions for negotiations (price, quality, punctuality, etc.) and purchase pooling to be implemented. This pooling led to even greater flexibility between industrial sites and increased synergies within the Group.

Suppliers are selected in accordance with a strict process, which assesses their competitiveness and their ability to fulfill the Group's requirements in terms of quality, delivery timescales and compliance with the Group's ethical standards with respect to corporate social responsibility. More generally, since 2012, purchasing has been governed by the Group-wide Responsible Purchasing Charter.

For **direct purchases**, the Group seeks the best balance between cost, quality and availability. It selects the most competitive suppliers that are best positioned and most capable of implementing the innovation process internally and meeting the quality standards that are required by the Group. The Group is also committed to establishing and maintaining a real partnership with the best-performing suppliers and to closely involving them in the improvement process and the Group's objectives in terms of competitiveness. In 2022, the panel of suppliers for production supplies comprised **500** suppliers (545 in 2021) with a global purchasing coverage of **66%** (72% in 2021).

Non-production purchases cover a very broad spectrum of expenditure with an ever-increasing international scope. For this reason, our policy aims to better identify the characteristics of our approved suppliers and to build a Group purchasing methodology in a cross-border manner. Calls for tender are launched on a regular basis and cross-functional teams thoroughly rework our specifications to optimize purchasing in new fields.

The organizational arrangements for **outsourced finished products** help to maintain quality processes and a responsible approach by providing suppliers with technical and methodological assistance from Group teams. At the same time, it demonstrates the Group's desire for upstream integration of suppliers in the product development processes in order to foster greater fluidity in creating the product offering. The Group has more than suppliers, nearly **80** of which represent **80%** of purchases.

Sustainable Development is an integral part of the Group's strategy. Since 2022, it reports directly to the Group's Chairman. A newly created Strategy and CSR Committee is headed by Thierry de La Tour d'Artaise. Its missions include assessing the Group's CSR policy, defining objectives and commitments, measuring progress and implementing tools to measure non-financial performance.

In addition, the progress of the CSR strategy is still regularly monitored at Comex level.

The Group has set itself ambitious long-term objectives. In particular, it has defined 20 objectives for 2023 for its 4 pillars. The Group has also set targets for reducing the carbon intensity of its plants by the end of 2030 and 2050.

1.3 Organization and internal control

The scope of application of internal control and risk management procedures encompasses all of the Group's companies and employees, from governance bodies to individual employees. The operational and functional management structures are responsible for implementing these procedures.

Groupe SEB is an international entity, organized primarily into geographical zones by continent, each with their own ranges of products to sell. In addition, operations are managed by activity, covering a group of product lines and trademarks. Lastly, functional management supports operations transversally across all of the Group's businesses. The primary aim of this functional management is to ensure that activities are consistent and effective and to oversee the control functions (e.g. by means of financial standards, IT tools, quality rules, etc.).

The Group's conduct and operational processes are based on two key documents: the Group's Code of Ethics and the Internal Control Manual, which sets out what is expected of employees.

ORGANIZATION OF INTERNAL CONTROL AND KEY PLAYERS

The key control activities are identified within the functional departments described below, which report directly to a member of the Group Executive Committee.

Audit and Internal Control department

The Audit and Internal Control department is tasked with evaluating compliance with the Group's internal rules and procedures and detecting non-compliance with legislation. This department is also required to evaluate the efficient conduct of operations and to ensure that business risks are identified and mitigated.

To achieve this, the Audit and Internal Control department is focused on three parallel activities:

- **defining and rolling out internal control procedures** ("Internal Control Manual"). This document covers all of the Group's control processes. It is distributed to all Group entities once a year. This document is updated annually by Internal Control, in order to adjust the control environment in response to changes in operations, regulations and management systems;
- **implementation of a multi-year audit plan**, based on prioritizing the processes and organizations to be covered according to a combination of parameters: risk assessment (size of the subsidiary, geography, information system, environmental factors, etc.); frequency of audit coverage; and the score from the most recent audit. The plan is approved by the Audit and Compliance Committee each year;
- **coordination and oversight of risk mapping.** The Group's risk map is updated every year using the process described on page 49 "Risk identification and control process".

The Group's Audit and Internal Control team consisted of one Head of Audit and Internal Control, eleven auditors, and three internal controllers as at 31 December, 2022.

Legal department

The role of the Legal department is to ensure compliance with any legal and regulatory requirements that affect the Group in the various countries and fields in which it operates, to protect its assets (particularly its intangible and intellectual assets) and its businesses as a whole. It also ensures that the Group's interests are protected through good risk management, litigation management, awareness-raising and training. The Legal department is led by the General Counsel, who is a member of the Group Executive Committee and Secretary of the Board of Directors of SEB S.A.

Its main tasks are based on the following activities:

- **legal support for operations**, on all types of regulations, drafting and updating of the contractual strategy directly or indirectly related to the manufacturing, marketing and promotion of the Group's products (purchase of goods and services, general conditions of sale, after-sales service, etc.), negotiation support, management of external consultancies, agreement management, legal monitoring, coordination of all the Group's legal experts;
- **protection, management and defense** of intangible assets, product protection strategies (trademarks, graphics and models), management of domain names, oversight of intellectual property litigation internationally, combating offline and online counterfeiting;
- **compliance:** implementation of the Group's compliance policy, including in particular the anti-corruption policy and the protection of personal data in relation to all the Group's support, operational and continental management structures;
- **corporate governance:** overseeing around 150 subsidiaries, including two listed companies, SEB S.A. and Supor, ensuring compliance with stock market regulations, particularly in terms of preventing insider trading, managing shareholder services, negotiating finance contracts and supporting the Group's real estate projects;
- **coordination of the global insurance program**, detailed on page 64, "Insurance", which ensures adequate insurance coverage for the Group's activities and risks, steering of Groupe SEB Ré, a captive reinsurance company launched in 2021;
- **participation in the Group's acquisition strategy and external growth:** preparatory agreements, merger control, contract negotiation, post-acquisition restructuring, and support for SEB Alliance, the Group's investment company.

Financial Communication and Investor Relations department

The Financial Communication and Investor Relations department works closely with the other departments within the Finance Function, with the operational, support and continental management structures, and with the Sustainable Development and Corporate Communications departments in order to carry out two key tasks related to the status of SEB S.A. as a listed company:

- **developing and disseminating the Group's financial communications**. This communication takes place according to a specific timetable and in compliance with the regulatory framework (AMF *, ESMA *, etc.), ensuring in particular the dissemination of clear, accurate, precise and true financial information, as well as conformity to the principles of equal treatment of investors and consistency of information. The documents and materials produced, published and circulated (Universal Registration Document, the AGM convening notice, press releases, the finance section of the Group website www.groupeseb.com, analyst and investor presentations, letters to shareholders, etc.) undergo a structured, traceable, production process and are prepared in close collaboration with the Group's various functions. They are reviewed by concerned Business Managers and finally approved by the Executive Committee. The Financial Communication department, in conjunction with the Legal department, coordinates the MAR *(Market Abuse regulation)* Committee described on page 47;
- **identifying the shareholder base and investor relations throughout the year**, through physical or telephone conferences, roadshows, analyst/investor days or individual meetings. These exchanges are intended to give the market information about the Group's strategy, performance and outlook, and to maintain and fuel interest in the stock. In 2022, the Group took part in approximately thirty events (roadshows, investor conferences) which enabled it to meet with over 400 portfolio managers.

Finance and Treasury department

The Group's Finance and Treasury department is tasked with ensuring the liquidity of Group operations, the security, transparency and efficiency of treasury and finance operations, and hedging against all financial risks. Its areas of work are as follows:

- **managing financial resources to ensure the Group's liquidity;**
- **managing and securing cash flows, and optimizing cash management;**
- **quantifying and hedging against financial risks** (particularly currency, interest rates and raw materials risks);
- **monitoring relations with banks;**
- **financing projects,** particularly acquisitions;
- **overseeing strategies for hedging customer risk.**

Group Controlling department

The Group Controlling department coordinates budget planning and control, using a handbook of management procedures and rules applicable to all entities, including Group budgeting, re-projections and management reporting methods.

Its key oversight responsibilities are as follows:

- **budgeting process.** Guidelines and recommendations are circulated to the various entities for budgeting purposes. The Group Controlling department consolidates and oversees the various budgetary adjustments before a budget is approved by the Executive Committee and the Board of Directors;
- **re-projections:** throughout the year, as the Group's business evolves, the Group Controlling department alerts the Executive Committee in the event of a deviation from the budget, quantifies the impact of corrective measures and coordinates re-projections at key times during the year. These are then consolidated and approved at the Executive Committee level;
- **reporting and analysis of operational performance:** every month, to enable effective Group oversight, the Group Controlling department consolidates all information from a single, centralized management tool to establish dashboards for the Executive Committee and Group management. The dashboards include appropriate analyses of significant deviations and trends.

Accounting department

The Accounting department is responsible for **ensuring that the Group's accounting principles and standards are compliant** with commonly accepted international accounting standards. It defines the Group's accounting standards and oversees their distribution and application, particularly through training courses. **It is responsible for preparing the Group's Consolidated Financial Statements and closes the Group's Financial Statements**, in collaboration with the entities, in a timely manner.

Tax department

The Group's Tax department is responsible for the **Group's tax policy at the global level**. Its responsibilities include ensuring compliance with tax rules (local laws, international agreements) in all countries in which the Group operates.

It is primarily responsible for:

- **ensuring consistency in the tax procedures used by the different entities;**
- **verifying that the Group's main activities are compliant with current legislation;**
- **monitoring tax inspections carried out by tax authorities in all of the Group's entities.**

To perform its duties, it relies on a network of tax advisers in France and abroad.

Sustainable Development department

The Sustainable Development department drives **and coordinates the sustainable development policy**. It documents and rolls out short- and medium-term action plans, in line with the Group's priority criteria, in each division and on every continent, thus promoting appropriate conduct.

In addition, the Sustainable Development department is responsible **for the content of the Group's Code of Ethics** and ensures that it is properly circulated and understood in all the entities. As the principles of the Code of Ethics are included in the Internal Control Manual, the ethical compliance of our subsidiaries is regularly checked on site by the internal audit teams.

Conformity to the values mentioned in the Code of Ethics does not stop with the company: the Sustainable Development department also monitors the **application of these principles by suppliers**, by means of a Responsible Purchasing Charter, which is circulated to and signed by all its partners, and regular outsourced audits. This last measure is fully in keeping with our action plans for compliance with the "SAPIN II" and "Duty of Vigilance" laws.

Each of the Group's plants is organized to prevent any pollution (of air, water, or soil) or environmental accidents and to reduce its carbon and environmental impact (particularly in terms of energy, water, and waste). To achieve this, **each plant complies with local environmental regulations** as well as standards shared by all Group sites. The regulations, and changes in them, are monitored locally by Health, Safety and Environment coordinators.

Measures to assess risks, prevent pollution and reduce environmental impact are implemented locally and coordinated at Group head office: a dedicated staff member is responsible for setting environmental goals and defining shared standards. The Sustainable Development department **also ensures the implementation of performance indicators**, which are then monitored and consolidated.

Environmental risk is overseen by a dedicated Group team which regularly monitors changes in regulations and transcribes these regulations into the Group's standards. The processes are then rolled out to the plants.

As part of its **compliance** policy, the Sustainable Development department appoints an external service provider to audit the Group's industrial sites in countries presenting ethical, social and environmental risks.

Personnel Administration department

The Group had more than 30,000 employees at 31 December 2022, divided between more than 100 operational entities worldwide. The Personnel Administration department is responsible for ensuring the consistency of personnel management processes. It is organized around the following main areas:

- **defining personnel management rules applicable** to all of the Group's businesses, in line with local regulations: management of working time and leave, business expenses, tools available to personnel (computers, telephones, cars, etc.), and the payroll process (checks, approval and security);
- **rolling out and overseeing a single personnel** management tool at Group level, in accordance with local personal data protection regulations. This includes the administrative process related to employee entry, performance monitoring, and exit;
- **managing the Shared Service Center dedicated to payroll for all French entities**, ensuring the division of tasks and a strict level of control. The Personnel Administration department also reviews the standard processes for setting up outsourced payroll management;
- **keeping people safe:** the Personnel Administration department is responsible for drawing up safety rules, particularly in countries identified as risky (Ministry of Foreign Affairs) and coordinates the monitoring of traveling employees with an external partner to ensure their safety.

Purchasing department

The Group has two purchasing departments, one which manages the purchasing of components and raw materials required to manufacture products, as well as indirect purchases, and the other that manages the purchasing of finished products. The scale of the financial flows involved means that the Purchasing department is central to the Group's internal control process:

- **managing centralized purchasing**, one department based at head office in France and the other close to our suppliers in Asia (Hong-Kong) for finished products. Both departments use the same organizational principles: operational buyers located close to where the need is (plants, R&D centers, markets) and category buyers, who determine the Group's purchasing strategy. This centralized oversight begins with the implementation of standard processes and strict rules on how to manage purchases (calls for tenders, purchase requests, approvals, etc.);
- **overseeing suppliers**, mainly by *category managers*, through performance indicators and reviews and audits of suppliers, relating not only to operational aspects (quality, supply chain, etc.) but also responsibility and ethical, social and environmental compliance, in partnership with the Sustainable Development department;
- **monitoring purchasing performance**: establishing purchasing strategies, objectives and analysis to optimize efficiency and strengthen control. A dashboard makes it possible to accurately monitor key indicators and adjust the action to be taken.

Information Systems department

Groupe SEB's information systems are designed to guarantee the security, integrity, availability and traceability of information.

Several priority areas within the Information Systems department help to improve the Group's control environment, including:

- **operational tools (ERP, business software, office automation, communication, etc.)**: the Information Systems department oversees operations for the Group's tools and participates in an Information Systems Steering Committee, described on page 47;
- **network architecture:** the Information Systems department ensures the consistency, availability, and integrity of the Group's networks;
- **information systems security and personal data protection:** the IT Security department sets the strategy and defines changes to the security system already in place. Proposals for changes to the system are linked to the strategy, the emergence of new risks and regulatory compliance. The security system follows the standard defined by the French National Cybersecurity Agency (Agence Nationale de la Sécurité des Systèmes d'Information – ANSSI) based on four areas: Identification, Protection, Detection and Response Capacity.

  The role of the department is to define the IT security strategy in order to address the cybersecurity challenges the organization faces. It ensures that the mapping of cyber risk is up to date and that adequate protection measures and systems are in place to address the various risks identified. In charge of IT systems security, it defines and implements the Group's security policy, oversees the Group's key security indicators, monitors the implementation of security rules in projects, and takes the necessary information, awareness and risk-prevention measures. This activity is supported by an Information Systems Security Committee (described on page 47). With regard to personal data protection requirements, the Chief Information Security Officer works with the Head of Personal Data Protection and the Legal and Personnel Administration departments: this cross-functional organization is described on page 56 ("Cybersecurity and Information Systems failure risk");
- **digital applications:** the Information Systems department ensures the implementation of software components and infrastructure to ensure the quality, security and availability of the service provided to consumers: downloadable applications on mobile phones and tablets to facilitate the use of connected products and give access to digital content, photos, recipes, etc.

Supply Chain department

The distribution of the Group's businesses across all continents requires constant optimization of the production process, flows, procurement and logistics.

The role of the Supply Chain department is to ensure customers are satisfied and products are available, while optimizing costs and inventories. To achieve this, the department must have a comprehensive overview of the issues, from our suppliers to our customers and use sales forecasts to control scheduling, to provide a high level of customer service. Specifically, this involves:

- **reviewing our optimal logistical footprint between** our industrial facilities and our customers, as well as the global deployment of our OPS program, which enables us to guarantee high quality at optimum cost, in the drive for continuous improvement of our performance;
- **defining and rolling out stock management procedures** that apply to all the Group's warehouses, outsourced or not, including a receipt and dispatch management process, an inventory management process and security requirements at storage sites;
- **oversight of product flows:** defining and optimizing product flows (with a view to improving the flexibility of industrial sites) in line with international regulations and in compliance with customs regulations.

With a view to continually improving customer service, the Group has optimized its supply chain organization around three key principles:

- centralized calculation of demand, based on market data and the use of statistical forecasting tools, as well as centralized management of logistics centers to optimize our distribution network;
- maintaining the structures required to serve our customers on continents and within markets. These structures will define our logistics offerings by customer type and implement them, from taking orders to delivery;
- centralizing the «Planning» function in our Business Units which, based on demand calculated by the central function, will schedule production and supplies to service the markets. The BUs are also responsible for product offerings, plants and marketing plans.

Industrial Efficiency department

The competitiveness of our industrial operations being crucial, the Group. Groupe SEB has implemented a system for the continuous improvement of industrial performance, known as OPS, which has been used in all the Group's plants. In recent years we have also integrated and developed the latest digital techniques to improve our plants using cutting-edge technology.

In this context, the Industrial Efficiency Department is responsible for the following processes:

- **OPS, a performance management process that includes procedures**, tools and methods for the smooth running of our plants, based on the principle of seeking excellence and continuous improvement;
- **a "factory of the future" program** that sets out the new digital tools and methods to be deployed to improve our plants by means of industrial IT;
- continual evaluation of the need to progress our industrial footprint and our industrial strategy.

Quality & Environment department

Improving the quality of its products and processes has always been a central concern for Groupe SEB. Groupe SEB uses a Quality and Environment Management System, a key pillar of any business, implemented through a shared tool available on the Group intranet.

This system includes all the procedures, tools and methods relating to the Group's key processes:

- **management procedures with the definition of Group policy**, strategic planning, continuous quality improvement, safeguarding of the environment, and the Group's health-and-safety policy;
- **operational processes**, including R&D, sales and marketing, customer order processing and production, and industrial performance;
- **operational support functions**, covering human resources, information systems, purchasing, finance, after-sales service, customer assistance, and finance;
- **monthly reporting** which allows the Quality department to accurately track key indicators and adjust its actions.

Health and Safety department

Employee health and safety within the Group is our number one priority and everyone's responsibility, whether they work in industry, on logistics platforms, commercial subsidiaries, or at headquarters.

The Health and Safety policy is coordinated by the Group Health and Safety department, which is responsible for managing it. It is structured around five focus areas that are communicated to the sites continuously:

- **ensuring that health and safety is always seen as our number one priority;**
- **focusing on one ambitious objective**, monitored with indicators on site and at Group level;
- **taking every serious accident or incident into consideration** and making it a learning opportunity;
- **sharing the same level of skills and requirements** based on shared standards;
- **acting promptly on any recorded non-compliance** to address it rapidly.

A Group-wide Strategic Health/Safety Committee is described on page 47.

Alongside these departments overseeing the Group's control activities, Committees have been set up spanning various control topics. These Committees meet two to four times a year and involve managers from the aforementioned departments. Each are responsible for identifying, in their respective areas, any situations requiring action at the central level (regulatory changes, evolution of the market context, etc.). In this case, each Committee will report to the Group Executive Committee.

GROUP SEB EXECUTIVE COMMITTEE (COMEX)

Stanislas de Gramont	**Chief Executive Officer**
Nathalie Lomon	**Senior Executive Vice-president, Finance**
Delphine Segura Vaylet	**Senior Executive Vice-president, Human Resources**
Philippe Schaillee	**Senior Executive Vice-president, Products and Innovation**
Alain Leroy	**Executive Vice-president, Industrial Operations**
Cathy Pianon	**Executive Vice-president, Public Affairs & Communication**
Vincent Rouiller	**Executive Vice-president, Innovation**
Philippe Sumeire	**Executive Vice-president, Legal, Secretary of the Board of Directors**
Cyril Buxtorf	**Executive Vice-president, EMEA**
Vincent Tai	**Executive Vice-president, Asia - Executive Vice-president, EMEA**
Pierre-Armand Lemoine	**Executive Vice-president, Cookware**
Olivier Naccache	**Executive Vice-president, Emerging markets**
Oliver Kastalio	**Chief Executive Officer WMF**
Martin Zouhar	**Executive Vice-president, SEB Professional**
Oguzhan Olmez	**Executive Vice President, North America**

Compliance Committee

- Audit and Internal Control department
- Legal department
- Human Resources department
- Sustainable Development department
- Finance and Treasury department

MAR (Market Abuse Regulation) Committee

- Chairman
- Chief Executive Officer
- Senior Executive Vice-president, Finance
- Legal department
- Financial Communication and Investor Relations department

Information Systems Steering Committee

- Information Systems department
- Continental departments
- Products & Innovation department
- General Finance department
- General Human Resources department

Information Systems Security Committee

- Information Systems department
- Audit and Internal Control department
- Human Resources department

Sustainable Development Steering Committee

- Sustainable Development department
- Audit and Internal Control department
- Human Resources department
- Quality & Environment department
- Research department
- Brands department
- Marketing department
- Sales department
- Strategy department
- Legal department
- Customer Satisfaction department
- Industrial department
- Purchasing department

Health and Safety Committee

- Chairman
- Chief Executive Officer
- Senior Executive Vice-president, Human Ressources
- Group Communication department
- Directors of Industrial Activities
- Group Health/Safety department

In particular, the Compliance Committee implements measures relating to recent regulatory developments. A cross-functional action plan involving several Group departments has been drawn up to address the requirements of the SAPIN II law and the Duty of Vigilance law relating to parent companies and principals.

This action plan focuses on the following key points, most of which are already in place:

- Code of Conduct;
- internal whistle-blowing system;
- corruption risks mapping;
- customer and supplier assessment procedures;
- internal and external accounting control procedures;
- training system;
- disciplinary system;
- internal system to control the implementation of the above measures.

Lastly, to ensure efficient overall management, Groupe SEB relies on the decentralization of operational responsibilities and clearly defined rules of operation and delegation. It also benefits from a well-established corporate culture, rooted in shared fundamental human values that foster an ethical working environment: Entrepreneurial drive, Passion for innovation, Professionalism, Group spirit, and Respect for people.

Groupe SEB has been a signatory of the Global Compact since 2003 and supports the values set out in this document, promoting them throughout the company. The Group Human Resources department states in its guiding principles: “The Group is a community of men and women who share the same objectives and values.”

The Code of Ethics, published in September 2012, serves as the frame of reference for Groupe SEB’s values and standards. It defines individual and collective rules of conduct to guide the actions and inspire the decisions of each employee. It is supplemented by a whistle-blowing system that allows any employee to report a serious violation of the Code of Ethics.

More details on the whistle-blowing system are provided in Chapter 3.4, page 160.

1.4 Risk factors and management

MAIN RISK FACTORS

PRESENTATION OF THE MAIN RISKS

RISKS INVOLVING NON-FINANCIAL ISSUES (DESCRIBED IN CHAPTER 3, "CORPORATE SOCIAL RESPONSIBILITY")

Strategic risks

Degree 3

- Market competition and concentration for Small Domestic Equipment market
- Changes in the distribution industry
- Innovation and intellectual property
- Image and reputation

Operational risks

Degree 2

- Business volatility and competitiveness
- Talent attraction and retention
- Macroeconomics, geopolitics and regulations
- Compliance

Degree 3

- Cybersecurity and Information Systems failures

Industrial and environmental risks

Degree 1

- Product quality and consumer safety

Degree 2

- Business continuity
- Employee health and safety and environment

INTRODUCTION

The nature of Groupe SEB's business and its large international presence opens up significant development opportunities, but also exposes it to various types of internal and external risks. These could have a negative effect on the Group's ability to implement its strategy and achieve its objectives. More specifically, they may adversely affect the Group's activities, results, financial position or assets, or have consequences for its various stakeholders – consumers, employees, shareholders, customers, suppliers, partners, the local ecosystem (public authorities and civil society), etc.

The Group implements a range of measures to identify risks, measure their potential impacts and assess their probability of occurrence. These risks are then managed according to risk control plans that are regularly reviewed and involve the players concerned in the Group's various departments. As with any control system, however, it cannot provide an absolute guarantee of total control or elimination of all risks.

RISK IDENTIFICATION AND CONTROL PROCESS

In accordance with regulation (EU) 2017/1129 and its delegated regulation (EU) 2019/980, which took effect on 21 July 2019, this section outlines, in a limited number of categories, the most significant risks in terms of materiality and specificities in relation to the Group's activities.

Within each category, the most significant risk factors are presented first.

The risk identification and control process is an ongoing process incorporated within the Group's operations. In order to provide comprehensive information, the various stages of collecting and processing information were defined as follows: operational approach, consolidation by key theme, review by the Executive Committee.

COLLECTION OF OPERATIONAL RISKS

Operational risks – risks related to operations, legal affairs, the industrial side of the business and the environment – are identified and reviewed annually by means of interviews with key divisional managers.

Risk forms are then created and consolidated by the Audit and Internal Control department to identify the main issues by theme.

On the basis of this consolidation, each function director meets individually with the Audit and Internal Control department so as to assess thoroughly the main risks and associated risk management plans.

CONSOLIDATION AT GROUP LEVEL

An annual working meeting is held with the Executive Committee members on the basis of the above elements. This meeting covers all the information from the operational collection. Each risk is reviewed in detail, to evaluate how it has evolved and its relevance in terms of both potential impact for the Group and probability of occurrence.

For each residual risk, after taking mitigation measures into account, a degree of exposure is defined, with level 1 corresponding to the risks to which the Group is least exposed, and level 3 to the risks to which the Group is most exposed.

Lastly, the review of the Group's risk mapping activity is included as a specific agenda item at an Annual Meeting of the Audit and Compliance Committee (review of methodology, risks, their assessment by Group management and the associated action plans).

1.4.1 STRATEGIC RISKS

RISK RELATED TO COMPETITION AND CONCENTRATION IN THE SMALL DOMESTIC EQUIPMENT MARKET – LEVEL 3

Description of risk

The Small Domestic Equipment market is buoyant, but it is still fragmented on a global level, particularly in certain segments or geographic areas.

As explained in Chapter 1, page 22, there are a large number of competitors, and particularly:

- large global groups, generalists or specialists, with global brands in one or more product categories;
- groups operating primarily in their domestic markets or in a small number of reference markets;
- leading players concentrating on a single product category;
- companies selling their products under retailer brands or without a brand name.

Also, with some Asian companies gaining traction in their domestic and international markets and with new 100% online BtoC business models popping up, some brands are quickly gaining market share in targeted categories at the expense of the Group.

This large number of players, combined with pressures on retail, results in intense competition, which usually creates an environment driven by sales promotions. In this context, differentiation and competitiveness are crucial.

Furthermore, in addition to its organic growth targets, for decades the Group has implemented an external growth strategy to accelerate its expansion and consolidate its market positions. This strategy has resulted in major strategic acquisitions (Moulinex in 2001, Supor in 2007, WMF in 2016) and more targeted acquisitions (All-Clad, Imusa, Krampouz, StoreBound, Zummo, etc...) etc.). Therefore, missing an acquisition opportunity could be detrimental to the Group. Likewise, if our competitors ramp up their acquisitions policies, they could bolster their positions in the markets concerned – small electrical appliances, cookware or the BtoB market (coffee in particular). Such gains on their part could undermine the competitive advantage the Group derives from its size and leadership positions, particularly its bargaining power with distributors.

Finally, each of these acquisitions has specific features in terms of corporate culture, structure, operational processes and distribution channels. Failing to identify these or not taking them into account could have an adverse effect on the integration process and the value creation expected from these operations.

Management of risk

- With regard to competition risk and the need to be competitive, the Group serves its customers to the best of its ability by relying on:
  - the widest range available on the market, fueled by an ongoing approach to innovation that makes it stand out from the crowd,
  - its unique portfolio of brands,
  - a presence in all distribution networks and,
  - an effective and versatile manufacturing base. In particular, the Group has an industrial base in Asia through its subsidiary Supor, which, in addition to the Chinese domestic market, supplies the Group's international markets.
- Market fragmentation can also be a strategic opportunity. With a long-standing commitment to consolidating the market, and in its position as market leader, the Group actively and continuously watches the markets to identify companies that could become good acquisition targets. This watch prioritizes the most strategic sectors/ geographic areas.
- In fact, the Group's acquisitions policy is based on complementarity and supports its organic growth strategy. It focuses on strategic and structuring acquisitions or more targeted acquisitions that provide synergies in terms of products, geographic area, business sector or business model. The Group's cash position also makes it a player in market consolidation.
- Where new acquisitions are concerned, over the years the Group has built up real experience and strong skills in integration. An ad hoc structure has been set up, which combines post-acquisition due diligence processes and the creation of an Integration Committee. Its role is to oversee, support and coordinate each integration process between all the stakeholders involved (the acquired company, the relevant Business Units within Groupe SEB and the markets affected by the acquisition). The integration of employees of the new entity, the rollout of Group processes (e.g. financial reporting), the harmonization of IT tools, and the performance of audits, in particular, are carried out by the various departments in question (Strategy, Human Resources, Management Control, Information Systems, Audit and Internal Control, etc.).

RISK ASSOCIATED WITH CHANGES IN THE DISTRIBUTION INDUSTRY – LEVEL 3

Description of risk

The distribution industry has experienced some major changes over the past few years. These changes have had a lasting impact on the Group's business: sector consolidation (through acquisitions or by setting up central buying organizations). The rapid emergence and success of e-commerce specialists have radically transformed the business environment as well. Similarly, new digital companies have appeared, shattering traditional distribution models.

Since 2020, as a result of the restrictive measures implemented worldwide to halt the spread of Covid-19 (including temporary store closures), the growth of online sales has accelerated sharply. More generally, this crisis confirmed the blurring of the boundaries between physical retail and e-commerce. The trend is now toward omni-channel distribution, affecting almost all retailers.

However, some brands have not made this shift to online sales, or not sufficiently so, and are being forced to make significant structural changes in order to offset declining in-store footfall. These reorganizations could affect us in various ways: shifts within the portfolio of products sold, major discounts to attract customers, lean inventory management, limited re-stocking, reductions in the store network, or even bankruptcies.

As a result, this profound transformation within the distribution industry may spill over onto the Group and adversely impact sales and/or market share, or even unpaid debts. As a result, we need to adjust our relationships with retailers.

In a world where it has become increasingly vital to interact directly with consumers, the Group has complemented its own store network with online platforms and sales outlets. The development of this new online DTC activity requires i) specific skills, ii) changes in the cost structure of accessing consumers, iii) the management of a large volume of data, in compliance with GDPR requirements.

Management of risk

- The Group strives to grow in a balanced and sustainable way, using all existing distribution networks in order to optimize its global exposure and diversify its risks. In fact, in 2022, the Group's largest customer accounted for just over 5% of consolidated revenue, but in some countries the weighting of a given distributor can be significantly more. In essence, these are long-term partners with whom the Group is keen to maintain a solid, trustworthy business relationship. However, the Group closely monitors the performance of each customer and each market.
- Our organization is structured so as to fulfill the various requirements of our clients, both offline and online. It is therefore able to manage the flows of large-volume orders from retail clients at the same time as smaller, more frequent orders from online players. As a result, the supply chain has been adjusted to ensure all our customers receive the best possible service.
- The Group's e-commerce sales account for around 39% of consumer sales and have been rising steadily for several years. The same has been true for pure players and Click & Mortar stores. To support this sharp growth in e-commerce in our business, we have added to our teams to ensure they are capable of meeting the specific needs of this distribution method (sales, logistics, marketing, digital technology, etc.).
- Through direct sales to consumers, the Group generated more than 5% of its consumer sales through its network of directly operated stores (Home & Cook, WMF, Supor Life Stores, etc.). These sales are further boosted by online sales, through:
  - brand websites and marketplaces,
  - the roll-out of centralized client relationship management tools,
  - dedicated teams of experts in digital technology and marketing,
  - the use of consumer data, under the supervision of a data protection specialist.

RISK RELATED TO INNOVATION AND INTELLECTUAL PROPERTY – LEVEL 3

Description of risk

In a Small Domestic Equipment market traditionally driven by supply, innovation is a crucial driver for differentiating the Group from its competitors. As a result, the Group has to regularly renew our product portfolio through innovations. Innovations are designed to satisfy consumers' new needs and take the form of improvements to existing products or services, breakthrough innovations or the launch of new product categories.

Over the past few years, product life cycles have shortened, and agile players have emerged with short-lived product offerings (even mono-products) delivered through an innovative marketing and distribution approach. This phenomenon is in tune with new consumer trends and rapid technological developments, especially "digital" and "sustainable" products, connected products and related services.

Adapting to these new trends and understanding new consumer habits is therefore a key challenge for the Group. If the Group fails to innovate and update its product ranges on a regular basis, there is a risk that its sales and market share could be eroded, impacting its competitiveness and margins.

The Group's brands and innovations are world-renowned. This leads to various types of intellectual property right infringements (patents, trademarks, designs), which can hurt its sales and create image risks.

All of the Group's innovations must therefore be protected through patent, design and model filings along with other intellectual property assets including a portfolio of registered brands.

Conversely, the Group's active innovation approach is liable to be in conflict with a patent or a design already filed by a competitor. This would result in a litigation, reputational or financial risk in the event of a recall of the product concerned.

Management of risk

- Innovation has been a major part of the Group's strategy since the very beginning. That's why we invest considerable human and financial resources to support it (€283 million or 3.6% of sales in 2022). In particular, the Group has a global innovation hub at its head office. It has been designed to provide structure to the Group's ability to anticipate changes in consumer trends and to integrate technological developments, thereby strengthening its capacity for disruptive innovation. Centralizing the innovation teams in this way allows the Group to prioritize innovation and development efforts, thereby helping to achieve more impact when launching new products. Offering a product range that stands out from the crowd, with fast factory to shelf time are major advantages that can add momentum to the business and win market share.
- Understanding consumer trends and habits, in addition to harnessing new technologies, has become a key challenge for innovation. The Group actively monitors competitor innovations and other business sectors, amongst other things, to inform its thinking on how to develop its own range of products and the ecosystems that support them. Over the past few years, the Group has emphasized digital innovations with the development of connected products. These help to enhance the consumer experience, particularly through the availability of related services as part of a comprehensive ecosystem. Furthermore, from the design phase, our products reflect our commitment to social and environmental responsibility throughout their life cycle:
  - energy consumption, during manufacture and use,
  - repairability, recyclability or second-hand use, use of recycled materials,
  - ergonomics and inclusive design, etc.
- The Group allocates the budgets required to protect and develop our key intangible assets such as trademarks and innovation, and to combat counterfeiting. It uses a strategy of targeted registration of trademarks, designs and patents, taking into account the sales outlook and high-risk countries.
- The Group monitors risk of intellectual property right infringement online and in the field:
  - anti-counterfeiting measures are being systematically applied in the field, primarily in high-risk regions such as China and the Middle East as well as in high-stake trading countries. These measures include monitoring trade fairs, where investigations are carried out that may lead to customs seizures, legal action and destruction of molds and inventories,
  - on the internet (marketplaces, websites), measures are being taken thanks to a global monitoring system that generates regular reports and makes it possible to take rapid action to have online copies removed and combat trademark infringement and cybersquatting.
- The Group also monitors risk of third parties having their intellectual property infringed upon due to actions integrated into the product innovation and development process. As a result, product launch projects are subject to a freedom to operate analysis of the trademarks, designs and patents before validation and launch. However, the probability remains that a prior industrial property right may not have been identified. In this case, the Group may have to:
  - modify the technical or esthetic construction of a product to eliminate any risk of litigation,
  - negotiate an amicable settlement of a potential dispute,
  - defend itself if the prior industrial property right is a priori invalid or if the alleged infringement is not proven.

IMAGE AND REPUTATIONAL RISK – LEVEL 3

Description of risk

Groupe SEB relies on a unique portfolio of around 30 brands that hold leadership positions around the world in their respective domestic market. The reputation of these brands is based on product quality and their distribution method, as well as on the marketing and advertising policies they implement.

Products or communication that is inappropriate to the image of the brands, improper conduct by the Group's brand ambassadors, employees, distributors or suppliers, as well as the circulation of damaging information in the media could affect the brand's reputation, have an adverse effect on sales or negatively impact the brands' valuation on the balance sheet (over €1 billion at 31 December 2022).

In times where information circulates more and more rapidly (through internet sites, instant messaging, social networks, etc.), any negative overtones may have an impact on the Group's image, at a country, a region, or even global level, with repercussions on sales and profit.

Risk can emerge based on founded or unfounded information and/or rumors and can cover a wide array of subjects – product quality or safety, material safety (especially food), manufacturing processes, environmental impact, business practices, ethical values or compliance with regulations (tax, labor).

Management of risk

Groupe SEB supports and builds up the reputation of our brands by collaborating with reputable professionals in their fields (communication agencies, ambassadors, influencers etc.), to respect and promote the personality of each brand.

At the same time, the Group actively protects our brands' reputation using a three-level protection mechanism:

- the first level of protection against image risk is preventative and consists in not creating a situation that could lead to negative communication about the Group. This is achieved by conforming to the Group's values and the Code of Ethics, and complying with internal processes (particularly quality, financial reporting, internal control, safety, etc.). All Group employees are regularly reminded of these key principles: when they are hired, and during long-term training and communications. They are alerted to compliance with ethical rules at all levels and some employees receive training in digital technology and social networks and how to use them;
- the second protection consists in setting up a response system for monitoring information: in addition to conventional means for monitoring traditional media, the Group uses an e-reputation tracking tool on social networks, alongside an internal (feedback to management, decision-making) and external (crisis management and procedure unit) communication process;
- lastly, the Group applies measures to secure information-sharing processes to limit the risks of fraudulent communication and identity theft.

1.4.2 OPERATIONAL RISKS

CYBERSECURITY AND INFORMATION SYSTEMS FAILURE RISK – LEVEL 3

Description of risk

Information systems are a key component within the Group's businesses, in terms of both operational processes (production management, accounting, reporting, etc.) and means of communication (email, networks, telephones, tablets and connected objects).

If these systems break down or are disrupted, it would have a potentially significant impact on the Group's operations. Such an incident could arise from a cyberattack, intentional or unintentional system contamination by a computer virus or through the exploitation of weaknesses in the security of these systems operated directly by the Group or those for which management is delegated to external partners (cloud services, managed services, etc.).

Moreover, the scale and sophistication of cyberthreats together with the very significant increase in the volume of information processed and the development of online services (direct-to-consumer, etc.) and connected objects are making data management processes and tools more complex and more technical. Combined with the reinforcement of international regulations on personal data protection (particularly in Europe with the General Data Protection regulation), this significantly increases the impact that the exploitation of a security breach could have on data. A data breach involving our customers, suppliers, consumers or employees, for instance, could have a major long-term impact on the Group's business.

In addition, the Group's expansion (geography, size, business sector) and the ramping up of updates (functional and security) published by software publishers frequently require us to upgrade or develop our infrastructures, our management systems (ERP), and our applications. This may necessitate minor (adaptation of systems in place) or major changes (definition, construction and implementation of a new system). Each of these developments causes complexity and disruption in the existing IT system with, in particular, risks to the resources affected by implementation and to operations if the application of corrective measures is not effective.

These risks can produce substantial costs and expose the Group's business and performance to risk.

Management of risk

- Regarding cybersecurity risk and systems failure, a coordinated watch with several suppliers specializing in systems protection and security aims to monitor developments and actions to counter cybercrime (antivirus, firewalls, and user identification processes). The Information Systems department draws up an annual IT risk map, in collaboration with the Audit and Internal Control department.
- The Group has a highly centralized information systems management policy to guarantee consistency in the security and management of tools. Most of our application servers and data servers are hosted by third parties located in France, in highly secure and redundant environments, enabling regular vulnerability scanning to be conducted and ensuring business continuity and the protection of data (confidentiality, integrity, and availability). Business continuity, backup, and filtering solutions (antivirus, email filtering, web filtering, etc.) operate continuously and are regularly reinforced.
- Lastly, the Group has taken out an insurance policy specifically covering attacks on its IT systems. The policy also covers the risk associated with cyberattacks.
- Resources are specifically dedicated to these issues and are structured internally (reporting to the Chief Information Security Officer (CISO) and the Information Systems Security Committee), with external resources used where necessary (e.g. penetration testing specialists).

More generally, the Group ensures that it regularly raises all of its employees' awareness of cyber risks and how threats evolve. This includes both specialists (developers, system and network administrators, etc.) and end-users (password protection, exercising caution with emails and internet browsing, compliance with the IS Usage Charter included in an annex to the internal rules, etc.).

- In terms of personal data protection (GDPR and French legislation, e.g. the CNIL's regulations), a procedure in the event of security breaches of our IT applications that affects personal data has been defined and rolled out in order to comply with the notification obligations as set out by the personal data regulations. Since 2021, the Group has carried out an annual crisis management exercise to raise awareness among and train business lines and IT stakeholders, and to identify in advance the internal and external communications that would be needed in connection with an information leak.
- When tools are developed and new businesses integrated, the Information Systems department, in collaboration with the Group Controlling department, sets up dedicated transition/project teams to ramp up new systems while maintaining existing systems to ensure a smooth and seamless transition.
- The Group minimizes these changes as much as possible over the same time period or geographic area. On average, in one year, discounting security updates, less than 20% of subsidiaries are affected by an upgrade or change in management system.
- Next, each management system roll-out is supported by specialized service providers, enabling correct definition of needs and configuration of the management tools, minimizing operational risk when the tool is launched.
- Lastly, the Group makes sure to employ extra resources internally during the start-up phases to reduce the impact on local teams and ensure the solid, stable launch of new solutions.

COMPLIANCE – LEVEL 2

Description of risk

Increasingly complex regulations, the Group's expansion into new geographical areas, changes in technology, and growing competitive pressure are all factors that increase the chances that the following risks will occur:

- fraud, whether originating internally or externally;
- non-compliance with domestic or international regulations;
- non-compliance with the Group's in-house rules.

Compliance and corruption risks are factored into the mapping of Group risks.

Despite our sophisticated and regular internal control and audit process (internal and external), the Group is not immune from violations, whether material or modest, intentional or otherwise.

These violations may carry a risk of administrative or legal proceedings alongside financial and/or reputational risk.

Management of risk

- Compliance with international and local regulations is a Group priority set out in our Code of Ethics.
- The Group conducts continuous regulatory monitoring and is gradually designing training courses adapted to regulatory developments, as part of a Global Compliance training program. This program includes a "Code of Ethics" training course as a starting point, as well as more specific training ("Antitrust", "Anti-corruption" or indeed "Personal data protection").
- It has strengthened its internal control and monitoring systems. It has therefore created a specific compliance entity that includes, in particular, a "personal data protection" unit (GDPR regulation), supervised by a data protection specialist.
- In terms of tax regulations, the Group cooperates 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 also 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.

- With respect to the fight against external fraud, a process of systematically reporting information on attempted fraud to the Audit and Internal Control department allows the Group to analyze these situations, inform all entities of the risks and respond quickly by implementing new checks (particularly updating our firewalls). A major initiative to raise awareness among financial employees and the systematic implementation of dual checks, for example, have enabled the Group to fight against attempts of identity theft of customers, suppliers and Group senior managers through technological means.
- The policy for managing the risk of corruption is presented in the Non-Financial Performance Statement in Chapter 3 "Corporate Social Responsibility".

RISK LINKED TO THE VOLATILITY OF OUR BUSINESS AND TO COMPETITIVENESS – LEVEL 2

Description of risk

The Group's business activity is somewhat volatile, as a result of:

- the significance of special events (Black Friday, Christmas, Chinese New Year, Singles' Day in China, Mother's Day, Candlemas, etc.) with sales and results being heavily concentrated in the fourth quarter;
- the variance in the dates of these events, which may occur twice or not at all, depending on the year;
- strong seasonality and the fact that for some products, such as fans, sales depend on weather conditions;
- retailers' loyalty programs, whether ongoing or one-off, which can represent a high basis for comparison from one year to the next;
- in Professional Coffee, signing and executing major contracts with certain customers (large restaurant chains, convenience stores, gas station chains, etc.) for equipment or to replace machines can lead to sales volatility. These deals can represent a high basis for comparison from one year to the next.

The number of products sold, and therefore the Group's revenue and operating result, can fluctuate considerably over a quarter, a half-year or over a year.

In addition, the Group must be able to streamline the productivity of its facilities in order to remain competitive, which involves:

- flexibility on the part of its plants and logistics centers in response to this business volatility;
- shifting between in-house and outsourced production, managing industrial investments and manufacturing costs, simplifying processes and flows, optimizing the supply chain and related inventories (components, work in progress, finished products), etc.;
- speeding up throughput over the entire value chain to better respond to customers' expectations;
- streamlining product diversity and complexity (by delayed differentiation, in particular);
- taking into consideration changes in external factors, such as the price of raw materials, transportation costs and exchange rates.

Management of risk

- Business during high resale periods are planned in conjunction with our major distribution partners to reduce unknown risks. Sales and promotional campaigns remain aggressive during the low season to spread out revenue a little more evenly throughout the year. The Group's geographic diversification also reduces the risk of volatility caused by seasonal products sold due to weather conditions.

  As far as loyalty programs are concerned, this process is accompanied by monitoring throughout the campaign with the different stakeholders, to secure volumes and procurement.

  Regarding our professional coffee machines business, the Group makes every effort to have a growing list of contracts – including the smaller contracts – that it manages in an order book, to offset the impact from huge one-off deals from one year to another.
- As a manufacturing company, Groupe SEB constantly has to decide between internal or outsourced production. Against this backdrop, around two thirds of the Group's products are manufactured internally:

  For in-house production, our local and central/cross-functional manufacturing teams continuously strive to improve the competitiveness of our sites, specifically through the rollout of continuous improvement programs. At the same time, the production teams have put in place an industrial flexibility program using diverse technological platforms to improve our responsiveness and adaptability to market need, as well as to potential rapid developments in market conditions (currencies, customs fees, raw materials, etc.).

  The Group's currency position is short in dollars and yuan and long in all other currencies. The Group is required to adjust its pricing policy to offset fluctuations in exchange rates, which are sometimes sudden and significant, freight costs and raw materials. In addition, Groupe SEB addresses exposure to currencies and raw materials with a hedging policy that is described in Note 25 of the financial statements.

RISK RELATED TO ATTRACTING AND RETAINING TALENT – LEVEL 2

Description of risk

When the company is experiencing sustained growth in a market that's in constant flux, we have to constantly shape our human resources and expand our expertise within the Group.

Our Consumer markets (small electrical appliances and cookware) and BtoB are largely impacted by major societal trends (consumption patterns, and especially food, environmental impact from the business, robotics, digitization, etc.). The Group is keeping up with these trends with a strong commitment and major investments – in innovation, supply chain, data, digital technology – requiring increasingly specialized and qualified employees.

For some of these key profiles, shortages and/or increasing competition could make it difficult to attract and retain talents. This could cause delays in integrating expertise needed to develop and manufacture Group products.

Certain geographic areas, or certain areas of the Group's expertise, are particularly prone to this risk.

Management of risk

In broad terms, the management policy for this risk is presented in the Non-Financial Performance Statement in Chapter 3 "Corporate Social Responsibility". In particular, it sets out the Group's global policy regarding human resource management, and more specifically:

- measures taken to attract young talent (schools programs, graduate schemes);
- raising the profile of the Group on digital platforms;
- opportunities for career development.

MACROECONOMIC, GEOPOLITICAL AND REGULATORY RISKS – LEVEL 2

Description of risk

Since the Group operates in nearly 150 countries, we are exposed to various outside risks that are beyond our control. These outside risks go beyond currency risk – the Group must deal with political, economic or social instability, particularly in developing countries where we achieve a significant portion of our sales.

This instability may adversely impact consumer confidence and thus household consumption. If there is a proven and prolonged recession, the Group's business could suffer from currency depreciation for the local currency combined with an upsurge in inflation.

The Group also has to face geopolitical risks which could result in economic sanctions between countries – embargoes or high taxes on certain goods or commodities, which could include our products – or they could result in open conflict. The Group may decide to pass on a portion of these taxes onto the product's sale price, which risks losing a competitive edge compared to competitors that may not be subject to the tax, or we can keep prices the same and lose profit margin.

Lastly, regulatory and / or tax changes (corporate income tax, VAT, withholdings, tax agreements, etc.) may impact the Group's operations in the countries concerned.

Management of risk

- The Group's international presence – both commercial and industrial – helps to diversify risks, as they can be offset between countries and geographical areas.
- A risk map is also drawn up each year by the Audit and Internal Control department, in collaboration with the management teams of the entities concerned, to assess changes in risks (political, social, economic, etc.) for each country.
- Constantly adapting to changes in the markets is an integral part of the Group's know-how. When the Group was going through the financial crisis, we knew we needed to adjust our structures and prices quickly to reduce impacts from local currency depreciation as quickly as possible and adjust our cost bases to a reduction in sales.
- The Group's powerful and versatile manufacturing base gives the Group some flexibility in how to supply different markets and potentially transfer the manufacturing base if necessary.
- Continual monitoring of activity in all the countries where the Group operates means it can react quickly to circumstances that may arise.

1.4.3 INDUSTRIAL AND ENVIRONMENTAL RISKS

RISK OF BUSINESS INTERRUPTION – LEVEL 2

Description of risk

Because of its size and product diversity, Groupe SEB manages an increasingly complex procurement process that includes raw materials, components and finished products.

It is subject to several factors that could have an impact on the Group's business continuity:

- As a manufacturer, the Group manufactures 2/3 of the products we sell in our own plants. Our ability to forecast sales and adjust our production schedule, and our ability to correctly deliver our contracts are therefore crucial.
- Every year the Group purchases significant volumes of raw materials, components, finished products, etc. Having an excessive concentration of suppliers could lead to dependency with a high risk to business continuity if there is ever a disruption (delivery delay, business interruption, business relationship gone sour, bankruptcy, major incident such as fire, etc.).
- As the Group operates on a global scale, the supply chain in place is increasingly complex. The way our plants, suppliers and markets are spread out leads to a high dependence on certain logistics routes (China to Europe, China to the United States, Europe to the Middle East or the Americas, etc.). These routes could be disrupted, especially if natural or geopolitical risks arise, significantly impacting our operations.
- The Group has to face natural risks (fires, floods, landslides) or epidemics that can affect our plants, warehouses or a geographic area where the Group operates and could affect industrial operations at the site or in the area concerned.
- The Group is exposed to industrial risks (accidents, pollution emissions, fires), which may affect its 39 plants worldwide.

Finally and exceptionally, the world is experiencing a health crisis that can disrupt the supply chain worldwide, including:

- The manufacturing base, when the health situation requires closure of the Group's sites, or those of its suppliers and sub-contractors.
- Raw materials, components and finished products, which are always under significant pressures following the simultaneous resumption of production in the world's major economies.
- Freight (sea, air, road), with the main roads also being overloaded as a result of the recovery of the global economy.

Management of risk

- Planning and logistics are managed at the global level. The Group has rolled out a group-wide and collaborative S&OP (Sales and Operating Planning) process, from sales forecasting in market companies to capacity planning, production and delivery to the customer.
- The Group is particularly vigilant about diversifying risks and limiting dependence in terms of component, raw material and finished product supplies. Its priority is to ensure continuity of production under optimum economic conditions, while conforming to ethical principles, and to have alternatives at its disposal within a single product family or for a specific technology.
- With regard to logistics routes, there is no systematic alternative for all shipments; however, the Group encourages alternative routes as much as possible, such as river transportation.
- Concerning the continuity of our industrial operations, each of the Group's plants complies with international standards and uses specific industrial processes, if necessary. All the Group's production sites undergo an annual assessment of local risks and prevention plans are put in place. Additionally, the Group has applied an active approach to industrial risk prevention by conducting regular audits, investing in maintenance and optimizing certain processes to limit the probability of such risks occurring. The European, US and Chinese sites are generally not, or only slightly, exposed to major natural risks (hurricanes, floods, earthquakes, etc.), and the same is true of the warehouses.
- The risk of a pandemic is included in our international health plan "Health in SEB" and in each site's business continuity plan. Details of the "Health in SEB" plan are given in Chapter 3, page 158.

Supplies of raw materials and components were secured with all available suppliers in order to optimize the operation of our production lines. The Group went much further up its supply chain, forged closer relationships with its suppliers and opted for alternative sources of supply.

EMPLOYEE HEALTH AND SAFETY AND ENVIRONMENT RISK – LEVEL 2

Description of risk

The health and safety of its employees are among Groupe SEB's foremost concerns. Nonetheless, the risk of work-related illnesses, workplace accidents or physical injuries cannot be ruled out.

With more than 30,000 employees spanning the globe, the risk of a workplace accident will always be present and it concerns all categories of employees (on site, in stores, at headquarters, etc.).

On the other hand, with 39 plants around the world, the Group is exposed to industrial risks (fires, accidents, pollution emission), which may affect the health of our employees and the environment.

As the Group operates in nearly 150 countries, we are also exposed to safety and security risk for our employees: operations in at-risk countries, frequent work travel in different areas where the Group operates, abrupt geopolitical changes in certain areas involving physical risks for local teams, etc.

And finally, for the past three years, the whole world has faced an unprecedented situation due to the Covid-19 pandemic. Despite the rollout of vaccination programs worldwide, the public health situation remains uncertain.

We cannot totally rule out these events from occurring and it could have an adverse impact on the Group's business and results, our human resources as well as our image and reputation.

Management of risk

Permanent measures are in place to protect the health and safety of employees. These are documented and training is delivered regularly, including via e-learning.

The management policy for this risk is presented in the Extra-Financial Performance Declaration in Chapter 3 "Corporate Social Responsibility".

In terms of managing risks associated with Covid-19, the health of the Group's employees has been, and remains, the top priority.

Health measures can be put in place at all Group sites (plants, offices, warehouses, stores, etc.), including:

- protective measures in the workplace (provision of masks, social distancing, hygiene measures);
- isolation in the event of infection;
- organizational measures for telecommuting.

The Group may need to temporarily close one or more of its sites (production sites, warehouses, commercial subsidiaries and administrative offices, retail stores etc.) due to the restrictions put in place by national governments.

PRODUCT QUALITY AND CONSUMER SAFETY RISK – LEVEL 1

Description of risk

Product quality and consumer safety are priorities for the Group. It therefore pays the utmost attention to the safety and security of raw materials, components and finished products.

However, instances of users being hurt when a product malfunctions or is used inappropriately cannot be ruled out. A product, whether manufactured internally or outsourced, may present (i) a design defect, or (ii) a manufacturing fault.

The Group may therefore have to accept liability or witness the image of its brands being tarnished.

It is exposed to risks of warranty or liability claims from customers and consumers. Product recalls may prove necessary in some cases.

At the same time, as a result of its global presence, the Group is also exposed to a variety of different regulations.

Regulations concerning food products and materials liable to create a health risk are constantly changing. They tend to multiply, putting the Group's activity at risk when the substances concerned by these regulatory changes are used in our industrial processes.

Management of risk

- The Group's quality policy is fully incorporated into the design and manufacture of all products. The Group has implemented an internal and external quality control protocol for the products it markets. Each stage of product design is part of a standard quality process and is subject to successive approvals, particularly with regard to:
  - the components used,
  - the materials used,
  - the suppliers selected.
- The products are subject to endurance tests, which simulate their operation under standard conditions of use for long periods of time.
- In addition, the Group also endeavors to include simple and accessible user information sheets with our products, and our electrical products in particular, to warn of potentially hazardous uses.
- In the markets, the Group uses a network (usually outsourced) of service centers, which manages product repair and follow-up. The employees/technicians in these service centers receive regular and comprehensive training from the Group to ensure they can provide optimum support to consumers should one of its products malfunction. The service centers are also authorized to handle customer complaints, repairs under and outside warranty, and the sale of spare parts and consumables, in order to provide the best level of service to our consumers.
- With regard to potential health risks, the Group has set up a regulatory and technical watch process (on all media, including the internet). This ensures that standards and restrictions in these areas (including the update following the European Directive on Dangerous Substances amongst other things) are rolled out to the R&D teams.
- The management policy for this risk is presented in the Extra-Financial Performance Declaration in Chapter 3 "Corporate Social Responsibility".

1.4.4 INSURANCE

GROUP GENERAL INSURANCE COVER (EXCLUDING INSURANCE OF PERSONS)

Groupe SEB's policy concerning insurance coverage (Fire, Accidents and Miscellaneous Risks) is, on the one hand, to protect its assets against risks that could affect the Group and, on the other, to cover its liability for any damages caused to third parties. This transfer of risk to insurance companies is nonetheless accompanied by risk protection and prevention measures. For confidentiality reasons, the amount of the premiums is not disclosed. Acquired companies are incorporated into global insurance programs.

INTEGRATED WORLDWIDE COVERAGE

The Group has established worldwide insurance plans with major international insurers to protect itself against major risks, which include damage to property and loss of earnings, civil liability, environment, transport and inventory, cybercrime and customer risks.

DAMAGE TO ASSETS AND LOSS OF EARNINGS

Coverage for risk of property damage and consequent loss of earnings resulting from common risks (fire, flooding, etc.) amounts to €250 million per claim for factories and warehouses, with an additional €150 million for certain strategic sites.

This figure was calculated using the “Maximum Foreseeable Loss” hypothesis in consultation with the insurer and its assessors, who analyzed the impact of the total destruction of one of the Group's main production centers. Lower thresholds are in place for other types of more specific or localized risk, such as the risk of earthquake in certain regions where the Group operates abroad.

This policy takes into consideration additional risk protection measures at Group sites, which are regularly visited by specialist risk prevention assessors from the insurance companies concerned.

CIVIL LIABILITY

All the Group's subsidiaries are included in a worldwide civil liability insurance plan that covers liability relating to their operations and the products that they manufacture or distribute, as well as the cost of product recalls.

The amounts of coverage are based on the quantification of the risks to which the Group is exposed in view of its business.

The Group also covers its senior managers for civil liability under a specific insurance policy.

ENVIRONMENT

A multi-risk environmental insurance policy covers environmental risks on all Group sites.

Coverage applies to:

- accidental, historical and gradual pollution;
- damage to biodiversity;
- pollution clean-up costs.

TRANSPORT AND INVENTORY

The Group's transport insurance covers damage to transported merchandise for all types of transport: sea, road/rail or air transport anywhere in the world.

This insurance covers transport risks up to an amount of €10 million per occurrence.

It also covers incidents occurring at warehouses up to a maximum of €15 million, with any amount over this limit being covered by the policy for damage to property and loss of earnings.

CYBER

Financial protection held by Groupe SEB against attacks on its IT systems covers damage and liability for a total amount of €15 million. This broad-scope insurance policy also covers attacks on personal data.

CUSTOMER RISK

With rare exceptions relating to local issues, the Group's subsidiaries hold credit risk insurance under a Group plan to cover the majority of their risk on customer receivables.

LOCAL INSURANCE POLICIES

More specific insurance policies are taken out locally by each of the Group's companies, as appropriate.

2 Corporate governance

2.1 Implementation framework for corporate governance principles

Groupe SEB adheres to the January 2020 version of the AFEP-MEDEF Corporate Governance Code for listed companies (the "AFEP-MEDEF Code"), which can be consulted on the MEDEF website (https://afep.com/).

Pursuant to the recommendations of the AFEP-MEDEF Code, as well as Article L. 22-10-10 4° of the French Commercial Code, this chapter reports on the application of the provisions adopted and explains why some provisions were not applied. In accordance with Article L. 225-37, paragraph 6 of the French Commercial Code, this chapter includes a portion of the Corporate Governance report, appended to the Management report, as shown in the cross-reference table available on page 397.

It should be noted that the information referred to in Article L. 22-10-11 of the French Commercial Code and, in particular, information concerning the capital structure of the company and factors which could affect a hypothetical takeover bid, appears in Chapter 7, "Information concerning the company and its share capital".

2.2 Management structure

The company has adopted a corporate governance method that is tailored to its specific characteristics and is integrated into the task-distribution process within the management team.

Decisions regarding the methods of exercising the General Management of Groupe SEB have always been made in the company's best interests and consistently following the principle that the chosen governance method will allow the Group's economic and financial performance to be optimized by creating the best conditions for its long-term development.

In a unitary management structure, the Board of Directors is responsible for deciding whether or not the General Management of the company can be entrusted to the Chairman of the Board or to a third party, in accordance with Article L. 225-51-1 of the French Commercial Code and the recommendations of the AFEP-MEDEF Code.

Until 30 June 2022, the company was managed by Thierry de La Tour d'Artaise, Chairman and Chief Executive Officer. He was assisted by Stanislas de Gramont, Chief Operating Officer, who took office on 3 December 2018.

Since 1 July 2022, the company's Management has been exercised separately:

CHAIRMAN OF THE BOARD OF DIRECTORS

At its meeting of 10 February 2022, the Board of Directors decided to redemonstrate its confidence in Thierry de La Tour d'Artaise and thus to renew his term of office as Chairman of the Board of Directors, a position he has held since 2000, from 1 July 2022 onwards. The Board of Directors can therefore continue relying on Thierry de La Tour d'Artaise as Chairman so that both the Board of Directors and Stanislas de Gramont may benefit from his expertise and extensive knowledge of the Group's business sector. The Board of Directors may also rely on his knowledge of shareholding, expertise in governance to meet the growing expectations of stakeholders, his experience in acquisitions and his vision for sustainable development.

CHIEF EXECUTIVE OFFICER

At its meeting of 10 February 2022, the Board of Directors, on the recommendation of the Governance and Remuneration Committee, decided to appoint Stanislas de Gramont as Chief Executive Officer from 1 July 2022.

Stanislas de Gramont joined Groupe SEB in 2018 as Chief Operating Officer after managing Suntory's Europe Food and Beverage business. He had previously spent most of his career with the Danone Group in several countries and divisions.

Stanislas de Gramont, who has seen his responsibilities regularly broadened as part of his active pairing with Thierry de La Tour d'Artaise since joining the Group, has been able to use his qualities and lengthy experience in the consumer goods sector to the full.

The Chief Executive Officer represents the company in its relations with third parties. He has the broadest powers to act under all circumstances on the company's behalf in accordance with Article L. 225-56 of the French Commercial Code.

In accordance with the provisions of Article 22 of the company's statutes, "The Board of Directors determines the term it intends to give the option chosen". The Board has chosen to reconcile the term of this choice with the next expiration of Thierry de La Tour d'Artaise's term of office as Director, i.e. at the close of the Annual General Meeting of May 2024 called to approve the financial statements for 2023.

2.3 Composition, organization and operation of the Board of Directors

The Board of Directors is a collective body that represents all the shareholders and acts solely in the company's interests.

According to the AFEP-MEDEF Code: "the organization of the Board's work, and likewise its membership, must be suited to the shareholder make-up, to the size and nature of each firm's business, and to the particular circumstances facing it. Each Board is the best judge of this, and its foremost responsibility is to adopt the modes of organization and operation that enable it to carry out its mission in the best possible manner".

The company was inspired by these recommendations to organize a Board of Directors, with a membership and organizational structure which enable it to effectively perform its corporate missions, in line with the various interests at stake.

COMPOSITION OF THE BOARD OF DIRECTORS

The company's governance is based on the existence of a family base that has evolved and adapted to the challenges, business activities and requirements of all stakeholders.

This family heritage is reflected in the composition of the Board of Directors on which the presence of directors from the Founder Group responds to the family shareholding structure while complying with the principles of corporate governance, particularly thanks to the presence of independent directors.

GENERAL PRINCIPLES RELATING TO THE COMPOSITION OF THE BOARD OF DIRECTORS

As of December 31, 2022, the Board of Directors has been composed of 16 members whose terms of office are four years in accordance with the bylaws.

The composition of the Board of Directors is as follows:

- the Chairman;
- seven directors representing the Founder Group, namely:
  - four directors from VENELLE INVESTISSEMENT,
  - two directors from GÉNÉRACTION,
  - one director from FÉDÉRACTIVE;
- five independent directors;
- one director representing employee shareholders; and
- two directors representing employees.

More than one-third of members of the Board of Directors are independent (5/13, 38.4%), as recommended by the AFEP-MEDEF Code for controlled companies. This calculation does not include the director representing employee shareholders and the two directors representing employees.

In accordance with the calculation method set out in the bylaws and the new provisions of the PACTE law the director representing employee shareholders and the two directors representing employees are excluded from the calculation of the representation of women. Under this new calculation method, with seven women on the Board of Directors, the representation of women stands at 54% (7/13) of the members of the Board of Directors, in accordance with Article L. 22-10-3 of the French Commercial Code.

Description of the policy relating to diversity on the Board of Directors

Pursuant to the provisions of Article L. 22-10-10, 2 of the French Commercial Code, the Board of Directors strives to maintain a balance in its membership and in that of its Committees, particularly when it comes to diversity in terms of careers and experience. Wide-ranging, complementary skills and ethics are also essential to the smooth operation of the Board of Directors.

More specifically, the Governance and Remuneration Committee seeks to include directors with skills that enhance the quality of debate and contribute to informed discussion. In addition, the international experience acquired by certain directors during their professional careers or as a result of their residency abroad ensures that the Board of Directors takes greater account of international practices and issues.

This diversity also stems from:

- the independent directors having a wide range of complementary expertise (distribution, finance, digital technology, strategy, human resources, audit, governance and CSR);
- contributions from the employee representatives, who provide local input from a CSR-focused perspective; and
- from a long-term outlook, a commitment to founding values and to maintaining family accord, the Group's reference shareholders.

During the 2022 evaluation of the Board of Directors, the members were able, through various questions on this subject, to express their satisfaction with the diversity in the composition of the Board and with the resulting enrichment.

Description of the procedure for selecting independent directors

In accordance with the provisions of the AFEP-MEDEF Code, the Governance and Remuneration Committee organizes a procedure to select future independent directors and conducts its own research into potential candidates before any approach is made. In this regard, the Governance and Remuneration Committee has documented a procedure for selecting independent directors, which has been approved by the Board of Directors. This procedure is appended to the internal rules of the Board of Directors and aims to set out the process followed by identifying the various stages for selecting future independent directors to serve on the Board of Directors of SEB S.A.

To ensure that there is a balance in its membership, the Board of Directors takes into account whether the current and future profiles are diverse and compatible with each other, as is required for the Board to be effective and operate smoothly.

The Governance and Remuneration Committee implements the procedure to select the independent directors on behalf of the Board of Directors. This Committee has full leeway to investigate the suggestions of Management and the Board of Directors and to have specialist Boards carry out any studies and benchmarking that it deems appropriate.

From the 2021 financial year onwards, this report on the company's corporate governance has provided an update on the practical application of the director selection procedure for the past year.

The aforementioned procedure has been used in the search for the replacement for Jean-Noël Labroue, an independent director, whose term of office expired at the end of the 2022 Annual General Meeting. Jean-Noël Labroue's term of office as an independent director has already been renewed twice, bringing his total term of office to 12 years.

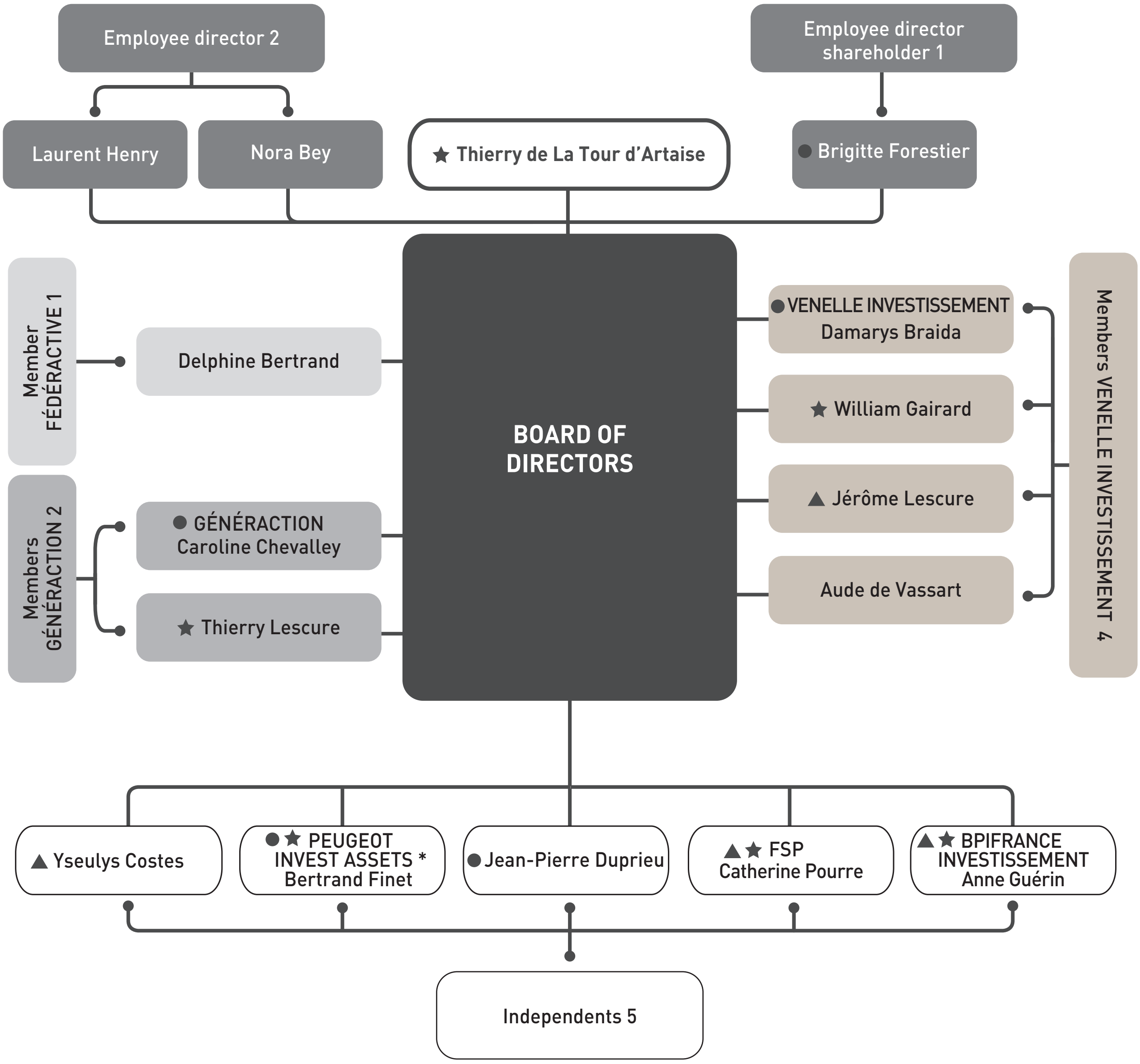
The Governance and Compensation Committee, having identified that the aforementioned term of office would expire, and the specific needs of the Board of Directors, began a process in May 2021 of searching for a new candidate for the role of independent director while ensuring compliance with the company's various principles and policies.

Further to the equity investment of the Lac1 SLP fund (represented by BPIFRANCE INVESTISSEMENT), the Committee interviewed the candidate proposed by BPI France Investissement to represent it on the Board. It approved the appointment of Anne Guérin at the closed meeting of 17 February 2022.

Ownership of the company's capital by the directors as of 31 December 2022

At 31 December 2022, the directors jointly held 15.25% of the company's OGM capital and 15.33% of the company's EGM capital, 16.61% of the OGM theoretical voting rights, and 16.70% of the EGM theoretical voting rights. The terms of the Directors' Charter and the internal rules of the Board of Directors (the "Charter and internal rules"), under which each director is required to hold a minimum number of pure registered SEB S.A. shares, equivalent to about two years of remuneration allocated to one director, are adhered to. By way of a reminder, this rule does not apply to directors representing employees or to the director representing employee shareholders.

COMPOSITION OF THE BOARD OF DIRECTORS AT 31 DECEMBER 2022



Chairman of the Board of Directors

Member of FÉDÉRACTIVE

Member of GÉNÉRACTION

Member of VENELLE INVESTISSEMENT

Independent director

Director representing employee/employee shareholders

★ *Director, member of the Strategic and CSR Committee*

● *Director member of the Governance and Remuneration Committee*

▲ *Director member of the Audit and Compliance Committee*

** Formerly named FFP INVEST.*

ABOUT THE DIRECTORS AS AT 31 DECEMBER 2022

FOUNDING CHAIRMEN

Frédéric Lescure † **Henri Lescure †** **Emmanuel Lescure †**

Thierry DE LA TOUR D'ARTAISE

Chairman of the Board of Directors

- **Date of first appointment:** AGM of 3 May 1999
- **Date of last reappointment:** AGM of 19 May 2020
- **End date of term of office:** 2024 AGM

Main professional address:
Campus SEB
112, chemin du Moulin Carron
69130 Écully – France
Âge: 68

Nationality: French
Committee member: Strategy and CSR Committee

Number of SEB shares held: 503,244

Biography

The Chairman of the Board of the Directors of Groupe SEB, Thierry de La Tour d'Artaise, was born in October 1954 in Lyon. He graduated from the ESCP in 1976 and is a Chartered accountant. He is also an officer of the French Legion of Honor.

He began his career at Allendale Insurance in the US in 1976 as a Financial Controller, before joining the audit firm Coopers & Lybrand in 1979 as an Auditor, and then a manager. He moved to Groupe Chargeurs in 1983, where he was appointed Chief Financial officer of Croisières Paquet, before becoming Chief Executive Officer.

In 1994, Thierry de La Tour d'Artaise came to Groupe SEB as Chief Executive Officer, then Chairman and Chief Executive Officer of Calor S.A. (1996). In 1999, he was appointed Vice-Chairman and CEO of Groupe SEB. From 2000 to 30 June 2022, he was Chairman and Chief Executive Officer, and since 1 July 2022, he has held the role of Chairman of the Board of Directors.

Other current offices and positions as of 31/12/2022

Company	Functions and current mandates
SEB DÉVELOPPEMENT S.A.S.	Chairman of the Board of Directors
SEB INTERNATIONALE (wholly owned subsidiary of SEB S.A.)	Chairman of the Board of Directors
Zhejiang Supor CO., LTD* (China – a listed subsidiary 82.44% owned by SEB INTERNATIONALE)	Chairman of the Board of Directors
WMF GROUP GmbH	Member of the Supervisory Board
GROUPE SEB RÉ	Chairman and Chief Executive Officer
Zhejiang Supor Water Heaters	Director
ZUMMO INVESTMENTS SL	Vice-President and Director
La San Marco S.p.A.	Chairman of the Board of Directors

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
CIC – Lyonnaise de Banque	Permanent representative of Sofinaction on the Board of Directors
SIPAREX ASSOCIÉS	Permanent representative of SEB Alliance on the Board of Directors

Offices and positions held in the last five years and now expired

Company	Functions and current mandates
Peugeot S.A.*	Member of the Supervisory Board
Holding HPP	Chairman
Legrand*	Director and member of the Nominations and Governance Committee

* *Listed company.*

Delphine BERTRAND

Director – member of the Founder Group, member of FÉDÉRACTIVE

- **Date of first appointment:** AGM of 11 May 2017
- **Date of last reappointment:** AGM of 19 May 2022
- **End date of term of office:** 2026 AGM

Main professional address:
Campus SEB
112, chemin du Moulin Carron
69130 Écully – France

Age: 57

Nationality: French

Committee member: No

Number of SEB shares held:
18,362 (of which 1,800 are bare ownership)

Biography

Delphine Bertrand has a degree in Japanese, holds a CPEI qualification from the Institut National des Langues et Civilisations Orientales (INALCO) and is a Master Practitioner of neurolinguistic programming. She was in charge of communication and monitoring responsible shareholding, CSR and corporate governance at FÉDÉRACTIVE until 2021.

She is a co-founder of the Première Pierre foundation (FPP), which was set up in 2007 to support charitable organizations that help vulnerable people to rebuild their lives, in the areas of housing, employment, disability and education.

Delphine Bertrand is certified in corporate governance: "objectif administratrice" from EM Lyon.

Other current offices and positions outside of Groupe SEB as at 31/12/2022	
Company	**Functions and current mandates**
FÉDÉRACTIVE	Member of the Advisory Board

Offices and positions held in the last five years and now expired
None

Nora BEY

Director representing employees

- **Date of first appointment:** Groupe SEB European Committee 27 June 2019
- **End date of term of office:** 2023*

Main professional address:
Campus SEB
112, chemin du Moulin Carron
69130 Écully – France

Age: 49

Nationality: French
Committee member: No
Number of SEB shares held: 110

Biography

Nora Bey holds a master's degree in Sales and Marketing from the Conservatoire National des Arts et Métiers in Paris and is a CSCP certified Supply Chain Professional.

She works since 22 years in a variety of supply chain roles.

NPI (new product introduction leader)/Optimization of the product portfolio/Management of industrial complexity and commercial diversity/Head of S&OP (industrial and commercial planning) within the cookware segment/Planning volumes by plant.

* *Nora Bey's term of office as Director representing employees was renewed for a period of four years at the meeting of the Groupe SEB European Works Council on February 6, 2023.*

Other current offices and positions outside of Groupe SEB as at 31/12/2022
None

Other offices and positions held in the last five years and now expired
None

Yseulys Costes

Independent director

- **Date of first appointment:** AGM of 14 May 2013
- **Date of last reappointment:** AGM of 20 May 2021
- **End date of term of office:** 2025 AGM

Main professional address:
28, Rue de Châteaudun
75009 Paris – France

Age: 50

Nationality: French

Committee member:
Audit and Compliance Committee

Number of SEB shares held: 825

Biography

Yseulys Costes holds a master's degree in Management Sciences and a postgraduate degree in Marketing and Strategy from Université Paris-IX Dauphine. She is Chairwoman, CEO and founder of Numberly – 1000mercis Group. She discovered the internet in 1995 during her MBA studies at the Robert O. Anderson School in the US. Given her interest in Data and Marketing, she founded Numberly – 1000mercis Group to offer its clients innovative digital strategies with a high return on investment, through targeted, multi-channel solutions with a measurable impact. As an Interactive Marketing researcher, she spent time at Harvard Business School, in the US, and has taught at several institutions (HEC, ESSEC and Paris Dauphine).

Before founding Numberly, she wrote many works and articles on marketing and databases, and was the coordinator of the IAB France on its creation.

In 2014, she moved to Palo Alto in California, the heart of Ad Tech, to develop Numberly, the Group's international subsidiary. She moved back to France in 2018.

Other offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
1000mercis S.A.*	Chairwoman and Chief Executive Officer
Numberly	Chairman
Ocito (Groupe 1000mercis)	Chairwoman of the Supervisory Board
City of Paris Strategy Committee	Director

Offices and positions held in the last five years and now expired

Company	Functions and current mandates
Vivendi *	Member of the Supervisory Board
Kering S.A. *	Director, member of the Audit Committee, member of the Appointments Committee and Chairwoman of the Compensation Committee

* *Listed company.*

Jean-Pierre DUPRIEU

Independent director

- **Date of first appointment:** AGM of 22 May 2019
- **End date of term of office:** 2023 AGM

Main professional address:
Campus SEB
112, chemin du Moulin Carron
69130 Écully – France

Age: 70

Nationality: French

Committee member: Governance and Remuneration Committee (Chairman)

Number of SEB shares held: 439

Biography

Jean-Pierre Duprieu is an agronomic engineer with a master's Degree in Food Industry from the Institut National Agronomique (AgroParisTech). He is also a Graduate of the Institut de Contrôle de Gestion and the International Forum (Wharton). He joined the Air Liquide Group in 1976. He spent his entire career at Air Liquide holding various commercial, operational, strategic and general management positions, first as International Marketing Director, then as Sales and Marketing Director for France and then as Executive Vice-president of Air Liquide France. In 2000, Jean-Pierre Duprieu was appointed Senior Vice-president and member of the Group's Executive Committee in charge of Europe, Africa and the Middle East. For five years, he was based in Tokyo as a member of the Executive Committee, Director of the Asia Pacific region and of the World Electronics Business Line. Upon returning from Asia in 2010, he was named Deputy Chief Executive Officer of the Air Liquide Group.

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
Michelin *	Member of the Supervisory Board and Chairman of the Compensation and Appointments Committee
Korian Group *	Chairman of the Board of Directors
	Member of the Investment Committee
DEHON SAS	Member of the Supervisory Committee

Offices and positions held in the last five years and now expired

Company	Functions and current mandates
Air Liquide Group *	Deputy Chief Executive Officer
Air Liquide Santé International	Director
Air Liquide Eastern Europe	Chairman of the Board of Directors

* *Listed company.*

PEUGEOT INVEST ASSETS (formerly FFP Invest)

Registered office:
66, avenue Charles-de-Gaulle
92200 Neuilly-sur-Seine, – France
535 360 564 RCS Nanterre

Number of SEB shares held:
2,223,674

Independent director

- Simplified joint-stock company with share capital of €541,010,740

- **Date of first appointment:** AGM of 14 May 2013
- **Date of last reappointment:** AGM of 20 May 2021
- **End date of term of office:** 2025 AGM

Information

Peugeot Invest Assets has been a registered company since 17 October 2011. It is wholly owned by Peugeot Invest, a holding company listed on the Paris Stock Exchange, which is majority owned by the Peugeot family group.

It is represented by Bertrand Finet, its Chief Executive Officer.

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
Immobilière Dassault *	Member of the Supervisory Board
IDI Emerging Markets (Luxembourg)	Member of the Supervisory Board
Orpea *	Director
Lapillus II	Director
FFP Les Grésillons	Managing Director
LDAP	Member of the Executive Committee
SPIE *	Director
Lisi *	Director
Total Eren	Director on the Board of Directors
Tikehau Capital Advisors	Director
Finapolline	Member of the Supervisory Committee

Offices and positions held in the last five years and now expired

Company	Functions and current mandates
IDI *	Vice-Chairman and member of the Supervisory Board
Financière Guiraud	Chairman
Zodiac Aerospace *	Member of the Supervisory Board

* *Listed company.*

Main professional address:
66, avenue Charles-de-Gaulle
92200 Neuilly-sur-Seine – France

Age: 57

Nationality: French

Committee member: Governance and Remuneration Committee Strategic and CSR Committee

Bertrand FINET

Permanent representative of PEUGEOT INVEST ASSETS

Biography

After graduating from ESSEC in 1988, Bertrand Finet started his career in 1991 at 3i Group, where he was appointed Chief Investment Officer. He held this post for two years in London before joining the Group's French subsidiary.

He was appointed Managing Director of CVC Capital Partners France in 1996, before heading the Paris office of Candover France starting in 2006.

In 2009, Bertrand Finet was made a member director of the Fonds Stratégique d'Investissement's (FSI) Executive Committee, then in 2013, Executive Director at Bpifrance in the Fonds Propres PME department, before being appointed Executive Director of Bpifrance's Mid & Large Cap department in April 2015.

He was appointed Chief Executive Officer of FFP now called PEUGEOT INVEST in May 2020, having been its Chief Operating Officer since January 2017.

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
PEUGEOT INVEST*	Chief Executive Officer
PEUGEOT INVEST ASSETS	Chief Executive Officer
PEUGEOT INVEST UK (United Kingdom)	Director and Chief Executive Officer
Peugeot 1810	Representative of PEUGEOT INVEST, Chairman
FFP Invest Arb	Chairman
LDAP	Permanent representative of PEUGEOT INVEST ASSETS on the Executive Committee
SPIE *	Permanent representative of PEUGEOT INVEST ASSETS on the Board of Directors
ORPEA *	Permanent representative of PEUGEOT INVEST ASSETS on the Board of Directors

Offices and positions held in the last five years and now expired

Company	Functions and current mandates
Asia Emergency Assistance Holdings PTE. Ltd.	**Non-voting director**
Financière Guiraud	Representative of PEUGEOT INVEST ASSETS, Chairman
PEUGEOT INVEST	Chief Operating Officer

* *Listed company.*

Brigitte FORESTIER

Director representing employee shareholders

- **Date of first appointment:** AGM of 11 May 2017
- **Date of last reappointment:** AGM of 20 May 2021
- **End date of term of office:** 2025 AGM

Main professional address:
Campus SEB
112, chemin du Moulin Carron
69130 Écully – France

Age: 51

Nationality: French

Committee member: Governance and Remuneration Committee

Number of SEB shares held: 220

Biography

Brigitte Forestier has a master's in Human Resources from the Institut de Gestion Sociale in Lyon. She joined Groupe SEB in 1997. She held various human Resources positions at Calor, followed by Groupe SEB France and Groupe SEB Retailing. In November 2018, Brigitte Forestier was appointed Director of Human Resources of Campus SEB.

Other current offices and positions outside of Groupe SEB as at 31/12/2022
None

Offices and positions held in the last five years and now expired
None

FONDS STRATÉGIQUE DE PARTICIPATIONS (FSP)

Registered office:
93, Boulevard Haussmann
75008 Paris – France
753 519 891 RCS Paris

Number of SEB shares held: 2,620,575

Independent director

- SICAV with a Board of Directors and share capital of €400,000

- **Date of first appointment:** AGM of 15 May 2014
- **Date of last reappointment:** AGM of 19 May 2020
- **End date of term of office:** 2024 AGM

Information

The Fund is a long-term investment vehicle whose purpose is to provide long-term support to French companies in their plans for growth and transition. It achieves this by taking significant stakes in companies' capital and participates in their governance by being seated on their Board of Directors or Supervisory Board and their Committees.

The Fund's shareholders are seven French insurance companies: BNP Paribas Cardif, CNP Assurances, Crédit Agricole Assurances, Groupama, Natixis Assurances, Société Générale Assurances, and Suravenir. The Fund's portfolio currently includes nine investments in the capital of French companies that are leaders in their specialist areas: SEB, Arkema, Safran, Eutelsat Communications, Tikehau Capital, Elior, Néoen, Valeo, and Believe.

It is represented on the Board of Directors by Catherine Pourre.

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
Safran	Director through F&P, held jointly with PEUGEOT INVEST
Arkema *	Director
Eutelsat Communications *	Director
Tikehau Capital Advisors	Director
Tikehau Capital SCA *	Member of the Supervisory Board
Elior Group *	Director
Neoen	Director
Valéo *	Director

Offices and positions held in the last five years and now expired

Company	Functions and current mandates
Zodiac Aerospace *	Director

* *Listed company.*

Catherine POURRE

Permanent representative of FSP on the Board of Directors

Main professional address:
93, Boulevard Haussmann
75008 Paris – France

Age: 65

Nationality: French

Committee member:
Audit and Compliance Committee Chairwoman Member of the Strategy and CSR Committee

Biography

A Graduate of the ESSEC business school and with a degree in Accounting and law from the Catholic University of Paris, Catherine Pourre began her career at PricewaterhouseCoopers, where she was Partner from 1989 to 1999. She then worked for Cap Gemini as President in charge of the High Growth Middle Market, and was a member of the French Group Executive Committee.

She subsequently joined the Unibail-Rodamco Group in 2002, where she served as Senior Executive Vice-president, Finance, Information Technology, Human Resources, Organization and Property Engineering. She then became General Manager of Core Businesses and a member of the Management Board from 2007 to 2013, and Director of U&R Management BV, a subsidiary of the Unibail-Rodamco Group, until 2015.

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
Unibail Rodamco Westfield NV *	Member of the Supervisory Board, Chair of the Governance, Nomination and Remuneration Committee Member of the Audit Committee
Bénéteau S.A. *	Member of the Board of Directors Chairwoman of the Audit Committee Member of the Strategy Committee
Crédit Agricole CIB	Member of the Board of Directors Chairwoman of the Audit Committee Member of the Risk Committee Member of the Appointments and Governance Committee Member of the Remuneration Committee
CPO Services SARL (Luxembourg)	Managing Director

Offices and positions held in the last five years and now expired

Company	Functions and current mandates
Crédit Agricole S.A.* (term of office ended in May 2022)	Member of the Board of Directors Chairwoman of the Audit Committee Member of the Risk Committee Member of the Strategy and CSR Committee
Neopost S.A.* (now called Quadient)	Member of the Board of Directors Remuneration Committee Chairwoman Member of the Audit Committee

* *Listed company.*

GÉNÉRACTION

Main professional address:
5 A, Chemin du Pâquier
1231 Conches – Switzerland

Committee member:
Governance and Remuneration Committee

Number of SEB shares held: 473

Director – member of the Founder Group

- **Date of first appointment:**
AGM of 22 May 2019
- **End date of term of office:**
2023 AGM

Information

GÉNÉRACTION is a Swiss association that brings together the shareholders of SEB S.A. registered on 16 April 2017 in the Trade and Companies Register. It is represented on the Board of Directors of SEB S.A. by Caroline Chevalley.

Other current offices and positions outside of Groupe SEB as at 31/12/2022
None

Offices and positions held in the last five years and now expired
None

Caroline CHEVALLEY

Main professional address:
5 A, Chemin du Pâquier
1231 Conches – Switzerland
Age: 59
Nationality: French & Swiss

Permanent representative of GÉNÉRACTION on the Board of Directors

Biography

Caroline Chevalley holds a law degree from the University of Lausanne and is Vice-Chair of FCL Investissements S.A., a financial holding company. She is co-founder and Chairman of GÉNÉRACTION, an association of shareholders of SEB S.A., created in May 2017.

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
FCL Investissements	Director and member of the Diversification Committee
Company Civile Immobilière Evermont	Managing Director
GÉNÉRACTION	Chairman of the Executive Committee

Offices and positions held in the last five years and now expired
None

Laurent HENRY

Employee director

- **Date of first appointment:** 13 October 2017 (elected by the France Works Council – CGF)
- **Date of last reappointment:** 1 and 2 June 2021
- **End date of term of office:** CGF 2025

Main professional address: Campus SEB
112, chemin du Moulin Carron
69130 Écully – France

Age: 55

Nationality: France

Committee member: Non

Number of SEB shares held: n/a

Biography

Laurent Henry has a master's in Logistics from the École Supérieure in Brest and a master's in Economic Sciences from the University of Caen. He began his career at Moulinex and joined the Group in 2001. He has held various logistics positions and was appointed Head of Logistics at the Mayenne plant in 2012.

Other current offices and positions outside of Groupe SEB as at 31/12/2022
None

Offices and positions held in the last five years and now expired
None

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BPIFRANCE INVESTISSEMENT

Registered office:
27/31, Avenue du Général Leclerc
94710 Maisons-Alfort Cedex, France
535 360 564 RCS Nanterre

Number of SEB shares held:
2,900,000

Independent director

- Simplified joint-stock company with share capital of €20,000,000

- **Date of first appointment:**
AGM of 19 May 2022
- **End date of term of office:**
2026 AGM

Information

BPIFrance Investissement is a simplified stock company, registered on 22 December 2000 in the Trade and Companies Register, which specializes in the fund management sector. BPI France Investissement is represented on the Board of Directors by Anne Guérin.

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
ABEO*	Member of the Board of Directors
ADVICENNE PHARMA*	Member of the Board of Directors
ARKEMA*	Member of the Board of Directors
BALYO*	Member of the Board of Directors
BENETEAU*	Member of the Board of Directors
ELIS*	Non-voting director of the Board of Directors
EUROAPI*	Member of the Board of Directors
EUTELSAT COMMUNICATIONS*	Member of the Board of Directors
FERMENTALG*	Member of the Board of Directors
FORSEE POWER*	Member of the Board of Directors
KAL RAY*	Member of the Executive Board and Superisory Board
MAAT PHARMA*	Non-voting director of the Board of Directors
MCPHY ENERGY*	Member of the Board of Directors
MERSEN*	Member of the Board of Directors
METEX*	Member of the Board of Directors
NACON*	Member of the Board of Directors
NEOEN*	Member of the Board of Directors
SENSORION*	Member of the Board of Directors
SPIE S.A.*	Member of the Board of Directors
TERACT*	Non-voting director of the Board of Directors
VERALLIA*	Member of the Board of Directors
VILMORIN & CIE*	Member of the Board of Directors
VOYAGEURS DU MONDE*	Non-voting director of the Board of Directors

Offices and positions held in the last five years and now expired

Company	Functions and current mandates
ADOCIA*	Member of the Board of Directors
ALBIOMA*	Member of the Board of Directors
BASTIDE LE CONFORT MEDICAL*	Member of the Board of Directors
EOS IMAGING*	Member of the Board of Directors
GENSIGHT BIOLOGICS*	Non-voting director of the Board of Directors
LYSOGENE*	Member of the Board of Directors
PIXIUM VISION*	Member of the Board of Directors
PDXEL*	Non-voting director of the Board of Directors
SOITEC*	Member of the Board of Directors
SUPERSONIC IMAGINE*	Member of the Board of Directors
TXCELL*	Member of the Board of Directors
VERGNET S.A.*	Member of the executive Board and Supervisory Board

* *Listed Companies.*

Anne GUÉRIN

Permanent representative of BPIFrance Investissement on the Board of Directors

- **Date of first appointment:** AGM of 19 May 2022
- **End date of term of office:** 2026 AGM

Main professional address:
27/31, Avenue du Général Leclerc
94710 Maisons-Alfort Cedex, France
535 360 564 RCS Nanterre

Age: 54

Nationality: French

Committee member:
Audit and Compliance Committee Member of the Strategic and CSR Committee

Biography

Anne Guérin holds a degree from ESCP Europe. She began her career as a Senior Associate at the Banque de Développement des PME, before moving to Avenir Entreprises where she served as Investment Director.

She joined Bpifrance in 2008 as Director of the Île-de-France Ouest regional office, then became Head of Export Finance (2014-2016) and after that, Chief Risk Officer (2016-2017). Since 2017, she has served as Executive Director in charge of Financing and Networking.

Other current offices and positions outside of Groupe SEB as at 31/12/2022	
Bpifrance Régions	Director
Groupama	Director
VoisinMalin Association	Director
Bpifrance	Executive Director in charge of Financing and Net working
Holding Fast	Permanent representative of Bpifrance S.A., acting as Chairman
Bpifrance Courtage	Permanent representative

Offices and positions held in the last five years and now expired	
Bpifrance	Chief Risk Officer
Bpifrance	Head of Export Finance
CGG*	Director and permanent representative of Bpifrance Participations
Peugeot S.A.*	Permanent representative of Bpifrance Investments on the Supervisory Board of Peugeot S.A.

* *Listed Companies.*

Thierry LESCURE

Director – member of the Founder Group, member of GÉNÉRACTION

- **Date of first appointment:** AGM of 22 May 2019
- **End date of term of office:** 2023 AGM

Main professional address:
Campus SEB
112, chemin du Moulin Carron
69130 Écully – France

Age: 48

Nationality: French (Swiss resident)

Committee member:
Strategic and CSR Committee

Number of SEB shares held: 5,000

Biography

Thierry Lescure holds a master's degree in Business law and Taxation from the University of Paris, Panthéon Assas Faculty, and a master's in Business Administration from IAE Paris. He also completed an Investment Strategies and Portfolio Management program at Wharton School and an Advanced Asset Management program at INSEAD. After working as a consultant at Tefal UK in London, Thierry Lescure joined Yahoo France in 2001 as a Finance Producer in charge of the Yahoo Finance channel, before serving as Head of E-Commerce.

He then joined Yahoo! Europe in 2004 where he was in charge of Yahoo! Auto. He left this company in 2006 to become Chief Digital Officer at Reed Business Information (Reed Elsevier Group) to create new growth drivers in France and Europe. He then went on to support the development of start-ups. In 2016, he joined the family office of Geneva-based Premium Assets S.A. as Senior Asset Manager.

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
FCL Investissements	Member of the Diversification Committee
50 Partners	Member of the Committee Capital III
GÉNÉRACTION	Member of the Executive Committee

Offices and positions held in the last five years and now expired

Company	Functions and current mandates
Aucelha SARL	Managing Director

William GAIRARD

Director – member of the Founder Group, member of VENELLE INVESTISSEMENT

- **Date of first appointment:** AGM of 12 May 2015
- **Date of last reappointment:** AGM of 22 May 2019
- **End date of term of office:** 2023 AGM

Main professional address: Campus SEB
112, chemin du Moulin Carron
69130 Écully – France

Age: 42

Nationality: French

Committee member:
Strategic and CSR Committee

Number of SEB shares held: 95,070
(of which 27,502 are bare ownership)

Biography

A Graduate of EM Lyon and holder of an IUP master's in Management Sciences from the Université Jean Moulin Lyon III, William Gairard spent seven years as Management and Auditing Controller at Pernod Ricard S.A.

In 2012, he moved to Mexico where he became an entrepreneur. Today, he is a partner and Chief Financial Officer of Zumit (Mexico), a company specializing in the automation of digital processes.

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
Ecopro Solutions S.A. de C.V. (Mexico)	Chief Executive Officer
Zumit (Mexico)	Chief Financial Officer

Offices and positions held in the last five years and now expired

None

Jérôme LESCURE

Director – member of the Founder Group, member of VENELLE INVESTISSEMENT

- **Date of first appointment:** AGM of 19 May 2016 (Director of SEB S.A. from 1994 to 2005)
- **Date of last reappointment:** AG 2020
- **End date of term of office:** 2024 AGM

Main professional address:
Campus SEB
112, chemin du Moulin Carron
69130 Écully – France
Age: 62
Nationality: French
Committee member:
Audit and Compliance Committee
Number of SEB shares held: 42,257

Biography

An architecture Graduate of the Paris École Spéciale d'Architecture, with a master's degree in industrialized construction from the École Nationale des Ponts et Chaussées and an MBA from HEC. Jérôme Lescure held various management and oversight roles in English-speaking corporations prior to becoming a partner at A.T. Kearney, a strategy consultancy company. He then joined Accenture as Director of Consulting for France.

Since 2013, Jérôme Lescure has been an entrepreneur and investor. He is now Chairman and CEO of Neofor, an industrial wood-processing group.

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
Lavilla S.A.R.L.	Co-Managing Director
NEOFOR S.A.S.	Representative of Chairman Lavilla
Additio S.A.S.	Chairman
MANUTAN INTERNATIONAL S.A.*	Director

Offices and positions held in the last five years and now expired

Company	Functions and current mandates
APICAP (former OTC Asset Management S.A.S.)	Chairman
CAMSEL S.A.S.	Chairman
Brassac Holding S.A.S.	Chairman
Les Bois du Midi S.A.S.	Chairman
Ymagis S.A.*; Active 3D; Inspirational Stores S.A. D3T; Archimen S.A.S. Group	Director, permanent representative of APICAP

* *Listed company.*

Aude DE VASSART

Director – member of the Founder Group, member of VENELLE INVESTISSEMENT

- **Date of first appointment:** AGM of 22 May 2019
- **End date of term of office:** 2023 AGM

Main professional address:
Campus SEB
112, chemin du Moulin Carron
69130 Écully – France
Age: 44
Nationality: French
Committee member: No
Number of SEB shares held: 51,724 (of which 19,560 are bare ownership)

Biography

Aude de Vassart holds a degree from ISEP and an MBA from HEC. She began her career in 2001 as an electrical engineer in England at STMicroelectronics, then at SuperH. She returned to France in 2003 and joined Texas Instruments, where she held several positions in R&D and then in marketing, before becoming Head of Marketing at Oberthur Technologies for six years.

From 2018 to 2021, Aude de Vassart managed the urban mobility business line at IDEMIA, handling the manufacture and marketing of transportation cards at the leading augmented identity company. Since February 2021, Aude de Vassart has been Vice-president of Sales & Customer Excellence at Linxens.

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
VENELLE INVESTISSEMENT	Member of the Supervisory Board
MECAFIN	Managing Director

Offices and positions held in the last five years and now expired

Company	Functions and current mandates
Alliance OSPT (Germany)	Director

VENELLE INVESTISSEMENT

Registered office:
72, rue du Faubourg Saint-Honoré
75008 Paris – France
414 738 070 RCS Paris

Committee member:
Governance and Remuneration Committee

Number of SEB shares held: 19,687

Director – member of the Founder Group

- Simplified joint-stock company with share capital of €1,875,368.34

- **Date of first appointment:** 27 April 1998
- **Date of last reappointment:** AGM of 19 May 2020
- **End date of term of office:** 2024 AGM

Information

VENELLE INVESTISSEMENT is a controlling family holding company which was registered on 9 December 1997.

It is represented on the Board of Directors of SEB S.A. by Damarys Braida.

Other current offices and positions outside of Groupe SEB as at 31/12/2022
None

Offices and positions held in the last five years and now expired
None

Damarys BRAIDA

Main professional address:
72, rue du Faubourg Saint-Honoré
75008 Paris – France

Age: 54

Nationality: French

Permanent representative of VENELLE INVESTISSEMENT on the Board of Directors

Biography

A Graduate of the École des Mines engineering school in Paris, Damarys Braida joined L'Oréal in 1991 to set up the capillary asset laboratory. After having held several Research positions, she has been managing the global strategy for Innovation and Product Development since 2021.

Other current offices and positions outside of Groupe SEB as at 31/12/2022

Company	Functions and current mandates
VENELLE INVESTISSEMENT	Chairwoman

Offices and positions held in the last five years and now expired

Company	Functions and current mandates
VENELLE PLUS	Chief Executive Officer

SUMMARY TABLE OF DIRECTORS AT 31/12/2022

Surname – First name	Nationality	Age	Gender	Number of SEB shares held at 31/12/2022	Number of offices in other listed companies as at 31/12/2022	End date	Start date	Capacity	Committee Member	Individual attendance rate 2022 Committee	Board
THIERRY DE LA TOUR D'ARTAISE	French	68	M	503,244	0	2024 AGM	03-05-1999 AGM Ratification of co-optation	Chairman	Strategic and CSR	100%	100%
DELPHINE BERTRAND	French	57	F	18,362	0	2026 AGM	11-05-2017 AGM Ratification of co-optation	-	No	-	100%
NORA BEY	French	49	F	110	0	2023 Group Eurppean Council (6)	Appointment by the Group European Committee of 27-06-2019	Employee	No	-	100%
YSEULYS COSTES	French	50	F	825	1	2025 AGM	14-05-2013 AGM(1)	Independent	Audit and Compliance	100%	100%
JEAN-PIERRE DUPRIEU	French	70	M	439	2	2023 AGM	22-05-2019 AGM	Independent	Governance and Remuneration (Chairman)	100%	70% (3)
PEUGEOT INVEST ASSETS (Bertrand Finet)	French	57	M	2,223,674 (4)	2 (5)	2025 AGM	14-05-2013 AGM	Independent	Governance and Remuneration Strategic and CSR	100%	80%
BRIGITTE FORESTIER	French	51	F	220	0	2025 AGM	11-05-2017 AGM	Employee shareholder	Governance and Remuneration	100%	100%
FSP (Catherine Pourre)	French	65	F	2,620,575 (4)	2 (5)	2024 AGM	15-05-2014 AGM Ratification of co-optation(2)	Independent	Audit and Compliance (Chairwoman) Strategic and CSR	100%	100%
WILLIAM GAIRARD	French	42	M	95,070	0	2023 AGM	12-05-2015 AGM	-	Strategic and CSR	100%	100%
GÉNÉRACTION (Caroline Chevalley)	French & Swiss	59	F	473 (4)	0 (5)	2023 AGM	22-05-2019 AGM	-	Governance and Remuneration	100%	100%
LAURENT HENRY	French	55	M	N/A	0	2025 France Works Council	Appointment by the France Works Council on 13/10/2017; joined the BoD on 14/12/2017	Employee	No	-	100%
BPI FRANCE INVESTISSEMENT (Anne Guérin)	French	54	F	2,900,000	1	2026 AGM	19-05-2022 AGM	-	Audit and Compliance Strategic and CSR	100%	100%
JÉRÔME LESCURE	French	62	M	42,257	1	2024 AGM	19-05-2016 AGM	-	Audit and Compliance	100%	100%
THIERRY LESCURE	French	48	M	5,000	0	2023 AGM	22-05-2019 AGM	-	Strategic and CSR	100%	100%
AUDE DE VASSART	French	44	F	51,724	0	2023 AGM	22-05-2019 AGM	-	No	-	100%
VENELLE INVESTISSEMENT (Damarys Braida)	French	55	F	19,687 (4)	0 (5)	2024 AGM	27-04-1998 AGM Ratification of co-optation	-	Governance and Remuneration	100%	100%
Total attendance rate in 2022										**100%**	**96%**

(1) PEUGEOT INVEST ASSETS was co-opted by decision of the BoD on 23 July 2013 to replace FFP (now called PEUGEOT INVEST).
(2) FSP was co-opted by decision of the BoD on 25 February 2014 to replace Philippe Lenain.
(3) Absence from three meetings, including an ad hoc meeting not scheduled in the usual annual calendar.
(4) Number of shares held by the legal entity.
(5) Number of offices held in listed companies by the permanent representative of the legal entity.
(6) Nora Bey's term of office as Director representing employees was renewed for a period of four years at the meeting of the Groupe SEB European Works Council on February 6, 2023.

REAPPOINTMENTS, APPOINTMENTS, RESIGNATIONS, AND REMOVAL OF DIRECTORS IN 2022

Reappointments and appointments

In accordance with Article 17 of the company's bylaws and with the recommendations of the AFEP-MEDEF Code, the duration of directors' terms of office is staggered, enabling shareholders to vote regularly and frequently on the composition of the Board of Directors and avoid any mass reappointments.

This system ensures the continuity of operation of the Board of Directors and encourages the smooth and regular reappointment of its members.

During the last year, the Annual General Meeting of 19 May 2022 reappointed the directorship of Delphine Bertrand for a four-year term and appointed BPIFRANCE Investissement, represented by Anne Guérin, as an independent director for a four-year term.

Resignations

No directors resigned in 2022.

Summary table of changes to the composition of the Board of Directors during the 2022 financial year

Departure	Appointment	Reappointment
At the end of the Annual General Meeting of 19 May 2022, end of the term of office of Jean-Noël Labroue	At the Annual General Meeting of 19 May 2022, appointment of BPIFRANCE Investissement, represented by Anne Guérin	At the Annual General Meeting of 19 May 2022, reappointment of Delphine Bertrand as a Director

On February 6, 2023, the Groupe SEB European Works Council renewed Nora Bey's term of office as Director representing employees for a period of 4 years.

SUMMARY OF HOW DIRECTORS' TERMS OF OFFICE ARE STAGGERED

Director	2023 AGM	2024 AGM	2025 AGM	2026 AGM
Thierry de La Tour d'Artaise		•		
Delphine Bertrand				•
Nora Bey	•			
Yseulys Costes			•	
Jean-Pierre Duprieu	•			
Brigitte Forestier			•	
PEUGEOT INVEST ASSETS (Bertrand Finet)			•	
FSP (Catherine Pourre)		•		
William Gairard	•			
GÉNÉRACTION (Caroline Chevalley)	•			
Laurent Henry			•	
BPIFRANCE INVESTISSEMENT (Anne Guérin)				•
Thierry Lescure	•			
Jérôme Lescure		•		
Aude de Vassart	•			
VENELLE INVESTISSEMENT (Damarys Braida)		•		

CHANGES TO THE COMPOSITION OF THE BOARD OF DIRECTORS IN 2022

The Board of Directors' proposals for appointments and/or reappointments of directors, as recommended by the Governance and Remuneration Committee, to be submitted to the Annual General Meeting on 17 May 2023, are detailed in Chapter 8 of this Universal Registration Document.

DECLARATIONS OF THE DIRECTORS

Founder family connection

All directors belonging to the Founder Group are descendants, directly or by marriage, of the Founder-Chairmen Frédéric Lescure and Henri Lescure.

There is no family connection between Board members and members of the Executive Committee, with the exception of Thierry de La Tour d'Artaise, who is a cousin by marriage to varying degrees of the directors of the Founder Group.

Absence of criminal convictions or sanctions

To the best of the company's knowledge, in the last five years, none of the directors or executive officers (Chief Executive Officer and Chief Operating Officer):

- has been convicted of fraud, nor has been the subject of any official charge and/or sanction by the regulatory authorities;
- has been subject to any court order or restriction on serving as a member of a Management Board, Board of Directors or Supervisory Board, or from being involved in the management or affairs of an issuer of securities;
- has been subject, in their capacity as executive officer, or senior manager to bankruptcy, receivership or liquidation.

Absence of conflicts of interest

As far as the company is aware, and in line with its conflict of interest management policy outlined below, there is no potential conflict of interest between the duties, vis-à-vis SEB S.A., of the members of the administration bodies and the General Management and their private interests.

Service contracts

No member of the Board of Directors or the General Management has any contractual service relationship with SEB S.A. or its subsidiaries that provides for benefits to be granted when the contract ends.

Regulated agreements

The existing related party agreements have been authorized in advance in accordance with the law and are described in Chapter 2.5, “Remuneration policy”, as well as in the Statutory auditors’ report on regulated agreements. Pursuant to Article L. 225-40-1 of the French Commercial Code, agreements signed and authorized in prior years which continued in 2022 were reviewed at the Board of Directors’ Meeting on 22 February 2023. The directors had no comments to make, particularly with regard to their purpose or their financial conditions.

It should be noted that the previously authorized regulated agreements and commitments, concluded between the company and Thierry de La Tour d’Artaise, as well as those authorized and concluded between the company and Stanislas de Gramont, ended on 30 June 2022, with regard to the changes in the roles of these two executives (see paragraph 2.2).

Description of the procedure for evaluating agreements relating to current operations concluded under normal conditions

In accordance with the provisions of Article L. 22-10-12 of the French Commercial Code, the Board of Directors’ Meeting of 22 July 2020 acted on the proposal of the Governance and Remuneration Committee, approving and implementing a procedure for evaluating whether agreements relating to current operations that were concluded under normal conditions meet these criteria. This procedure aims firstly to summarize the regulatory framework applicable to regulated agreements, and secondly, to identify and classify the agreements that are subject to the regulated agreements procedure in order to distinguish them from free agreements. Known as “current agreements concluded under normal conditions”, these must be regularly evaluated against legal requirements. The purpose of this procedure is to avoid any potential conflict of interest with regard to Groupe SEB.

As such, the decision was made to apply the procedure to all agreements concluded, not only by the parent company SEB S.A. but also by its controlled subsidiaries, with the executive officers or shareholders of SEB S.A.

As part of the procedure for evaluating agreements concluded under normal conditions, the Governance and Remuneration Committee reviews the financial flows between the company and interested persons within the meaning of the regulations, and reports to the Board of Directors on an annual basis. In case of doubt about the qualification of an agreement, the verification of compliance with current status and normal conditions is carried out by the Governance and Remuneration Committee so that, if necessary, the Board of Directors implements the regulated agreement procedure. In this case, people directly or indirectly interested in this agreement do not participate in its evaluation.

MARKET ETHICS CHARTER

The Board of Directors’ Charter and internal rules inform the directors about the need to comply with trading regulations and, in particular, rules relating to the use and disclosure of sensitive or inside information.

Groupe SEB has also adopted a Market Ethics Charter that details the obligations of directors and persons with whom they have close personal ties, the company’s senior managers, and certain employees that may habitually hold sensitive information, in accordance with the applicable laws and regulations. This is regularly updated, particularly in order to incorporate any changes to the texts. This Charter has also been translated into English so that it can be distributed to a wider audience.

At the end of the Board of Directors’ Meeting on 19 December 2013, the secretary of the Board of Directors, Philippe Sumeire, was appointed as Ethics officer, to advise any directors or employees who may have doubts as to the application of the stock market law provisions applicable to them.

INDEPENDENCE OF THE DIRECTORS

With five independent directors, i.e. more than one-third of the directors (the employee directors and employee shareholder directors are not included in this calculation), the composition of the Board of Directors meets the recommendations of the AFEP-MEDEF Code, according to which, “*in controlled companies*, independent directors should account for at least a third”.

The independent status of each individual director is examined by the Governance and Remuneration Committee prior to their appointment or reappointment and annually during Board evaluations. To this end, a “Selection guide” is used, which aims to ensure that the candidate meets all the independence criteria defined by the AFEP-MEDEF Code before any proposal for appointment or reappointment is made, as described below:

- is not an employee or executive officer of the company, nor an employee, nor an executive officer or director of a company consolidated by the company, its parent company or a company consolidated by such parent company, and has not been in such a position for the last five years (**criterion 1**);

- is not an executive officer of a company in which the company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the company (who is currently in office or has held such office within the last five years) is a director (**criterion 2**);
- is not a customer, supplier, investment banker, commercial banker or adviser that is material to the company or its Group, or for which the company or its Group represents a material portion of the business (**criterion 3**);
- does not have close family ties with an executive officer (**criterion 4**);
- has not been a statutory auditor of the company in the last five years (**criterion 5**);
- has not been a director of the company for more than twelve years (**criterion 6**);
- a non-executive director cannot be considered independent if they receive variable remuneration in cash or securities or any remuneration related to the performance of the company or the Group (**criterion 7**); and
- Directors representing major shareholders of the company or its parent company may be considered independent provided that these shareholders are not involved in controlling the company. However, the Board, based on a report from the Governance and Remuneration Committee, will automatically question whether or not a holding of more than 10% of the capital or voting rights can be considered independent, taking into account the company's capital composition and the existence of a potential conflict of interest (**criterion 8**).

The conclusions of the review conducted by the Governance and Remuneration Committee are then sent to the Board of Directors so it can make a final decision.

The procedure for managing conflicts of interest (set out below) enables the Committee to rule, on a yearly basis, on any conflicts of interest and to ensure that independent directors have no connection with the company, its Group or its Management team that is likely to compromise them in exercising freedom of judgment.

Therefore, after examining the findings of the Governance and Remuneration Committee and the individual status of the members of the Board of Directors in light of the criteria set out by the AFEP-MEDEF Code, the Board of Directors found that Yseulys Costes, Jean-Pierre Duprieu, Bertrand Finet (permanent representative of PEUGEOT INVEST ASSETS), Anne Guérin (representative of BPI France Investissement), and Catherine Pourre (permanent representative of FSP) qualified as independent directors.

DIRECTORS' STATUS IN TERMS OF INDEPENDENCE CRITERIA

Criteria	Yseulys Costes	Jean-Pierre Duprieu	Bertrand Finet (Peugeot Invest Assets)	Anne Guérin (BPI France Investissement)	Catherine Pourre (FSP)
Criterion 1: Employee/Executive officer within the last five years	√	√	√	√	√
Criterion 2: Cross-directorships	√	√	√	√	√
Criterion 3: Material business relationships	√	√	√	√	√
Criterion 4: Family ties	√	√	√	√	√
Criterion 5: Statutory auditor	√	√	√	√	√
Criterion 6: Director for more than 12 years	√	√	√	√	√
Criterion 7: Status of non-executive director	√	√	√	√	√
Criterion 8: Status of major shareholder	√	√	√	√	√
Classification adopted by the Board of Directors	Independent	Independent	Independent	Independent	Independent

(In this table, √ denotes an independence criterion that has been met and × denotes an independence criterion that has not been met).

In addition to the criteria laid down by the AFEP-MEDEF Code, the company takes an active interest in ensuring that the operation and organization of the Board of Directors' work allows all its members to make full use of their freedom of judgment.

Pursuant to the Charter and the internal rules, the directors undertake "*to maintain their independence of analysis, judgment, decision and action and to reject any pressure, direct or indirect, which may come to bear on them*".

Following the evaluation of the Board of Directors in 2022, the directors said they were mostly satisfied with the number and role of the independent directors and stressed how important their contribution is.

MANAGING CONFLICTS OF INTEREST

Various procedures have been formalized to prevent and identify any risk of conflicts of interest, at the time of appointment, during the term of office or on the reappointment of directors.

When a director is appointed or reappointed, the Governance and Remuneration Committee checks compliance with the criteria defined by the AFEP-MEDEF Code as outlined above, identifies conflicts of interest, and ensures that any risks identified are unlikely to create a conflict of interest.

The individual status of directors is also reviewed on a yearly basis using an individual questionnaire analyzed by the Governance and Remuneration Committee. The latter reports its findings to the Board of Directors, which is consequently informed about the status of each director.

The annual declarations submitted for review at the Governance and Remuneration Committee Meeting of 8 December 2022 and the Board of Directors' Meeting of 15 December 2022 did not reveal any conflicts of interest.

During their term of office, directors are also obliged to perform their duties in strict compliance with the corporate interest. Directors are therefore obliged to inform the Board of Directors should a conflict of interest occur when a meeting agenda is published, or during the course of a meeting. The Board must then decide, if necessary, without the director concerned being present, whether they should take part in the debate and/or vote on the agenda items in question, pursuant to the provisions of the Directors' Charter and the internal rules.

As in previous years, the Governance and Remuneration Committee reviewed the business transactions between some Groupe SEB entities and Numberly – 1000mercis Group, of which Yseulys Costes is Chairwoman and Chief Executive Officer. This business flow corresponds to advertising and interactive marketing services requested by Groupe SEB France to support its activation plans. In 2016, the governance and remunerations Committee examined the history of this business relationship and the way in which it was managed by the operational teams. The selection process was also checked, as were the reasons behind the decision to collaborate with Numberly – 1000mercis Group. This review was conducted again in 2020, prior to the proposal to renew the term of office of Yseulys Costes, and the Governance and Remuneration Committee found that:

- the relationship between SEB and Numberly – 1000mercis Group preceded the term of office of Yseulys Costes;
- the relationship is only managed by the operational teams;
- SEB is not a significant client of Numberly – 1000mercis Group.

Numberly – 1000mercis Group is a leader on the interactive marketing market. The volume of sales Numberly made with Groupe SEB in 2022 amounted to €5.4 million excluding tax, down compared to 2021. This represents about 7% of Numberly's total sales excluding tax and 0.08% of Groupe SEB's consolidated sales excluding tax. Given the above, the Board of Directors, at its meeting of 22 February 2023, found that this business relationship was unlikely to compromise Yseulys Costes' independence of judgment and ruled out the possibility of a conflict of interest, thus confirming her status as an independent director.

ORGANIZATION AND OPERATION OF THE BOARD OF DIRECTORS

ROLE AND MEETINGS OF THE BOARD OF DIRECTORS

Role of the Board of Directors

Pursuant to Article 225-35 of the French Commercial Code and the company's bylaws, the Board of Directors determines the company's business strategies and ensures that they are implemented in line with the company's interests while considering the social and environmental challenges that arise from the business. The Board also deals with all matters regarding the proper functioning of the company and acts on all matters in its purview, to the extent of the corporate purpose and subject to the powers explicitly assigned by the law to General Meetings of shareholders. The Board of Directors also carries out the checks and verifications that it deems to be appropriate.

The prior approval of the Board is required to decide on the Group's strategy, budgets, management structures and acquisitions, on the proposal of the Chairman and in accordance with the internal rules of the Board of Directors.

With regard to decisions relating to the possible use of Annual General Meeting authorizations to increase the capital, the Board of Directors nevertheless decided, as an internal rule and in view of the importance of such authorizations, that decisions should be made by a qualified majority vote of 13/16ths of the members present or represented.

A Board of Directors focused on strategy

As regards strategic matters, the Charter and internal rules state that "*the Board of Directors determines the Group's strategy*". It is therefore consulted and invited to give an opinion before any strategic decisions are made. This role positions the Board of Directors as the focus of strategy and ensures an appropriate balance of power.

The Board of Directors is given detailed information about the Group's activity and results at every meeting to give it a better understanding of strategic issues. It also receives information about its financial performance, its stock market and financial universe, its products and its competitive universe throughout the year.

The systematic presence of the Group's senior managers at meetings allows directors to benefit from any additional information required, and from accurate and useful answers to any questions that may arise during discussions.

The role of the Board of Directors is not restricted to acquisitions. It remains at the heart of any plans outside the framework of the announced strategy if the investment is significant.

In line with suggestions for improvements following the evaluation of the Board of Directors performed annually, the Board reserves a special time slot for an annual seminar to discuss Group-wide topics put forward by directors. (Development of retail distribution and e-commerce, strategies, the Innovation department's roadmaps.) Lastly, a Strategy and CSR Committee was created in July 2022.

Meetings of the Board of Directors

The Board of Directors met 10 times in 2022. Three of these meetings were held remotely due to the requirement that the maximum number of attendees possible is present for exceptional meetings, the dates of which were set within a short period. The attendance rate was 96%. The individual attendance rate of each director is shown in the summary table of directors included on page 85 of this chapter.

The meetings are generally arranged as follows:

- February: review of the annual financial statements for the last financial year, approval of the budget for the current year, report on the implementation of the procedure for evaluating current agreements concluded under normal conditions and evaluation of regulated agreements, projects on the resolutions and convening of the Annual General Meeting, monitoring of diversity objectives;
- April: review of quarterly results, Sustainable development Policy and review of the CSR Report; shareholder analysis and visit of a factory, a commercial or a industrial subsidiary preferably abroad;
- May: meeting following the Annual General Meeting to approve the annual free performance share award program and the activation of any delegations granted by the Annual General Meeting;
- July: Examination of the half-yearly financial statements;
- October: review of quarterly results, report on the Audit and Compliance Committee's compliance and internal control work and the Board of Directors' Seminar since its introduction in 2020;
- December: Review of the financial statements at the end of October, report from the Governance and Remuneration Committee on the evaluation and composition of the Board of Directors, the management of conflicts of interest, Annual Review of Human Resources, diversity policy.

A meeting is traditionally held each year at one of Groupe SEB's sites in France or abroad as indicated below. In April 2022, the meeting was held in Zuchwill, Switzerland, the location of the Schaerer plant. This subsidiary manufactures professional coffee machines.

Furthermore, since 2019 it was decided to set up an annual Board of Directors' Seminar for presentations on particular topics. The topics are chosen in advance following consultation with the directors. In 2022, the China strategy and the direct sales strategy (including online sales) were presented.

To facilitate certain deliberations, meetings of the Board of Directors and its Committees may take place without the presence of the Chairman, as necessary. This is the case for the annual assessment of Thierry de La Tour d'Artaise's performance by the Governance and Remuneration Committee, whose findings are submitted to the Board of Directors. The latter are free to deliberate in the absence of the interested party.

To encourage directors to attend meetings, the company has introduced the following:

- drafting and publication of the schedule of Board of Directors and Committee Meetings at least one year in advance;
- option to take part in meetings over the telephone or by videoconference if directors are unable to attend in person.

As an outcome of the Board of Directors' evaluation (which took place at the end of 2022), the directors said they were very satisfied with how meetings are organized, and especially the meeting schedule, interaction with management teams and the materials made available to them.

CHAIRMAN OF THE BOARD OF DIRECTORS

In his position as Chairman of the Board of Directors, Thierry de La Tour d'Artaise represents the Board of Directors. To this end, he is notably responsible for:

- organizing and directing the work of the Board of Directors, organizing the work of the Committees;
- reporting on the work of the Board of Directors to the Annual General Meeting;
- ensuring that the company's corporate bodies all run smoothly in accordance with the law and with principles of good governance;
- ensuring that the directors are able to perform their tasks.

In addition, to ensure that members of the Board of Directors are fully informed, the Chairman of the Board of Directors may be asked by the members to obtain additional information when relevant and necessary to perform their duties, in accordance with the Directors' Charter and the internal rules.

Furthermore, at its meeting on 10 February 2022, the Board of Directors, on the recommendation of the Governance and Remuneration Committee and after discussion with Thierry de La Tour d'Artaise and Stanislas de Gramont, in light of the separation of the roles of Chairman of the Board of Directors and Chief Executive Officer, decided to assign the following duties to Thierry de La Tour d'Artaise, in his capacity as Chairman of the Board of Directors:

- representing the Group in dealings with bodies, public institutions and stakeholders and, more generally, in its high-level relationships;
- responsibility for managing dialog with shareholders;
- assisting the Chief Executive Officer in their new duties;
- managing the Group's external growth strategy, including as part of the investments carried out by the SEB Alliance investment company;
- monitoring the CSR policy, chairing and running the Strategy and CSR Committee;
- ensuring that the Group's values and image are respected.

In order to determine the scope of the Chairman of the Board of Directors' duties and assign extensive duties to him, the Board of Directors took Thierry de La Tour d'Artaise's experience, service and expertise into consideration – in particular, his detailed knowledge of the business sector. Within the scope of these extended duties, the Chairman acts in close collaboration with the Chief Executive Officer, who alone provides the Group's operational oversight and management.

SECRETARY OF THE BOARD OF DIRECTORS

To ensure the smooth operation of the Board of Directors, it appoints a secretary, who does not have to be a director. Philippe Sumeire, the Legal Group's Executive Vice-president, is therefore secretary of the Board of Directors, having been appointed on 16 December 2011. He is tasked with helping the Chairman of the Board of Directors organize the work of the Board of Directors and its Committees. His role is to plan meetings, define agendas, disseminate information and draft minutes.

BOARD OF DIRECTORS' COMMITTEES

Since 1995, the Board of Directors has had two specialized Committees to help it in areas for which specific skills and meetings are required. In the past, these two Committees were called the Audit Committee and the Nominations and Remuneration Committee.

At its meeting on 23 July 2019, the Board of Directors voted to change the Committee names to reflect how the Committees have evolved over time. The new names are: Audit and Compliance Committee, Governance and Remuneration Committee.

Furthermore, the membership of these Committees has changed to take into account changes in the shareholder base while still complying with AFEP MEDEF Code recommendations on independence directors.

The operation of the Committees is specifically assessed as part of the procedure for the annual evaluation of the Board of Directors. After the evaluation was conducted in 2022, the directors again said they were satisfied with the quality of their contribution and with the way they operate.

In view of the growing importance of CSR topics, their need to be part of the Group's overall strategy and in its day-to-day operational performance, the Board of Directors, on the recommendations of the Governance and Compensation Committee, decided to set up a Strategy and CSR Committee in 2022. The purpose of this Committee is to enable the Board of Directors to prepare its strategic decisions, particularly with regard to external growth, to manage and assess the Group's CSR strategy and results.

COMPOSITION OF THE BOARD OF DIRECTORS AS AT 31 DECEMBER 2022

Committee members	Audit and Compliance	Governance and Remuneration	Strategy and CSR
Caroline Chevalley		(M)	
Yseulys Costes	(I)		
FSP Catherine Pourre	(PI)		(I)
BPIFRANCE INVESTISSEMENT Anne Guérin	(I)		(I)
Jérôme Lescure	(M)		
Jean-Pierre Duprieu		(PI)	
PEUGEOT INVEST ASSETS Bertrand Finet		(I)	(I)
VENELLE INVESTISSEMENT Damarys Braida		(M)	
William Gairard			(M)
Thierry Lescure			(M)
Brigitte Forestier		(M)	
Thierry de La Tour d'Artaise			(P)

(M) Committee Member.
(I) Member of a Committee, Independent Director.
(PI) Chair of a Committee, Independent Director.
(P) Chairman of Committee.

The Audit and Compliance Committee as at 31 December 2022

CHAIRPERSON

Catherine Pourre, an independent director and permanent representative of FSP, chairs the Audit and Compliance Committee.

NUMBER OF MEETINGS

Five, one of which was held remotely

ATTENDANCE RATE

100%

PERCENTAGE OF INDEPENDENT DIRECTORS

75%

WORK AND POWERS

To better perform their specific roles, and in accordance with the recommendations of the AFEP-MEDEF Code, each member has financial or accounting skills.

The work of the Audit and Compliance Committee is based on the following responsibilities:

- reviewing and informing the Board of Directors about identifying, evaluating and handling the main financial risks to which the Group may be exposed;
- assessing the internal control policy, annual internal audit programs and their conclusions, and formulating all recommendations in these areas;
- ensuring the relevance and reliability of the accounting methods used to prepare the annual and half-yearly financial statements;
- assessing the quality of the financial statements presented to the Board;
- examining the procedures put in place by the Group with a view to compliance, anti-fraud and anti-corruption, as well as the training and audit programs run to ensure compliance is respected, carrying out any evaluations and making recommendations to that effect;
- preparing the statutory auditor selection process, overseeing the process for appointing Statutory auditors, and ensuring they are independent;

The Audit and Compliance Committee may request opinions or consultations from external experts on specific points.

Audit and Compliance Committee Meetings are usually held in the presence of the Statutory auditors, the Senior Executive Vice-president, Finance, the Audit and Internal Control Director, the Accounting and Taxation Director, and the Secretary of the Board of Directors.

For logistical and organizational reasons, Audit and Compliance Committee Meetings are generally held one day prior to examining the half-yearly and annual financial statements by the Board of Directors. However, any documents that are useful for Audit and Compliance Committee Meetings are sent in advance so Committee members can familiarize themselves with the documents prior to the meeting and prepare for the Board of Directors' deliberations on the financial statements.

The review of the financial statements is accompanied by a presentation from the Statutory auditors stressing the main points identified during their audits, their procedures, the accounting options selected, and a report describing the exposure to risks and significant off-balance sheet commitments, including climatic.

At the end of its meetings, the Audit and Compliance Committee prepares a report which is sent to all the directors, informing them fully of the content of its discussions as well as its conclusions and recommendations.

Since 2018, given the increase in powers granted to the Audit and Compliance Committee, it has been decided that an additional meeting will be arranged each year, usually in October, to devote more time to issues relating to risk mapping and Group-wide compliance issues, particularly regarding anti-corruption. In addition, from 2021 onwards, an additional meeting (generally held in January) has been added to the annual meeting schedule for this Committee to discuss the results of internal control.

MAIN WORK

As is its prerogative, in 2022, the Audit and Compliance Committee audited the following, as it does every year:

- the draft annual financial statements as of 31 December 2021 and the draft half-yearly financial statements as of 30 June 2022, prior to their submission to the Board of Directors;
- the main French and foreign legislation and regulations, reports and commentary on risk management, internal control and audit;
- the type and results of the Statutory auditors' work; their comments and recommendations regarding internal control;
- a review of tasks they have accomplished on top of their legal duty to review the financial statements;
- the review of the main findings of the internal audits carried out in 2022;
- the review of the internal control action plan;
- establishment of a captive reinsurance company;
- the proposed schedule of internal audits for 2023;
- the mapping and analysis of major risks;
- the mapping of anti-corruption risks and the draft anti-corruption Code of Conduct.

The above shows that the Audit and Compliance Committee:

- was informed by the Statutory auditors of the content and conclusions of their audit and was given the opportunity to hold discussions with them;
- was able, with the help of the presentations made by the Senior Executive Vice-president, Finance and her team, to understand and assess the company's significant risks and off-balance sheet commitments.

The Governance and Remuneration Committee as at 31 December 2022

CHAIRPERSON
The Governance and Remuneration Committee is chaired by Jean-Pierre Duprieu, independent director.
NUMBER OF MEETINGS
5, all in person
ATTENDANCE RATE
100%
PERCENTAGE OF INDEPENDENT DIRECTORS
50% (excluding the employee director) – The Chairman, who is an independent director, has the de-ciding vote

WORK AND POWERS

The work of the Governance and Remuneration Committee is based around the following:

- issuing recommendations on the composition of the Board of Directors, the appointment or reappointment of Board members, and the Group's organization and structures;
- examining, implementing and assessing the procedure for selecting future independent directors and conducting its own research into potential candidates before any approach is made;
- preparing an annual report and evaluating the implementation of this procedure, and presenting these to the Board of Directors;
- issuing recommendations on the non-discrimination and diversity policy, particularly in terms of gender balance on governance bodies and diversity objectives; drawing up and monitoring succession plans, particularly for senior executives and company officers;
- establishing and monitoring succession plans, particularly for senior managers and executive officers;
- proposing the compensation policy for executive officers and examining the compensation policy for the main senior managers;
- proposing the introduction of and procedures for stock option plans and performance shares;
- issuing recommendations on governance and/or ethics matters;
- reviewing, implementing and evaluating the procedure for reviewing current agreements concluded under normal conditions and monitoring regulated agreements as well as the procedure for selecting independent directors;
- to help prevent conflicts of interest, examining the criteria for classification as an independent director and avoiding the risk of conflicts of interest arising between the director and management, company or Group;
- reviewing the Group's sustainable development policy, analyzing the Group's CSR issues, and conducting an annual review of completed CSR actions and the main non-financial performance indicators, which will now fall within the scope of the Strategic Committee and CSR's responsibilities.

In addition, if necessary, the Governance and Remuneration Committee may request opinions or consultations from external experts on specific points.

Meetings of the Governance and Remuneration Committee are usually held in the presence of Thierry de La Tour d'Artaise (except when the Committee deliberates on his personal situation), the Director of Human Resources, and the Secretary of the Board of Directors.

In its work on the composition of the Board of Directors, the Governance and Remuneration Committee examines each candidacy based on the following criteria:

- the composition of the shareholder base;
- the skills, experience and representative nature of the candidate;
- the diversity of experience brought together within the Board of Directors;
- compliance with the diversity policy;
- gender balance;
- the primacy of the corporate interest;
- the collegiality, balance, agility and efficacy of the Board.

In addition, independent directors of SEB S.A. are selected in accordance with the procedure documented by the Governance and Remuneration Committee, approved by the Board of Directors and appended to the internal rules of the Board of Directors.

As an outcome of the Board of Directors' evaluation in 2022, Board members expressed their satisfaction with the quality of its work.

At the end of its meetings, the Governance and Remuneration Committee produces a detailed report to which members of the Board of Directors can have access at any time, so they are fully aware of the content of its discussions and its conclusions and recommendations.

MAIN WORK

In 2022, the Governance and Remuneration Committee:

- reviewed and implemented the separation of the roles of Chairman and CEO;
- reviewed the candidacies of directors whose appointment or reappointment was proposed at the following Annual General Meeting;
- made recommendations on the 2022 variable remuneration and 2023 fixed and variable remuneration for the corporate officers, and other members of the Executive Committee;
- assessed the performance of the Chairman, in his absence, as well as the performance of the Chief Executive Officer, in his absence, and the other members of the Executive Committee;
- compiled the responses to the evaluation of the Board of Directors as well as directors' self-assessments and made recommendations in this regard;
- reviewed the answers given by directors to the annual questionnaire designed to prevent and identify conflicts of interest, and made recommendations on the business relationship between the Group and Numberly – 1000mercis Group, of which Yseulys Costes is Chairwoman and CEO;
- reviewed several reports on governance and assessed how relevant they were to Groupe SEB's governance;
- conducted the annual review of Human Resources;
- reviewed the applications for vacant management positions;
- made recommendations regarding the composition of the Management Board, the Executive Committee and regarding the monitoring of diversity objectives;
- at its meeting on 10 February 2022 and in accordance with the AFEP-MEDEF Code, deliberated the performance of the Chairman and Chief Executive Officer during the year. The Chairman and CEO did not attend this meeting. The Committee reported its work to the Board of Directors during the next meeting.

The Strategic and CSR Committee at 31 December 2022

CHAIRPERSON

Thierry De La Tour d'Artaise chairs the Strategic and CSR Committee.

NUMBER OF MEETINGS

One, which was held in person

ATTENDANCE RATE

100%

PERCENTAGE OF INDEPENDENT DIRECTORS

50% independent directors

WORK AND POWERS

The work of the Strategic and CSR Committee, created on July 1st, 2022, is based on the following responsibilities:

- examining the strategic orientation established by management;
- conducting competitive intelligence activities and analyzing external growth projects;
- assessing the Group's CSR policy (setting targets and commitments, measuring the progress made, and implementing tools for measuring non-financial performance).

MAIN WORK

In 2022, the Strategic and CSR Committee:

- reviewed the findings of the Group's strategic orientation process;
- set out the schedule of meetings for 2023.

INFORMATION PROVIDED TO DIRECTORS

Pursuant to the Charter and internal rules, "*directors must receive all the relevant information needed to perform their role*". The Chairman ensures that the directors have the information and documents required to fully perform their role.

To optimize the transmission of information, ensure its confidentiality and make the Board more efficient, in 2017 the company introduced a new application enabling simple and secure access to documents using digital tablets. Directors thus have permanent access to preparatory documents for meetings and recurring information left at their disposal and can follow meetings on their digital tablets. This system is in keeping with plans for the Group's sustainable development and digitization.

The Chairman thus ensures that information on General Meetings, financial publications, sales and results, consensuses and summaries of financial analysts' recommendations, as well as press releases by the Group, are brought to their attention through this application. A press review is also published once a month, in which the directors can find comprehensive information about the Group and its economic and competitive universe. In addition, the press review contains a section on sustainable development to raise the directors' awareness of Group economic and social responsibility issues.

Software is regularly updated and improved using new functional features so the Group can best meet directors' expectations to streamline the meeting organization and preparation process.

A section on corporate governance also allows the Board to refer to the AFEP-MEDEF Code, the Charter and internal rules, the Group's Code of Ethics, the Stock Market Ethics Charter and the company's bylaws at any time.

Before each meeting, the directors can also read the documents relating to items on the agenda.

Following the 2022 evaluation of the Board of Directors, the members of the Board again said they were satisfied with the quality of the information submitted to perform their duties and expressed their complete satisfaction with the tool made available to them.

TRAINING FOR DIRECTORS

On appointment, each director is given access to a range of documents, including a Practical Guide for Directors, via an app specifically for meetings of the Board of Directors and its Committees, so that they can fully prepare themselves for their duties. Furthermore, training in the online tool used to arrange meetings is provided to ensure the director has as complete an understanding of the tool as possible, so that they can keep up to date and be well prepared for Board Meetings.

It was also decided to offer an induction program that includes training in the characteristics of the Group and its business lines, delivered through site visits or meetings with senior managers.

Following the results of the 2022 evaluation of the Board of Directors and the directors' self-assessment for 2022, in-house training on the methodology and financial indicators used to measure the company's financial performance will soon be offered to those directors who would like it; one training session will be on CSR and the other on governance and ethics.

In addition, the directors representing employees and the director representing employee shareholders have received external training from the French Institute of Directors (IFA) and, in accordance with the regulations in force, are able to obtain any training that is relevant to their rights and obligations as a director.

An annual Board of Directors' Seminar has been introduced since the 2019 evaluation of the Board of Directors. The aim of the Seminar is to meet with members of the Group Executive Committee to discuss topics selected from proposals put forward by the directors. This Seminar provides an opportunity to explore certain topics more thoroughly and to provide directors with more training on the Group's core concerns. It is generally held in October.

EVALUATION OF THE BOARD OF DIRECTORS AND DIRECTORS

Evaluation of the Board of Directors

Since 2003, the Board of Directors has conducted a formal annual evaluation of its operation, in accordance with the AFEP-MEDEF Code, the Charter and the internal rules. This ensures especially that the Board of Directors is operating as well as it can and that the duties with which the Board is entrusted are in line with the expectations of directors and are in the company's interests.

As before, the 2022 evaluation was carried out by means of a questionnaire. This questionnaire focuses on the organization of meetings, reporting, composition and operation of the Board of Directors, as well as its Committees. It also makes it possible for questions on governance and CSR to be raised as well as issues relating to interactions with the Management.

The answers given by directors were analyzed by the Governance and Remuneration Committee, whose findings were presented to the Board of Directors on 15 December 2022. As in previous years, the comments and discussions showed that directors were very satisfied with the way in which the Board of Directors and its Committees operate and, particularly:

- the schedule, organization and frequency of meetings;
- the contents of the minutes of meetings of the Board of Directors;
- the contact with the various stakeholders – COMEX in particular;
- the reports and work produced by the Committees;
- the enhanced collaborative working between directors, particularly as a result of the Board of Directors' Seminar;
- the quality of information and documents posted on the directors' website, and the input from senior managers during meetings;
- with interactions with the management.

The final rating was an improvement on 2021.

Director self-assessment

The evaluation of the Board of Directors is always supplemented by a Directors' self-assessment questionnaire, adopted by the Board of Directors at its meeting on 18 December 2014. This was intended to improve the understanding of the involvement and actual contribution of each director in the work of the Board of Directors.

The answers given by directors were analyzed by the Governance and Remuneration Committee, whose findings were presented to the Board of Directors on 15 December 2022. In particular, the comments and discussions showed that the directors have a good perception and understanding of their role, their duties on the Board of Directors, and the challenges and dynamics of the company, and have complementary skills and experience that allow for quality in discussions. The directors also stated that they were satisfied with their contribution and active participation in the Board work.

DIRECTORS' CHARTER AND INTERNAL RULES OF THE BOARD OF DIRECTORS

The first version of the Directors' Charter and internal rules of the Board of Directors was prepared in 2003. This is a single document in two parts, one on the rules of conduct applicable to members of the Board of Directors, the other on the operational rules of the Board of Directors and its Committees.

This document is updated regularly and was revised in 2021 to append the formalized procedure for selecting independent directors. It was supplemented and updated again in 2022, in particular in light of the creation of the Strategy and CSR Committee and the changes in the composition of other Committees.

The main provisions of the Charter and internal rules are covered or set out in this chapter of the Universal Registration Document (Chapter 2).

In addition, the Directors' Charter and the internal rules of the Board of Directors can be consulted on the Group's website in the website in the "Governance" section.

Directors' Charter

The Directors' Charter specifies the role and duties of each member of the Board of Directors that they accept from the beginning of their term of office.

The main points of this Charter are: respect for and protection of the company's interests, attendance, dealing with any conflicts of interest, access to information, confidentiality, analytical independence, and a reminder of the legal regime governing insider information, the details of which, as well as the applicable rules, are set out in the Market Ethics Charter, the content of which is summarized on page 88.

Internal rules

As the internal rules are designed to ensure the smooth operation of the Board of Directors, each member of the Board of Directors is informed of them at the start of their term of office and they can also be accessed via the secure online platform that is used to arrange Board Meetings.

The internal rules cover the composition, operation, role and mission of the Board and its Committees and the director remuneration policy.

An annex to the internal rules provides a detailed schedule of the planned meetings of the Board of Directors and its Committees.

PROCEDURES RELATING TO SHAREHOLDER PARTICIPATION IN GENERAL MEETINGS

Note that Articles 32 and 33 of the bylaws define the procedures for shareholder participation in Annual General Meetings in accordance with the current regulations.

All shareholders are entitled to participate in Annual General Meetings, or to be represented at such meetings, under the terms and conditions of the bylaws, a summary of which is given in Chapter 7, "Information concerning the company and its share capital".

IMPLEMENTATION OF THE RECOMMENDATIONS OF THE AFEP-MEDEF CODE

With regard to the "Apply or Explain" rule provided for in Article L. 22-10-10, 4 of the French Commercial Code and Article 27.1 of the AFEP-MEDEF Code, the company believes that its practices comply with the recommendations of the AFEP-MEDEF Code. However, some recommendations were not applied for the reasons explained below:

AFEP-MEDEF recommendations not applied	Reason
Articles 15.1 and 17.1: Proportion of independent directors on the Nominations Committee and the Remuneration Committee The Nominations and Remuneration Committee must include a majority of independent directors.	The Governance and Remuneration Committee initially comprised a maximum of four members: two independent directors and, considering the company's shareholding structure, two directors representing reference shares. As a result, the Governance and Remuneration Committee comprises an equal number of independent directors and representatives of the family voting block. Moreover, the Chairman of the Governance and Remuneration Committee is independent. Since 2022, it has welcomed a new member, who is a director representing employee shareholders.

2.4 Group management bodies

MANAGEMENT BOARD (AT 31 DECEMBER 2022)

Stanislas de Gramont	Chief Executive Officer
Nathalie Lomon	Chief Financial Officer, Group Executive Vice-president
Delphine Segura-Vaylet	Senior Executive Vice-president, Human Resources; Group Senior Executive Vice-president
Philippe Schaillee	Senior Executive Vice-president in charge of Products and Innovation

In charge of executing the strategy decided by the Board of Directors, the General Management Committee (GMC) defines the Group's major orientations.

EXECUTIVE COMMITTEE (AT 31 DECEMBER 2022)

Stanislas de Gramont	Chief Executive Officer
Nathalie Lomon	Chief Financial Officer, Group Executive Vice-president
Delphine Segura-Vaylet	Senior Executive Vice-president, Human Resources; Group Senior Executive Vice-president
Philippe Schaillee	Senior Executive Vice-president in charge of Products and Innovation
Cyril Buxtorf	President, EMEA
Pierre-Armand Lemoine	President, cookware
Alain Leroy	President, Industry
Olivier Naccache	President, small electrical appliances
Cathy Pianon	Executive Vice-president, Public Affairs & Communication and Chief of Staff of the CEO office
Oliver Kastalio	President, WMF
Vincent Rouiller	Executive Vice-president, Research
Philippe Sumeire	Executive Vice-president, Legal
Vincent Tai	President, Asia
Martin Zouhar	Executive Vice-president, SEB Professional
Oguzhan Olmez	Executive Vice-president, America

The Executive Committee (COMEX) is responsible for implementing the policies defined by the GMC, both globally and within their respective areas.

POLICY ON DIVERSITY IN GOVERNANCE BODIES AND GENDER BALANCE

In accordance with the provisions of Article 7 of the AFEP-MEDEF Code, at the proposal of General Management and following review by the Governance and Remuneration Committee, at its meeting of 23 February 2021 the Board of Directors adopted the policy on diversity within its governance bodies, the detail of which is as follows:

- scope: the scope of the governance bodies used includes the Management Board and the Executive Committee, whose membership and tasks are described above;
- objectives and timescale: to perpetuate the overall gender balance of the management bodies by maintaining a minimum representation of women of 40% within the General Management Committee and of 25 to 30% within the Executive Committee with a time horizon set at 2023;
- implementation methods: for several years, the Group has encouraged women into management positions, which should facilitate the achievement of the objectives set out above. Gender equality in the workplace is, in fact, an integral part of the Group's non-discrimination and diversity promotion policy. In 2019, it strengthened its approach with the Gender Diversity global commitment plan. Increasing the representation of women in governance bodies and developing female talent are some of the drivers that will help to strengthen the diversity policy the Group has supported for several years.

The Board of Directors noted the proposed diversity objectives and the implementation methods (action plan and timescale).

The achievement of objectives is monitored by the Board of Directors and includes an update on progress and achievement of the results obtained in each financial year. As a result, on the occasion of its meeting of 8 December 2022, the Governance and Remuneration Committee produced a report on the progress made in reaching these objectives, before updating the Board of Directors on the current results at its meetings of 15 December 2022 and 22 February 2023. This indicates that, at the top levels of the organization, the actions undertaken and the long-term policy applied are proving fruitful. As at 31 December 2022, the percentage of women in the:

- General Management Committee is 50% (two women and two men) compared to 40% as at 31 December 2021;
- Executive Committee remains 20% (three women and twelve men).

The Governance and Remuneration Committee confirmed that the objectives which were previously set at 40% of women on the General Management Committee have been achieved and 30% on the Executive Committee, are still within reach.

Furthermore, information on the overall implementation of the company's diversity policy, including results on diversity in terms of access to senior management positions, is provided in Chapter 3, pages 178 and 179 of this Universal Registration Document, in accordance with the provisions of Article L. 22-10-10, 2 of the French Commercial Code.

2.5 Remuneration policy

Pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, this section describes the policy on corporate officer remuneration.

In line with the company's social interests, this policy is based on the Group's historical values and helps to promote its development and long-term performance.

This section is an integral part of the report on Corporate Governance cited in the last paragraph of Article L. 225-37 of the French Commercial Code.

Under Article L. 22-10-8 of the French Commercial Code, and based on the principle of ex-ante voting, the Annual General Meeting of 17 May 2023, is asked to approve, on the basis of the report on Corporate Governance, the policy on the remuneration of the corporate executive officers and the policy on the remuneration of directors (see Chapter 8).

Moreover, in accordance with the ex-post voting principle, the Ordinary Shareholders' Meeting on 17 May 2023 will be asked to approve:

- pursuant to Article L. 22-10-34 II. of the French Commercial Code, the information described in Part I of Article L. 22-10-9 of the French Commercial Code, as presented in this report on the Corporate Governance of the company (see Chapter 8);
- pursuant to Article L. 22-10-34 II. of the French Commercial Code, for each executive officer, the fixed, variable and exceptional items composing the total remuneration and the benefits of any kind paid during the previous year or allocated for the same year (see Chapter 8).

CROSS-REFERENCE TABLE WITH THE STANDARD PRESENTATION OF THE COMPENSATION, AS PUBLISHED IN POSITION-RECOMMENDATION NO. 2021-02 OF THE FINANCIAL MARKETS AUTHORITY (AMF) AND IN THE AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR PUBLICLY TRADED COMPANIES

Table 1 – Table summarizing the compensation, options and shares awarded to each executive officer	Summary table of the remuneration and options and shares due or awarded to Thierry de la Tour d'Artaise	page 111
	Summary table of the remuneration and options and shares due or awarded to Stanislas de Gramont	page 116
Table 2 – Table summarizing the compensation of each executive officer	Summary table of the remuneration paid or awarded to Thierry de la Tour d'Artaise	page 111
	Summary table of the remuneration paid or awarded to Stanislas de Gramont	page 117
Table 3 – Table on the directors' fees and other compensation received by non-executive directors	Remuneration received by the directors – amounts paid for the 2022 financial year	page 102
Table 4 – Subscription or purchase options awarded during the financial year to each executive officer by the issuer and by any Group company	Stock options awarded in 2022 to Thierry de la Tour d'Artaise	page 113
	Stock options awarded in 2022 to Stanislas de Gramont	page 119
Table 5 – Subscription or purchase options exercised during the financial year by each executive officer	Stock options exercised in 2022 to Thierry de la Tour d'Artaise	page 113
	Stock options exercised in 2022 by Stanislas de Gramont	page 119
Table 6 – Performance shares awarded during the financial year to each executive officer by the issuer and by any Group company	Performance shares awarded in 2022 for Thierry de la Tour d'Artaise	page 113
	Performance shares awarded in 2022 for Stanislas de Gramont	page 119
Table 7 – Performance shares that have become available during the financial year for each executive officer	Performance shares fully vested in 2022 for Thierry de la Tour d'Artaise	page 113
	Performance shares fully vested in 2022 for Stanislas de Gramont	page 119
Table 8 – Past awards of subscription or purchase options	History of stock option awards to executive officers	page 123
Table 8 bis – share subscription or purchase options granted or exercised by the top ten employees	Share subscription or purchase options granted or exercised by the top ten employees who are not executive officers	page 354
Table 9 – Past awards of performance shares	History of performance share awards to executive officers	page 124
Table 10 – Table summarizing the multi-annual variable remuneration paid to each executive officer	Multi-year variable remuneration paid to Thierry de la Tour d'Artaise	page 113
	Multi-year variable remuneration paid to Stanislas de Gramont	page 119
Table 11 – Information on executive officers	General information about executive officers	page 124

REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

The terms of directors' remuneration are set by the Board of Directors on a proposal from the Governance and Remuneration Committee. In 2022, the remuneration received by directors obeyed the same allocation principle as for the previous year, namely a fixed portion and a variable portion, calculated according to directors' attendance at Board and Committee Meetings.

No other remuneration is given to members of the Board of Directors. Accommodation and travel expenses incurred as a result of their participation in meetings are paid for.

Following the approval of Resolution 4 of the Annual General Meeting of 19 May 2022, the overall amount authorized for the remuneration allocated to the members of the Board of Directors was €820,000 to take into account the very significant gap in remuneration that exists with almost all other issuers and the increase in tasks and in the complexity of subjects and regulations that the Board and its Committees must undertake.

In addition, since the Annual General Meeting of 19 May 2020 and in accordance with the decision made by the Board of Directors on 17 December 2019, on the recommendation of the Governance and Remuneration Committee, the preponderance of the variable proportion has been increased up to 60% compared with 50% previously, but will continue to be calculated on the attendance rate of directors at Board and Committee Meetings. The allocation rules are as follows:

Function	Fixed portion	Variable portion
Director	€14,000	€21,000
Committee Chairman (in addition to the fixed and variable remuneration for an administrator)	€8,000	€12,000
Committee member (in addition to the fixed and variable remuneration for an administrator)	€6,000	€9,000

AMOUNTS PAID IN 2022 FOR THE 2021/2022 PERIOD

In 2022, the overall remuneration paid to Board members totaled €568,640 (gross amount before deductions and/or withholdings), compared with €590,000 in 2021, as shown in the table below:

Gross remuneration of directors *(in €)*

Board members	Gross remuneration paid in 2020 for the 2019/2020 period	Gross remuneration paid in 2021 for the 2020/2021 period	Gross remuneration paid in 2022 for the 2021/2022 period
Thierry de La Tour d'Artaise	28,750	30,000	30,000
Delphine Bertrand	27,153	30,000	30,000
Nora Bey	22,361	30,000	30,000
Yseulys Costes	38,333	40,000	40,000
Jean-Pierre Duprieu	25,556	30,000	26,760
FÉDÉRACTIVE (Pascal Girardot)(1)	3,333	N/A	5,400
FÉDÉRACTIVE (Sarah Chauleur)(1)	28,750	30,000	2,700
FÉDÉRACTIVE (Roland Gagnon)(1)	N/A	N/A	5,400
PEUGEOT INVEST ASSETS (formerly FFP Invest) (Bertrand Finet)	36,736	40,000	40,000
FSP (Catherine Pourre)	43,125	45,000	45,000
Brigitte Forestier	28,750	30,000	30,000
William Gairard	28,750	30,000	30,000
GÉNÉRACTION (Caroline Chevalley)	35,139	40,000	38,380
Laurent Henry	28,750	30,000	30,000
Jean-Noël Labroue	43,125	45,000	45,000
Jérôme Lescure	38,333	40,000	40,000
Thierry Lescure	28,750	30,000	30,000
Aude de Vassart	28,750	30,000	30,000
VENELLE INVESTISSEMENT (Damarys Braida)	38,333	40,000	40,000
TOTAL	**552,778**	**590,000**	**568,640**

(1) Successive permanent representatives of FEDERACTIVE over the period.

REMUNERATION OF EXECUTIVE OFFICERS

The information presented below covers the fixed variable and exceptional items composing the total remuneration and benefits of any kind (performance shares, severance payments, benefits in kind and supplementary pension benefits) for Thierry de La Tour d'Artaise and Stanislas de Gramont, the sole corporate officers receiving this type of remuneration. Board members receive only the remuneration referred to in the previous section.

On 10 February 2022, the Board of Directors decided to separate the functions of Chairman and Chief Executive Officer and thus opt for a dual governance system from 1 July 2022. The Board of Directors took note of the end of the term of office on 30 June 2022 of the Chairman and Chief Executive Officer, Thierry de La Tour d'Artaise, and decided to appoint Thierry de La Tour d'Artaise as Chairman of the Board of Directors from 1 July 2022. The Board of Directors also noted that Thierry de La Tour d'Artaise also requested at the same time his retirement under his suspended employment contract so that he can retire on 1 July 2022.

At the proposal of Thierry de La Tour d'Artaise and the Governance and Remuneration Committee, the Board decided to appoint Stanislas de Gramont as Chief Executive Officer on 1 July 2022.

The remuneration policies approved at the Annual General Meeting of 19 May 2022 applied to:

- Thierry de La Tour d'Artaise, in his position as Chairman and Chief Executive Officer until 30 June 2022, then as Chairman of the Board of Directors from 1 July 2022;
- Stanislas de Gramont, in his position as Chief Operating Officer until 30 June 2022, then as Chief Executive Officer from 1 July 2022.

PRINCIPLES AND OBJECTIVES

The remuneration policy for Groupe SEB executive officers is set by the Board of Directors on a proposal from the Governance and Remuneration Committee. It is reviewed on a regular basis and is designed to provide balanced and consistent remuneration in line with the recommendations of the AFEP-MEDEF Code revised in December 2022, to which the Group refers while staying motivating and aligned with market practices assessed by the Committee and with external studies.

In accordance with these principles, the Governance and Remuneration Committee proposes to the Board of Directors the components of the remuneration for each director, while making sure that it remains balanced, in line with the corporate interest, in line with the Group's historical values, and that it contributes to the Group's development and sustainable performance. Of course, the Committee aims to make performance criteria quantitative and qualitative and ensure that appropriate information is reported publicly.

Completeness and simplicity

The remuneration of executive officers is intended to ensure simplicity, transparency and consistency over time. It comprises a fixed portion, an annual variable portion, and performance shares, subject to the fulfillment of performance criteria set in advance by the Board of Directors. The total remuneration granted to executive officers is determined by taking all the remuneration and benefits into account, including the supplementary pension plan.

Balance and consistency

The remuneration of executive officers is consistent with the overall remuneration policy for Group senior managers and employees and the interests of both the company and its shareholders. It also takes account of market practices as well as the performance of executive officers.

Motivation and performance

To motivate executive officers and encourage them to meet short- and long-term targets, the Board of Directors ensures that a variable portion is evenly allocated between annual and longer-term targets. Performance criteria are set with the aim of contributing, year on year, to the implementation of a long-term growth strategy.

PRINCIPLES AND CRITERIA FOR THE DETERMINATION, ALLOCATION AND AWARDING OF THE FIXED, VARIABLE AND EXTRAORDINARY COMPONENTS OF TOTAL REMUNERATION AND BENEFITS OF ANY KIND

According to the AFEP-MEDEF Code, the various components of the remuneration of corporate executive officers are reported on the company's website after the Board Meeting that adopted the relevant decisions.

At its meeting of 22 February 2023, the Board of Directors set the remuneration criteria for its two corporate officers as a result of the separation of the roles of Chairman and Chief Executive Officer decided by the Board on 10 February 2022, taking effect as of 1 July 2022. The principles and criteria for determining the various components of the remuneration of corporate officers remain unchanged compared with the second half of 2022, as described below.

Fixed remuneration

The fixed portion of remuneration should reflect the executive officer's responsibilities, level of experience and skills and be in line with market practices.

Fixed remuneration is analyzed and discussed within the Governance and Remuneration Committee, which takes into consideration:

- the personal qualities of the corporate executive officer concerned (seniority in the business line, experience, performance of his or her duties);
- all the elements and benefits that make up the executive officer's remuneration; the variable portion must be incentivized and therefore greater than the fixed portion;
- as well as the positioning of the remuneration of the corporate executive officer in comparison to practices reported in comparable companies.

The fixed remuneration serves as a reference basis for determining the annual variable remuneration.

Annual variable remuneration

The variable portion of the executive officers' remuneration obeys the general principles applicable to all Group senior managers. These criteria, which have been constant for many years, are analyzed and discussed each year by the Governance and Remuneration Committee, which regularly relies on studies of practices identified in comparable companies conducted by external consultants. The Board of Directors sets the criteria at the start of each year and makes sure that they constitute an incentive mechanism intrinsically linked to the Group's performance and strategy.

At its meeting scheduled at the beginning of the year, the Governance and Remuneration Committee evaluates the level of achievement of the performance targets set for the past year and then assesses the quantitative and qualitative performance criteria for the new year, checking that they are in line with the Group's strategic priorities as well as with the principles described above. The findings are then submitted to the Board of Directors, which approves these elements, both ex post and ex ante, at the meeting called to review the annual financial statements and the budget.

THE QUANTITATIVE CRITERIA

The quantitative criteria are linked to the Group's economic performance. They represent 60% of variable remuneration and are assessed against a matrix composed of the following combined targets:

- revenue growth; and
- growth in the Operating Result from Activity.

The annual objectives for the financial year 2022, the results recognized and actual performance are as follows: Achievement of quantitative objectives is assessed against the Group's revenue and Operating Result from Activity (ORfA) target approved by the Board of Directors upon the recommendation of the Governance and Remuneration Committee, namely:

- targets for 2022:
  - sales: €8,300,000,000,
  - Operating Result from Activity: €830,000,000;
- results:
  - sales: €7,960,000,000,
  - Operating Result from Activity: €620,000,000.

The rate of achievement was 0.0%.

Historically, the percentage of fulfilment of these combined criteria had varied between 72.0% and 190.7% over the last 11 years, excluding 2022, which was unprecedented.

THE QUALITATIVE CRITERIA

The qualitative criteria represent 40% of variable remuneration and are evaluated in relation to three distinct and independent components:

- CSR performance represents 15% of variable remuneration and is based on three quantifiable objectives of 5% each, as follows:
  - environment/low carbon:

    target for reducing energy consumption (electricity and gas) at Group production sites (Kwh/unit produced) compared to the previous year.

    The results for 2022 were constrained by the decline in factory activity. The 2023 objective is to get back on track and reduce energy consumption by 5% to secure the low carbon objective,
  - social policy:

    annual reduction target for the LTIR (Lost Time Injury Rate including temporary workers) worldwide for all Group facilities (production sites, warehouses, offices). This rate dropped from 2.9 in 2017 to 1.1 in 2021, falling once again to 0.8 in 2022, above the target set at the start of the year. The objective for 2023 is to achieve a rate which would represent the highest standard in the industry, i.e. 0.8,
  - ethics and compliance:

    social compliance objective of subsidiaries located in areas deemed to be at risk in terms of respect for Human Rights. These audits are conducted independently by a recognized external firm (Intertek) according to its own methodology and the average rating from these audits is used to measure the achievement of this objective. Five sites were audited in 2022 with an average result of 86.5% (meaning a 91.25% achievement on a scale of 0 to 200%). Six sites will be audited in 2023 with an objective of average rating remaining at 90%;
- individual performance represents 15% of variable remuneration and is categorized into three individual objectives, discussed and approved by the Governance and Remuneration Committee, primarily based on the objectives of the company's business plan and the achievement of major Group-wide projects. Information relating to executive officers for 2022 is detailed below. Data for 2023 is strictly confidential because SEB's main competitors are not necessarily listed or do not publish this information;
- the collective performance of the Executive Committee represents 10% of the variable remuneration and measures its ability to interact quickly and effectively, its team solidarity and the ability of each officer to meet personal objectives appropriate to the expected behavior of Executive Committee members. Those used for 2022 are described below. The same as above applies to those used in 2023.

TARGET AND CEILING

Annual variable remuneration is expressed as a percentage of annual fixed remuneration:

- for the Chairman and Chief Executive Officer: annual variable remuneration may vary from 0% to 100%, if all of the quantitative and qualitative targets are met (target level), and rise to 150% (maximum level) if financial performances are deemed to exceed the targets set;
- for the Chief Operating Officer: annual variable remuneration may vary from 0% to 80%, if all of the quantitative and qualitative targets are met (target level), and rise to 120% (maximum level) if financial performances are deemed to exceed the targets set.

Since the split between Chairman and CEO functions:

- for the Chief Executive Officer: annual variable remuneration may vary from 0% to 100%, if all of the quantitative and qualitative targets are met (target level), and rise to 150% (maximum level) if financial performances are deemed to exceed the targets set;
- for the Chairman of the Board: it should be noted that he does not receive any annual variable remuneration.

Performance shares

To the exclusion of all other plans, Groupe SEB has been awarding performance shares to Group employees and executive officers since 2013, in accordance with Articles L. 22-10-59 et seq. of the French Commercial Code. This system replaced stock option grants, the last of these plans having been submitted to the Annual General Meeting on 10 May 2012. These expired entirely in June 2020.

Performance share awards aim to promote the meeting of Groupe SEB's long-term targets and the value creation expected by stakeholders.

Based on this logic, the Board of Directors decided, on a proposal of the Governance and Remuneration Committee, that performance shares should be awarded entirely on the basis of performance criteria. This favors simple principles and rules that remain stable over time and long-term and demanding performance criteria.

These cover revenue and Operating Result from Activity targets and are assessed on an annual basis over a three-year period. Performance targets are set each year by the Board of Directors at the proposal of the Governance and Remuneration Committee, according to the process described above for the setting of annual quantitative objectives.

To further inform the objectives of these plans and their historical fulfillment rate, the table below includes the combined revenue and ORfa objectives for 2020, 2021 and 2022, the actual results and the corresponding actual performance.

With regard to each approved plan for year N, the performance calculation depends on the rate of achievement of the revenue and Operating Result from Activity target assessed over the three-year vesting period (i.e. N, N +1 and N +2):

Average achievement rate over three years	Performance shares awarded
100% or more	100%
Between 50% and 100% inclusive	Pro rata of the achievement rate
Less than 50%	None

Pursuant to these rules, the achievement rate for the plan allocated in 2020 for fiscal years 2020, 2021 and 2022 was calculated as follows:

Average of the combined targets for three years = (104.2 + 190.7 + 0.0)/3 = **98.3%** < 100%

The achievement rate is between 50% and 100%; as a result, performance shares under the plan of 19 May 2020 were granted on a pro rata basis.

The Board of Directors' Meeting of 22 February 2023, after examining the findings of the Governance and Remuneration Committee, approved the proposed award of shares under the performance share plan of **19 May 2020 based on an achievement rate of 98.3%**.

Awards have been made as follows:

- the total number of performance shares awarded to executive officers in one financial year is identified individually;
- the total volume of performance shares awarded to corporate executive officers and to employees must be capped at 0.3976% of the share capital on the date of the decision to award.

Executive officers are also bound by the following obligations:

- shares resulting from the exercise of stock options and performance shares must be held in registered form for a certain period, as explained below, during their term of office;
- adherence to the principles of the Stock Market Ethics Charter, which defines, among other things, blackout periods based on the company's accounting calendar and earnings reporting periods, in accordance with the recommendations of the French Financial Markets Authority (AMF);
- obligation to declare any securities transactions to the AMF in accordance with the regulations in force;
- formal undertaking not to engage in any hedging transactions for their own risks, either on options or on shares resulting from the exercise of options or on performance shares. This undertaking also appears in the stock award plan rules which are delivered to each beneficiary.

Awards of performance shares have no dilutive effect on earnings insofar as all shares awarded are existing shares bought back by the company. As recommended by the AFEP-MEDEF Code, the Board of Directors makes the annual awards in the same calendar period each year.

Following the Annual General Meeting on 19 May 2022, the Board of Directors decided to use the authorization granted by the shareholders to implement the performance share plan approved at the Board of Directors' Meeting on 24 February 2022.

In addition, the Board of Directors' Meeting of 22 February 2023, after examining the findings of the Governance and Remuneration Committee, reviewed and approved the proposed performance share award plan for 2023.

The grant authorization will be submitted to the vote of the shareholders at the next Annual General Meeting on 17 May 2023 (Resolution 16).

Remuneration allocated to the members of the Board of Directors

The Board of Directors may decide to pay remuneration to the corporate executive officers, according to the same rules as those applicable to all the directors set out above. The attribution of the remuneration allocated to members of the Board of Directors, which is part of the remuneration policy for directors, will be submitted to a vote by shareholders at the next Annual General Meeting (Resolution 14).

Benefits in kind

The executive officers have company cars. The Chairman and Chief Executive Officer also benefits from compensation for the use of an apartment in Paris. The Chief Operating Officer benefits from GSC income protection insurance, supplementary life insurance and a company car.

After the split between Chairman and CEO functions:

The Chief Executive Officer receives GSC income protection insurance, supplementary life insurance and a company car.

The Chairman of the Board of Directors benefits from compensation for the use of an apartment in Paris, the use of a driver, and a company car.

Deferred commitments

Groupe SEB's remuneration policy aims to attract and retain talented senior and other managers. The Group's policy has always been to encourage internal promotion and sustainable management. The Board of Directors does not wish to see executive officers, after several years of service with Groupe SEB, deprived of benefits they would have continued to receive had they remained employees.

CONTINUATION OF EMPLOYMENT CONTRACT

Thierry de La Tour d'Artaise began his career at Groupe SEB in 1994 and was appointed Vice-Chairman in 1999. He was appointed Chairman and CEO in 2000.

The Annual General Meeting of 19 May 2022 took note of Thierry de La Tour d'Artaise's desire to terminate this contract with the liquidation of his entitlements under the general plan.

A corporate officer agreement with Stanislas de Gramont in his position as Chief Operating Officer was signed on 12 December 2018. He has no employment contract.

In a decision of 10 February 2022, the Board of Directors decided to change the governance of the company by separating the functions of Chairman and Chief Executive Officer from 1 July 2022.

The Board of Directors took note of the end of the term of office on 30 June 2022 of the Chairman and Chief Executive Officer, Thierry de La Tour d'Artaise, and decided to appoint Thierry de La Tour d'Artaise as Chairman of the Board of Directors from 1 July 2022. The Board of Directors also noted that Thierry de La Tour d'Artaise also requested at the same time his retirement under his suspended employment contract so that he can retire on 1 July 2022.

At the proposal of Thierry de La Tour d'Artaise and the Governance and Remuneration Committee, the Board decided to appoint Stanislas de Gramont as Chief Executive Officer on 1 July 2022.

As regards Stanislas de Gramont, the aforementioned agreement of 12 December 2018 lapsed on 1 July 2022 and was not replaced, as all of the terms and conditions of his employment are set by the Board and submitted to the Annual General Meeting under Say on Pay resolutions.

PENSION COMMITMENTS

Previous plan

In addition to the statutory basic and supplementary pension plans of which they are members, Thierry de La Tour d'Artaise and Stanislas de Gramont were authorized by the Board of Directors to join the collective supplementary pension plan set up within Groupe SEB.

For senior managers in office on 3 July 2019, the provisions of Order no. 2019-697 of 3 July 2019 on supplementary work pension plans led the Group to freeze and close this plan as of 31 December 2019.

The previous plan was established as follows:

- a deferred defined-benefit pension plan set up in accordance with Article L. 137-11 of the French Social Security Code.

  Potential benefits under this plan may be paid out if beneficiaries have served on the Executive Committee for at least eight years and leave the company to exercise their right to claim retirement benefits.

Beneficiaries are, however, still entitled to benefits should a beneficiary aged 55 leave the Group under an early retirement plan or at the Group's behest, provided that the interested party does not perform any professional activity between the date of departure and the receipt of benefits and, in the event the beneficiary is classified as category 2 or 3 disabled.

In addition, should the potential beneficiary die before receiving the benefit entitlement, the benefits derived from said entitlement pass to any surviving spouse or children.

Potential entitlements under this plan may amount, including pensions due under the statutory basic and supplementary pension plans (AGIRC/ARRCO), to a maximum of 25% of the reference salary[1].

They are funded by contributions paid to an insurance company which are deductible from the taxable base for corporation tax and liable for the contribution provided for by Article L. 137-11, I, 2, a) of the French Social Security Code;

- a supplementary defined-benefit pension plan set up in accordance with Article L. 137-11 of the French Social Security Code.

  Potential entitlements under this plan may be paid out if beneficiaries have served on the Executive Committee for at least eight years, stay with the company until the end of their career, and take their entitlements under the statutory basic and supplementary pension plans.

  Beneficiaries are, however, still entitled to benefits should the beneficiary be classified as category 2 or 3 disabled or in the event of departure at the Group's request after the age of 55, provided that the interested party does not perform any other professional activity between the date of departure and receipt of benefits.

  In addition, should the potential beneficiary die before receiving the benefit entitlement, the benefits derived from said entitlement pass to any surviving spouse or children.

  Potential entitlements enable beneficiaries to receive a pension that equates to 0.80% of the reference salary[1], multiplied by the number of years of service on the actual retirement date, capped at 20 years and at the date the plan freezes.

They are funded by contributions paid by Groupe SEB to an insurance company which are deductible from the taxable base for corporation tax and liable for the contribution provided for by Article L. 137-11, I, 2, a) of the French Social Security Code.

Pension entitlements under this plan may be paid no earlier than the date on which the general social security pension is drawn.

As Chief Operating Officer until June 30, 2022, Stanislas de Gramont, who took up this post on 3 December 2018, benefits from the previous retirement scheme in line with the conditions defined in the Ordinance of 3 July 2019 and the application conditions defined in the directive of 27 July 2020.

New plan "L. 137-11-2"

Following the freeze and closure of the previous plan and the publication of the department of Social Security's directive of 23 December 2020, the implementation of a new plan with defined benefits and certain rights, meeting the conditions set out in Article L. 137-11-2 of the French Social Security Code, was decided by the Board of Directors on 16 December 2021, on the recommendation of the Governance and Remuneration Committee of 9 December 2021.

This new scheme applies to members of the General Management Committee and/or the Executive Committee, with the exception of those who have received an additional pension corresponding to the maximum rights under the previous closed and frozen plan and/or who benefit from an equivalent retirement plan in another country.

This new plan provides for payment to the beneficiary, at the earliest of the date on which they have liquidated their pension under a mandatory pension plan to which they have contributed, or from the statutory retirement age referred to in Article L. 161-17-2 of the French Social Security Code, of a life annuity with the possibility of reversion.

The reference remuneration used to calculate entitlements in respect of the year in question only includes the fixed portion of the salary taken into account when calculating social security contributions (in application of Article L. 242-1 of the French Social Security Code) and the bonus paid subject to contributions in application of Article L. 242-1 of the French Social Security Code.

The annual entitlements correspond to 1% of the reference remuneration defined above.

Annual entitlements are conditional on compliance with conditions related to the annual assessment of the beneficiary's professional performance based on the financial year prior to receipt. Performance is calculated on the basis of the Business Revenue and Operating Result from Activity objectives set by the Board of Directors over the year in question. If actual performance is equal to or greater than 100%, the entitlements will equal 1% of the reference remuneration. If actual performance is between 0% and 100%, the entitlements will be prorated. Therefore, entitlements may be nil (0%).

Annual entitlements may not exceed 3% of the reference remuneration. Furthermore, the total percentage points applied to the same beneficiary is capped at 30% over their entire career and all their employers combined.

Entitlements are revalued annually by a coefficient equal to the changes in the social security ceiling. In the event of departure from the company and prior to drawing their pension, the entitlements are revalued annually in the same way. In addition, in the event of the death of the beneficiary before they draw their pension, entitlements are retained for the benefit of the beneficiaries.

This annuity is financed exclusively by premiums paid by the company to an insurance company which are deductible from the taxable base for corporation tax. With regard to the social security contributions associated with payment of the annuity, the company is obliged to pay

(1) Reference salary: average of the annual gross, fixed and variable remuneration received over the last three years of activity, capped at 36 annual French Social Security ceilings.

a contribution based on premiums paid to the insurance company at the rate of 29.7% set by the French Social Security Code.

This new scheme is not applicable to Thierry de La Tour d'Artaise, who reached the maximum entitlements he can receive under the previous plan and who liquidated his entitlements on 1 July 2022.

On 16 December 2021, Stanislas de Gramont was authorized by the Board of Directors to benefit from this new plan as of 1 January 2022, subject to obtaining the necessary approval at the Annual General Meeting of 19 May 2022.

OTHER LIFETIME BENEFITS: INCAPACITY, DISABILITY AND DEATH AND HEALTH INSURANCE AND INDIVIDUAL LIFE INSURANCE

Executive officers continue to benefit from supplementary social protection, notably as regards the incapacity, disability and death and health insurance that covers the company's employees.

Thierry de La Tour d'Artaise and Stanislas de Gramont were authorized by the Board of Directors to benefit:

- from the "incapacity/disability/death" insurance plan applicable to senior managers and similar persons, which is funded by contributions based on tranches that are deductible from the taxable base for the corporate tax:
  - tranche A: 1.562%;
  - tranches B and C: 2.029%.

  The employer pays 50% of these contributions and employees 50%.

  These contributions are not included in the social security contribution base, capped at 6% of the annual social security ceiling (€2,468 in 2022) and 1.5% of the remuneration figure used, capped at 12% of the annual social security ceiling (€4,936 in 2022).

  This insurance plan includes, in particular, the payment of supplementary daily allowances in the event of incapacity, a disability pension and a death benefit whose amounts are stated for each of the executive officers below;

Due to his age, Thierry de La Tour d'Artaise only retains life insurance coverage under this plan;

- from specific life insurance cover under "tranche D incapacity, disability and death insurance", which is funded by a contribution paid by Groupe SEB of 3.2% of the portion of the remuneration that is between 8 and 12 times the annual social security ceiling and deductible from the taxable base for corporation tax.

  These contributions are partially excluded from the social security contribution base, including contributions paid under the aforementioned "incapacity/disability/death" insurance plan, capped at 6% of the annual social security ceiling (€2,468 in 2022) and 1.5% of the remuneration figure used, capped at 12% of the annual social security ceiling (€4,936 in 2022).

  This insurance plan includes, in particular, the payment of a death benefit, the amounts of which are stated below.

Stanislas de Gramont is also covered by personal life insurance. The purpose of this specific death coverage policy is to cover the portion of remuneration that is not covered by the collective plans as described above.

SEVERANCE ALLOWANCE AND NON-COMPETE PAYMENTS

Severance payments are subject to performance conditions and may not exceed 24 months' remuneration, in accordance with the recommendations of the AFEP-MEDEF Code (including, in the case of Stanislas de Gramont, compensation for a non-compete agreement or any other compensation paid).

Details related to these payments are described in the section below and all benefits subject to the procedures set out for regulated agreements are described in the Statutory auditors' special report.

Payment of the indemnity will be subject to performance conditions, measured in the following manner:

- if he is dismissed after four years from his appointment as an executive officer, the severance allowance will be adjusted based on actual performance in relation to targets, in said capacity, over the last four full years of service:
  - if the average percentage achieved is below 50%: no termination benefit is paid,
  - if the average actual performance represents 50% to 100% of the targets: the termination benefit is comprised between 75% and 100%, based on a straight-line calculation,
  - if the average percentage achieved is above 100%: 100% of the benefit is paid.

REMUNERATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Components of remuneration paid or allocated from 1 January to 30 June 2022

FIXED REMUNERATION

In 2022, the gross fixed remuneration of Thierry de La Tour d'Artaise amounted to €500,000 for the first six months of the year.

ANNUAL VARIABLE REMUNERATION

Over the period from 1 January to 30 June 2022, the variable remuneration is computed on an annual basis and then revised based upon 50% of the given result. Based on the quantitative and qualitative criteria used by the Board of Directors and set at the start of the year, the amount of variable remuneration was measured as follows:

- based on quantitative criteria (Groupe SEB revenue and Operating Result from Activity targets), the variable portion is 0.0% of the fixed annual remuneration of Thierry de La Tour d'Artaise with a target of 100%;
- based on qualitative criteria, the variable portion amounted to 125.17% of the fixed annual remuneration of Thierry de La Tour d'Artaise with a target of 100%. The Board of Directors judged Thierry de La Tour d'Artaise's performance based on collective and individual targets such as the management of the strategy, acquisitions, and investments, the relationship with shareholders, and the preparation undertaken for the separation of roles.

Consequently, the variable remuneration paid in 2023 for financial year 2022 was €250,338, or 50.07% of his fixed remuneration due to the overall ceiling of his variable remuneration. Thierry de La Tour d'Artaise's variable remuneration paid in 2022 for financial year 2021 was 150.0% of his fixed remuneration (i.e. €1,500,000) due to the overall ceiling of his annual variable remuneration.

He does not benefit from any deferred or multi-year variable remuneration or any other remuneration from the company or other Groupe SEB companies.

The variable remuneration (Resolution 10) items awarded to Thierry de La Tour d'Artaise for the previous year will be able to be awarded only after the Shareholders' Meeting approves the items.

REMUNERATION ALLOCATED IN HIS CAPACITY AS A MEMBER OF THE BOARD OF DIRECTORS

Thierry de La Tour d'Artaise receives remuneration for his position as a member of the Board of Directors according to the rules applicable to all Board members. In 2022, Thierry de La Tour d'Artaise received €15,000 gross as a director of the company for the first six months of the year.

PERFORMANCE SHARES

In accordance with the authorization granted by the Annual General Meeting of 19 May 2022 (Resolution 22), the Board of Directors, at its meeting on the same day, decided to award 9,000 performance shares to Thierry de La Tour d'Artaise for the first six months of financial year 2022.

The shares granted to Thierry de La Tour d'Artaise under the 2022 performance share plan represented to 0.0179% of the share capital.

Shares resulting from the exercise of stock options and performance shares awarded to Thierry de La Tour d'Artaise must be held in registered form for a certain period, under the following terms and conditions:

- shares resulting from the exercise of stock options: the quantity of shares to be held must correspond to 50% of the net capital gain after the sale of the quantity of shares necessary to fund the option exercise, net of tax and social contributions and transaction fees;
- performance shares: the quantity of shares to be held must correspond to 50% of the net capital gain, net of tax and social contributions and transaction fees.

At its meeting on 22 February 2023, the Board of Directors, on a proposal of the Governance and Remuneration Committee, reviewed the terms of the holding requirement with regard to the situation of Thierry de La Tour d'Artaise and decided that they were still appropriate for his former corporate mandate as Chairman and Chief Executive Officer. It should be noted that no new performance shares will be awarded for his term of office as Chairman of the Board of Directors from 1 July 2022.

Once the number of shares held by Thierry de La Tour d'Artaise reaches the equivalent of two years' remuneration (fixed and target bonus), the quantity of shares to be held is reduced to 20%. This condition has, to date, been met in full.

- Entitlement to stock options in the event of termination: this entitlement became null and void since the last Group stock-options' plan expired on 18 June 2020.

BENEFITS IN KIND

Thierry de La Tour d'Artaise has a company car, representing a benefit of €8,702 for the year (i.e. €4,351 for the first six months), and receives €15,200 per year (i.e. €7,600 for the first six months) for the use of an apartment in Paris and has a driver at his disposal.

LONG-TERM COMMITMENTS

Pension commitment

Thierry de La Tour d'Artaise benefits from the former collective supplementary pension plan set up for Groupe SEB's French senior managers (members of the Executive Committee) in accordance with the recommendations of the AFEP-MEDEF Code, as described above.

The various conditions of the pension plan imply that, at the legal retirement age, Thierry de La Tour d'Artaise will receive a gross replacement ratio (including statutory plans) of 30.36% of his reference remuneration, which corresponds to a replacement rate of 22.73% of his reference remuneration (not counting statutory plans).

Entitlements estimation at 1 July 2022 (within the limit of 36 annual Social Security ceilings):

Regime	Amount
Deferred defined-benefit pension plan	€217,583 gross per year
Supplementary defined-benefit pension plan	€225,015 gross per year
Defined-contribution pension plan *(the entitlements resulting from this plan have been frozen since January 2012)*	€11,929 gross per year

This collective supplementary pension plan of the Chairman and Chief Executive Officer was liquidated on 1 July 2022 (date of liquidation of his pension under the legal general plan (first pillar).

Other lifetime benefits: incapacity, disability and death and health insurance and individual life insurance

Thierry de La Tour d'Artaise continues to benefit from supplementary social protection, notably as regards the incapacity, disability and death and health insurance that covers the company's employees.

- Due to his age, this scheme no longer provides for the payment of additional compensation for Thierry de La Tour d'Artaise.
- He may receive a death lump-sum set at a maximum of €2,073,254.

In addition to the collective incapacity, disability and death insurance plan, Thierry de La Tour d'Artaise no longer benefits from an individual life insurance policy. No expenses were recognized under this plan for the financial year ended 31 December 2022.

Severance payments

Thierry de La Tour d'Artaise was only entitled to the severance pay owing under his employment contract, to the exclusion of any other benefit, in the event of termination of his corporate office.

Thierry de La Tour d'Artaise's employment contract did not contain a non-compete clause.

This employment contract and any severance benefits came to an end on 1 July 2022.

Retirement lump-sum payment

The retirement payment of Thierry de La Tour d'Artaise amounts to €625,002 due to his seniority, and under the applicable Collective Bargaining agreements.

This compensation was paid to him at the end of June 2022, as his pension under the general plan was liquidated on 1 July 2022.

The components of the remuneration of Thierry de La Tour d'Artaise, Chairman for the period from 1 July 2022 to 31 December 2022

FIXED REMUNERATION

The remuneration of Thierry de La Tour d'Artaise remains fixed at €950,000 on an annual basis as approved by the Board of Directors at its meeting of 24 February 2022. Thierry de La Tour d'Artaise was paid a pro rata amount over the period from 1 July to 31 December 2022, totaling €475,000.

REMUNERATION ALLOCATED IN HIS CAPACITY AS A MEMBER OF THE BOARD OF DIRECTORS

The maximum annual amount of the remuneration that may be allocated to Thierry de La Tour d'Artaise, in his capacity as a member of the Board, will be €14,000 gross for the fixed portion and €21,000 gross for the variable portion. Should he become Chairman of one of the Board Committees, those amounts may be increased by a Board decision (amounts as detailed on page 102 of this document).

ANNUAL VARIABLE REMUNERATION

As Chairman of the Board, Thierry de La Tour d'Artaise is not entitled to any annual variable remuneration.

PERFORMANCE SHARES

As Chairman of the Board, Thierry de La Tour d'Artaise is not entitled to any Performance shares' Plan new grants.

BENEFITS IN KIND

Thierry de La Tour d'Artaise continued to benefit from a company car corresponding to a benefit of €4,351 and compensation of €7,600 for the use of an apartment in Paris over the last six months of the year.

Long-term commitments/Pension Commitment

Mr. Thierry de La Tour d'Artaise has requested the liquidation of his rights in the schemes as of July 1, 2022.

Other lifetime benefits: incapacity, disability and death and health insurance and individual life insurance

Thierry de La Tour d'Artaise continues to benefit from supplementary social protection, notably as regards the death and health insurance that covers the company's employees, as described above.

SUMMARY TABLE OF THE REMUNERATION AND OPTIONS AND SHARES DUE OR AWARDED TO THIERRY DE LA TOUR D'ARTAISE

Thierry de La Tour d'Artaise – Chairman and Chief Executive Officer, then Chairman of the Board of Directors	2020	2022
Remuneration due during the financial year	€2,553,902	€1,225,338
Value of the options awarded for the financial year	-€	-€
Value of the performance shares awarded for the period *	€2,590,893€	€828,120
Value of the other long-term remuneration plans	N/A	N/A
TOTAL	**€5,144,795**	**€2,053,458**

* *On each award date, the fair value carrying amount of the shares is determined in accordance with IFRS. This is the historical value on the award date, calculated for accounting purposes using the method described in the Consolidated Financial Statements section. This value represents neither the current market value, nor the discounted value of these options and shares, nor the actual amount that may be generated upon exercise of these options, if they are exercised or on the vesting of these performance shares, if they are vested. In 2022, this allocation of €828,120 only covered the first six months as Chairman and CEO.*

SUMMARY TABLE OF THE REMUNERATION PAID OR AWARDED TO THIERRY DE LA TOUR D'ARTAISE

Thierry de La Tour d'Artaise	Amounts relating to 2021		Amounts relating to 2022	
Chairman and Chief Executive Officer, then Chairman of the Board of Directors	Due	Paid	Due	Paid
Fixed remuneration(1)	€1,000,000	€1,000,000	€975,000	€1,000,000
Annual variable remuneration(2)	€1,500,000	€1,194,200	€250,338	€1,500,000
Extraordinary remuneration	none	none	none	none
Remuneration as a member of the Board of Directors	**€30,000**	**€30,000**	**€30,000**	**€30,000**
Benefits in kind:				
car	€8,702	€8,702	€8,702	€8,702
housing in Paris	€15,200	€15,200	€15,200	€15,200
TOTAL	**€2,553,902**	**€2,248,102**	**€1,225,338**	**€2,553,902**

(1) Of which €500,000 for the first six months, then €475,000 for the last six months based on the amounts due in 2022.
(2) Of which €250,338 for the first six months, then €0 for the last six months based on the amounts due in 2022.

EQUITY RATIO BETWEEN THE LEVEL OF REMUNERATION OF THE CHAIRMAN AND CEO AND THEN CHAIRMAN OF THE BOARD OF DIRECTORS, AND THE AVERAGE AND MEDIAN REMUNERATION OF THE COMPANY

This presentation was carried out in accordance with the terms of law no. 2019-486 of 22 May 2019, known as the "PACTE" law, in order to ensure compliance with the transparency requirements regarding the remuneration of executive officers. The comparison with regard to the listed company SEB S.A. is not relevant since only the two corporate executive officers are attached to the parent company SEB S.A., which is why comparisons are made with regard to an expanded scope. On 24 February 2022, the Board of Directors decided to extend the reference population to the top 10 legal entities in France as of 31 December 2021 (97% of the workforce). On 22 February 2023, the Board of Directors decided to maintain the same reference population as of 31 December 2022.

TABLE OF RATIOS UNDER I. 6° AND 7° OF ARTICLE L. 22-10-9 OF THE FRENCH COMMERCIAL CODE

Year ended 31 December	2018	2019	2020(1)	2021	2022(2)
Chairman-CEO compensation	4,888,800	4,772,958	4,023,954	4,785,093	3,328,120
Change/N-1	2.27%	-2.37%	-15.69%	18.92%	-30.45%
Additional Information on extended scope 2021 / 10 legal entities in France(3)					
Average employee compensation	50,463	51,790	51,756	52,031	53,592
Change/N-1	1.66%	2.63%	-0.07%	0.53%	3.00%
Median employee compensation	41,886	42,912	42,896	42,873	45,516
Change/N-1	2.71%	2.45%	-0.04%	-0.05%	6.16%
Ratio/Average employee compensation	96.9	92.2	77.7	92.0	62.1
Change/N-1	+0.6 points	-4.7 points	-14.4 points	+14.2 points	-29.9 points
Ratio/Median employee compensation	116.7	111.2	93.8	111.6	73.1
Change/N-1	-0.5 points	-5.5 points	-17.4 points	+17.8 points	-38.5 points
Headcount % vs. headcount Total France	99%	99%	97%	97%	97%
Company performance					
Net Sales *(M€)*	6,812	7,354	6,940	8,058	7,960
Change in net sales/N-1	7.80%	5.80%	-3.80%	16.10%	-4.70%
Operating Result from Activities (ORfA) *(M€)*	695	740	605	813	620
Change in ORfA/N-1	2.50%	6.50%	-18.20%	34.40%	-24.00%

Explanatory elements for the ratio of the Chairman & CEO, then the Chairman of the Board of Directors:

(1) Elements paid to Thierry de La Tour d'Artaise for 2020 are computed after deduction of "Covid donations" at €41,667 on his fixed part and €48,017 on his variable part.

(2) The separation took place on 1 July 2022: from 1 January to 30 June as Chairman and CEO, then from 1 July to 31 December 2022 as Chairman of the Board of Directors.

(3) CALOR SAS, GROUPE SEB EXPORT SAS, GROUPE SEB FRANCE SAS, GROUPE SEB MOULINEX SAS, GROUPE SEB RETAILING SAS, ROWENTA FRANCE SAS, SAS SEB, SEB DEVELOPPEMENT SAS, SEB INTERNATIONAL SERVICE SIS SAS, and TEFAL SAS.

Methodology

The "Equity Ratio" is the ratio between the Fixed remuneration paid + Variable remuneration paid + Award of performance shares for the financial year and the total annual full-time salary for all employees from the top ten legal entities in France for all fixed-term contracts (excluding professional contracts/apprenticeship) and permanent contracts (excluding expatriates) in accordance with the rule set out in the PACTE law and excluding executive officers.

The total annual salary of employees includes base salary, bonuses (if any), variable remuneration, holiday bonuses, profit-sharing and incentive bonuses, as well as performance share grants for employees of the ten main legal entities in France. (Calor S.A.S., Groupe SEB Export S.A.S., Groupe SEB France S.A.S., Groupe SEB Moulinex S.A.S., Groupe SEB Retailing S.A.S., Rowenta France S.A.S., S.A.S. SEB, SEB Développement S.A.S., SEB International Service SIS S.A.S., et Tefal S.A.S.).

- In accordance with the PACTE law, these ratios are calculated on the basis of the median data of the employees and then on the basis of the average data of the same employees, excluding executive officers.
- The valuation of free share plans subject to performance conditions is applied under IFRS (valuation at the "fair value" of the security calculated on the date of award).
- The comparison with regard to the listed company SEB S.A. is not relevant since only the two corporate executive officers are attached to the parent company SEB S.A., which is why comparisons are made with regard to an expanded scope that includes the data of the top ten legal entities in France (97% of the workforce).

STOCK OPTIONS AWARDED IN 2022 TO THIERRY DE LA TOUR D'ARTAISE

	Date of the plan	Type of option	Valuation of the options based on the method used in the Consolidated Financial Statements	Number of options awarded	Exercise price	Exercise period
Mr. Thierry de La Tour d'Artaise				No options were awarded in 2022		

STOCK OPTIONS EXERCISED IN 2022 TO THIERRY DE LA TOUR D'ARTAISE

	Date of the plan	Number of options exercised during the financial year	Exercise price	Year awarded
Mr. Thierry de La Tour d'Artaise			No options were exercised in 2022	

PERFORMANCE SHARES AWARDED FOR 2022 TO THIERRY DE LA TOUR D'ARTAISE

	Date of the plan	Number of shares awarded	Value of shares	Vesting date	Availability date	Performance conditions
Mr. Thierry de La Tour d'Artaise	19/05/2022	9,000	€828,120	19/05/2025	19/05/2025	Achievement of Revenue and Operating Result from Activity targets

PERFORMANCE SHARES FULLY VESTED IN 2022 FOR THIERRY DE LA TOUR D'ARTAISE

	Date of the plan	Number of vested shares	Vesting date	Availability date	Acquisition conditions
Mr. Thierry de La Tour d'Artaise	22/05/2019	19,800*	23/05/2022	23/05/2022	Achievement of Revenue and Operating Result from Activity targets

* *Taking into account the free share allocation of 3 March 2021.*

MULTI-YEAR VARIABLE REMUNERATION PAID TO THIERRY DE LA TOUR D'ARTAISE

	Financial year
Mr. Thierry de La Tour d'Artaise	No multi-year variable remuneration paid

REMUNERATION OF THE CHIEF OPERATING OFFICER AND THEN CHIEF EXECUTIVE OFFICER

Components of remuneration paid in financial year 2022 or allocated for 2022 to Stanislas de Gramont

The Board of Directors determined the payments and benefits to which Stanislas de Gramont would be entitled in his capacity as Chief Operating Officer, while respecting the specific procedure for regulated related-party agreements. The agreement stipulated the terms of Stanislas de Gramont's remuneration, authorized by the Board of Directors at its meeting on 19 December 2018, and approved by the Annual General Meeting.

It should be noted that Stanislas de Gramont received no compensation or payment of any kind at the time he assumed his duties, in accordance with the policy on remuneration for senior managers laid down by the Board of Directors.

FIXED REMUNERATION

In 2022, Stanislas de Gramont's gross fixed annual remuneration was €750,000, including €375,000 gross for the first six months as Chief Operating Officer and then €412,500 gross for the last six months as Chief Executive Officer.

ANNUAL VARIABLE REMUNERATION

Based on the quantitative and qualitative criteria used by the Board of Directors and set at the start of the year, the amount of variable remuneration was measured as follows:

- Between 1 january 2022 and 30 June 2022, the annual variable rémunération is computed on the whole year and then brought back to 50 % of the given result with an on-target at 80%;
- Between 1 July 2022 and 31 December 2022, the annual variable rémunération is computed on the whole year and then brought back to 50 % of the given result with an on-target at 100%;
- based on quantitative criteria, the variable portion is 0.0% of Stanislas de Gramont's fixed annual remuneration with a target of 80% (0.0% with a target of 100%). The Board of Directors measured Stanislas de Gramont's performance with respect to Groupe SEB's growth targets for Revenue and Operating Result from Activity;
- based on qualitative criteria, the variable portion is 100.14% of Stanislas de Gramont's fixed annual remuneration with a target of 80% (125.17% for a target of 100%). The Board of Directors judged Stanislas de Gramont's performance based on collective and individual targets such as the finalization and launch of the three-year plan for WMF, the continued implementation of the projects set out in the Agile corporate plan, and the preparation for and handling of the role of Chief Executive Officer.

Consequently, the variable remuneration paid in 2023 for the first six months of the 2022 fiscal year amounts to 150,203 euros, representing 50.1% of the fixed remuneration and then €206,528 for the last six months (i.e a total of €356,731 gross for the whole year). The variable remuneration paid in 2022 for financial year 2021 was €900,000 or 120% of his fixed remuneration due to the applicable overall ceiling to his variable remuneration.

He does not benefit from any deferred or multi-year variable compensation or any other compensation from the company or other Groupe SEB companies.

The variable remuneration items (Resolution 9) awarded to Stanislas de Gramont for the previous year will be able to be awarded only after the Shareholders' Meeting approves the items.

BENEFITS IN KIND

Stanislas de Gramont has a company car, representing a benefit of €5,039 for the year (€2,520 for six months).

As he does not have an employment contract with the Group, Stanislas de Gramont benefits from employment insurance for company directors and senior managers, representing an annual benefit of €32,765 (€16,382 for six months).

Stanislas de Gramont has a supplementary death coverage policy, representing a benefit of €13,055 for the year (€6,528 for six months).

PERFORMANCE SHARES

In accordance with the authorization granted by the Annual General Meeting on 19 May 2022 (Resolution 22), the Board of Directors, at its meeting on the same day, decided to award 10,500 performance shares to Stanislas de Gramont for financial year 2022.

The portion granted to Stanislas de Gramont under the 2022 performance share plan represented 0.0189% of the share capital.

Shares resulting from the exercise of stock options and performance shares awarded to Stanislas de Gramont must be held in registered form for a certain period, under the following terms and conditions:

- the number of shares to be held must correspond to 20% of the net capital gain, net of tax and social contributions and transaction fees;
- once the number of shares held by Stanislas de Gramont reaches the equivalent of one year's remuneration (fixed and target bonus), the holding requirement no longer applies.

LONG-TERM COMMITMENTS

Pension commitment

Stanislas de Gramont potentially benefits from the former retirement plan in line with the conditions defined in the Ordinance of 3 July 2019 and the application conditions defined in the directive of 23 December 2020.

In accordance with the compensation policy for the Deputy Chief Executive Officer for 2022, decided by the Board of Directors and then CEO on 24 February 2022 and to be approved by the Ordinary General Meeting of Shareholders to be held on 19 May 2022, the application of the new "L. 137-11-2" scheme described above is extended, for the period from 1 January to 30 June 2022, to Stanislas de Gramont.

Other lifetime benefits: incapacity, disability and death and health insurance and individual life insurance

Stanislas de Gramont continues to benefit from supplementary social protection, notably as regards the incapacity, disability and death and health insurance that covers the company's employees.

He also benefits from individual life insurance. The purpose of this specific life insurance policy is to cover the portion of remuneration that is not covered by the collective plans.

This plan for Stanislas de Gramont notably includes the payment of:

- supplementary benefits, set at a maximum annual amount as follows:

In the event of incapacity	€246,816
In the event of first degree disability	€148,090
In the event of second and third degree disability	€246,816

Less French Social Security benefits for the 3 items.

- a death benefit set at a maximum of €2,665,613.

In addition to the collective incapacity, disability and death insurance plan, Stanislas de Gramont is the beneficiary of death benefit with a capital amounting to €2,239,424. The purpose of this specific life insurance policy is to cover the portion of remuneration that is not covered by the collective plans. The annual charge for this guarantee amounts to €13,055.

This agreement, authorized by the Board of Directors on 19 December 2018, was approved by the shareholders at the Annual Meeting of Shareholders on 22 May 2019, in accordance with the procedure for regulated related-party agreements (Resolution 15).

Severance payments

In the event of dismissal, he will be entitled to severance pay capped at two years' fixed and variable remuneration, including, where appropriate, the amounts paid under the non-compete clause.

The reference remuneration used to calculate the severance allowance consists of the last two years of fixed and variable remuneration that Stanislas de Gramont received in his capacity as Chief Operating Officer an then Chief Executuve Officer..

Payment of the indemnity will be subject to performance conditions, measured in the following manner:

- if he is dismissed within four years of his appointment as executive officer, the severance allowance will be adjusted for the rate of achievement of his targets over the last four full years of service, as follows:
  - as an executive officer, for the period following his appointment; and
- if he is dismissed after four years from his appointment as executive officer, the severance allowance will be adjusted for the rate of achievement of his targets, in said capacity, over the last four full years of service.

In both situations, performance is assessed as follows:

Average rate of achievement over the previous four financial years	Amount of benefit paid
100% or more	100%
Between 50% and 100% inclusive	Between 75% and 100%, according to a straight-line calculation
Less than 50%	None

Non-compete clause

Pursuant to the non-compete agreement, in case of termination of his appointment of office as Chief Operating Officer and then Chief Executive Officer, by means of dismissal or resignation, he shall be prohibited for a one-year period, renewable once, from working in any manner with a competitor of Groupe SEB.

In consideration for this non-compete clause and for its entire duration, Stanislas de Gramont will receive a monthly non-compete payment amounting to 50% of his monthly average fixed and variable remuneration paid over his last 12 months of service within the Group.

The Board of Directors may waive Stanislas de Gramont from this obligation by releasing him from the non-compete clause.

This non-compete agreement, and the terms of severance detailed above, were authorized by the Board of Directors on 19 December 2018 and were also disclosed as part of the permanent information on remuneration and benefits. This agreement was approved by the shareholders at the Annual General Meeting on 22 May 2019, in accordance with the procedure provided for regulated agreements (Resolution 15).

RETIREMENT LUMP-SUM PAYMENT

The legal retirement lump-sum payment entitlement is being computed at the time of the registration of this present document. He does not benefit from any Collective Bargaining agreement entitlements as he is not subject to any Collective Bargaining agreement.

LONG TERM COMMITMENT

Pension Entitlements

In accordance with the compensation policy for the Deputy Chief Executive Officer for 2022, decided by the Board of Directors and then CEO on 24 February 2022 and to be approved by the Ordinary General Meeting of Shareholders to be held on 19 May 2022, the application of the new "L. 137-11-2" scheme described above is extended, for the period from 1 January to 30 June 2022, to Stanislas de Gramont.

The receipt of annual entitlements by Stanislas de Gramont is conditional on compliance with conditions related to his professional performance. Performance is calculated on the basis of the Business Revenue and Operating Result from Activity objectives set by the Board of Directors over the year in question.

If actual performance is equal to or greater than 100%, the entitlements received by Stanislas de Gramont will equal 3% of the reference remuneration. If actual performance is between 0% and 100%, the entitlements will be prorated. Therefore, entitlements may be nil (0%)

The other conditions referred to in the description of the new plan apply to Stanislas de Gramont.

Furthermore, Stanislas de Gramont continues to benefit potentially (subject to career completion) from the old closed and frozen retirement plan, as described on pages 106–107.

SUMMARY TABLE OF THE REMUNERATION AND OPTIONS AND SHARES DUE OR AWARDED TO STANISLAS DE GRAMONT

Stanislas de Gramont – Chief Operating Officer then Chief Executive Officer	2021	2022
Remuneration due during the financial year	€1,699,941	€1,195,090
Value of the options awarded for the financial year*	N/A	N/A
Value of the performance shares awarded for the period*	€1,295,447	€966,140
Value of the other long-term remuneration plans	N/A	N/A
TOTAL	**€2,995,388**	**€2,161,230**

* *On each award date, the fair value carrying amount of the options and shares is determined in accordance with IFRS. This is the historical value on the award date, calculated for accounting purposes using the method described in the Consolidated Financial Statements section. This value represents neither the current market value, nor the discounted value of these options and shares, nor the actual amount that may be generated upon exercise of these options, if they are exercised or on the vesting of these performance shares, if they are vested.*

SUMMARY TABLE OF THE REMUNERATION PAID OR AWARDED TO STANISLAS DE GRAMONT

Stanislas de Gramont Chief Operating Officer then Chief Executive Officer	Amounts relating to 2021		Amounts relating to 2022	
	Due	Paid	Due	Paid
Fixed remuneration(1)	€750,000	€750,000	€787,500	€750,000
Annual variable remuneration(2)	€900,000	€715,920	€356,731	€900,000
Extraordinary remuneration	N/A	N/A	N/A	N/A
Remuneration for members of the Board of Directors	N/A	N/A	N/A	N/A
Benefits in kind:				
• car	€5,039	€5,039	€5,039	€5,039
• GSC benefits in kind	€32,765	€15,241	€32,765	€32,765
• additional insurance coverage	€12,137	€2,553	€13,055	€12,137
TOTAL	**€1,699,941**	**€1,488,753**	**€1,195,090 €**	**€1,699,941**

(1) *Of which €375,000 for the first six months, then €412,500 for the last six months based on the amounts due in 2022.*
(2) *Of which €150,203 for the first six months, then €206,528 for the last six months based on the amounts due in 2022.*

EQUITY RATIO BETWEEN THE LEVEL OF REMUNERATION OF THE CHIEF OPERATING OFFICER AND THEN CHIEF EXECUTIVE OFFICER AND THE AVERAGE AND MEDIAN REMUNERATION OF THE COMPANY

This presentation was carried out in accordance with the terms of law no. 2019-486 of 22 May 2019, known as the “PACTE” law, in order to ensure compliance with the transparency requirements regarding the remuneration of executive officers. The comparison with regard to the listed company SEB S.A. is not relevant since only the two corporate executive officers are attached to the parent company SEB S.A. On 24 February 2022, the Board of Directors decided to extend the reference population to the top 10 legal entities in France as of 31 December 2021 (97% of the workforce). On 22 February 2023, the Board of Directors decided to maintain the same reference population as of 31 December 2022.

Year ended 31 December	2018	2019	2020	2021	2022 (2)
COO Compensation	2 312 610	2 442 324	2 560 045	2 761 367	2 616 140
Change/N-1	-2,37%	5,61%	4,82%	7,86%	-5,26%
Additional Information on extended scope 2021/10 legal entities in France (1)					
Average employee compensation	50 463	51 790	51 756	52 031	53 592
Change/N-1	1,66%	2,63%	-0,07%	0,53%	3,00%
Median employee compensation	41 886	42 912	42 896	42 873	45 516
Change/N-1	2,71%	2,45%	-0,04%	-0,05%	6,16%
Ratio/Average employee compensation	45,8	47,2	49,5	53,1	48,8
Change/N-1	-1.9 points	+1.4 points	+2.3 points	+3.6 points	-4.3 points
Ratio/Median employee compensation	55,2	56,9	59,7	64,4	57,5
Change/N-1	-2.9 points	+1.7 points	+2.8 points	+4.7 points	-6.9 points
Headcount % vs. headcount Total France	99%	99%	97%	97%	97%
Company performance					
Net Sales (M €)	6 812	7 354	6 940	8 058	7 960
Change in net sales/N-1	7,80%	5,80%	-3,80%	16,10%	-4,70%
Operating Result from Activities (ORfA) (M€)	695	740	605	813	620
Change in ORfA/N-1	2,50%	6,50%	-18,20%	34,40%	-24,00%

Explanatory elements for the ratio of the Chief Operating Officer then Chief Executive Officer

The salary elements paid to Bertrand Neuschwander are taken into account for the 2018 financial year. He was revoked in October 2018 and, as such, the fixed salary paid in 2018 was only 9 months' fixed salary.

The salary elements paid to Stanislas de Gramont are taken into account for the financial years 2019, 2020 and 2021. He joined the Group in December 2018, and as such, the bonus paid in 2019 includes a pro-rata element of 1/12.

The salary elements paid to Stanislas de Gramont for 2020 are computed after «Covid donations» at €31,250 on his fixed part and €28,710 on his variable part.

(1) *Calor SAS, Groupe SEB export SAS, groupe SEB France SAS, Groupe SEB moulinex SAS, Groupe SEB retailing SAS, Rowenta France SAS, SAS SEB, SEB Developpement SAS, SEB International Service sis SAS, and Tefal SAS.*

(2) *The separation took place on 1 July 2022: from 1 January to 30 June as Chief Operating Officer, then from 1 July to 31 December 2022 as Chief Executive Officer.*

Methodology

The "Equity Ratio" is the ratio between the Fixed remuneration paid + Variable remuneration paid + Award of performance shares for the financial year and the total annual full-time salary for all employees from the top ten legal entities in France for all fixed-term contracts (excluding professional contracts/apprenticeship) and permanent contracts (excluding expatriates) in accordance with the rule set out in the PACTE law and excluding executive officers. The Methodology is detailed on page 113.

STOCK OPTIONS AWARDED FOR 2022 TO STANISLAS DE GRAMONT

	Date of the plan	Type of option	Valuation of the options based on the method used in the Consolidated Financial Statements	Number of options awarded	Exercise price	Exercise period
Stanislas de Gramont						No options were awarded in 2022

STOCK OPTIONS EXERCISED IN 2022 BY STANISLAS DE GRAMONT

	Date of the plan	Number of options exercised during the financial year	Exercise price	Year awarded
Stanislas de Gramont				No options were exercised in 2022

PERFORMANCE SHARES AWARDED FOR 2022 TO STANISLAS DE GRAMONT

	Date of the plan	Number of shares awarded	Value of shares	Vesting date	Availability date	Performance conditions
Stanislas de Gramont	19/05/2022	10,500	€966,140	19/05/2025	19/05/2025	Achievement of revenue and Operating Result from Activity targets

PERFORMANCE SHARES FULLY VESTED IN 2022 FOR STANISLAS DE GRAMONT

	Date of the plan	Number of vested shares	Vesting date	Availability date	Acquisition conditions
Stanislas de Gramont	22/05/2019	12,100*	23/05/2022	23/05/2022	Achievement of revenue and Operating Result from Activity targets

* *Taking into account the free share allocation of 3 March 2021.*

MULTI-YEAR VARIABLE REMUNERATION PAID TO STANISLAS DE GRAMONT

	Financial year
Stanislas de Gramont	No multi-year variable remuneration paid

REMUNERATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

On the recommendation of the Governance and Remuneration Committee, the Board of Directors approved the remuneration policy for the Chairman of the Board of Directors from 1 July 2022, set out below, which was approved at the Annual General Meeting of 19 May 2022 and which is subject to approval at the next Annual General Meeting of 17 May 2023.

FIXED REMUNERATION

On 24 February 2022, at the proposal of the Governance and Remuneration Committee, the Board of Directors decided to set the fixed annual remuneration of Thierry de La Tour d'Artaise as Chairman of the Board of Directors at €950,000 gross annually.

On 22 February 2023, the Board of Directors decided to leave this fixed annual remuneration unchanged.

The Governance and Remuneration Committee drew up an initial assessment of the separation of the functions of Chairman and Chief Executive Officer in its active tandem formula as decided by the Board of Directors and presented at the last General Assembly.

In this regard, they reviewed the Chairman's compensation and noted that the methodology followed remained relevant and that the reference compensation used in 2021 to draw up their initial proposal had not changed significantly in 2022.

Based on this observation, they unanimously proposed to the Board of Directors to maintain the compensation allocated in 2022 for the 2023 financial year.

They considered that the mission to support the Chief Executive Officer in the exercise of his new functions should be completed by the 2024 General Assembly. They therefore projected that the Chairman's compensation could then decrease to €750 000 after the 2024 General Assembly in view of the other missions that he will continue to perform.

VARIABLE REMUNERATION & PERFORMANCE SHARES

Furthermore, he does not benefit from variable remuneration and will not be awarded performance shares for 2023.

BENEFITS IN KIND

Thierry de La Tour d'Artaise will benefit from a company car and the availability of a driver, representing a benefit of €8,604. As per Chairman's request, the housing allowance in Paris was cancelled for the year 2023, following the Governance and Remuneration Committee dated 8 December 2022.

LONG-TERM COMMITMENTS

Lifetime benefits: incapacity, disability and death and health insurance and individual life insurance

Thierry de La Tour d'Artaise continues to benefit from supplementary social protection, notably as regards the death and health insurance that covers the company's employees, as described above.

Other benefits

As of 1 July 2022, Thierry de La Tour d'Artaise requested to perceive his annual pension entitlements, as described in the Plan on page 106.

REMUNERATION AS A MEMBER OF THE BOARD OF DIRECTORS

Thierry de La Tour d'Artaise receives remuneration for his position as a member of the Board of Directors and member of Committees according to the rules applicable to all Board members.

REMUNERATION OF THE CHIEF EXECUTIVE OFFICER

On the recommendation of the Governance and Remuneration Committee, the Board of Directors approved the remuneration policy for the Chief Executive Officer from 1 July 2022, set out below, which is subject to approval at the Annual General Meeting of 17 May 2023.

FIXED REMUNERATION

On 24 February 2022, at the proposal of the Governance and Remuneration Committee, the Board of Directors decided to set the fixed annual remuneration of Stanislas de Gramont as Chief Executive Officer at €825,000 gross annually. On 22 February 2023, the Board of Directors decided to leave this fixed annual remuneration unchanged.

ANNUAL VARIABLE REMUNERATION

Stanislas de Gramont's annual variable remuneration is set according to the same principles, i.e. that it can represent 100% of his target fixed remuneration and a maximum of 150% of his fixed remuneration, or €1,237,500 on an annual basis according to the rate of achievement of his quantitative and qualitative targets. These targets are divided as follows: 60% relates to quantitative criteria and 40% to qualitative criteria.

The performance evaluation criteria were renewed for 2023 using the quantitative targets set by the Board of Directors, which are based on

Groupe SEB's targets for Revenue and Operating Result from Activity. The qualitative objectives include:

- qualitative objectives relating to individual performance, set by the Board of Directors on the recommendation of the Governance and Remuneration Committee, which account for 15% of his total variable remuneration;
- a qualitative objective relating to the collective performance of the Executive Committee, which accounts for 10% of total variable remuneration. Achievement of this objective is assessed by the Board of Directors;
- qualitative objectives relating to three CSR criteria, which account for 15% of the total variable remuneration. The CSR criteria are as follows:
  - objective of lowering workplace accidents, to improve Lost Time Injury Rate (LTIR),
  - low carbon objective at the Group's plants,
  - objective of monitoring and fulfilling the social floor in countries judged to be at risk, audited by Intertek.

BENEFITS IN KIND

Stanislas de Gramont continues to benefit from a company car, representing an annual benefit of €5,039. Stanislas de Gramont continues to benefit from personal life insurance coverage, representing an annual benefit of €13,055.

As he does not have an employment contract with the Group, Stanislas de Gramont continues to benefit from employment insurance for company directors and senior managers, representing an annual benefit of €32,765.

PERFORMANCE SHARES

The Board of Directors reserves the right to decide to implement a new performance share award plan, under the authorization that will be submitted to the Annual General Meeting on 17 May 2023.

Should the Board of Directors be granted the necessary powers to award performance shares, it would decide to award 12,000 performance shares to Stanislas de Gramont for 2023, in line with the plan described in the proposed Resolution 16.

LONG-TERM COMMITMENTS

Pension commitment

In accordance with the compensation policy for the Chief Executive Officer for 2023, decided by the Board of Directors on 22 February 2023 and to be approved by the Ordinary General Meeting of Shareholders to be held on 17 May 2023, the application of the new "L. 137-11-2" plan described above was extended, for the period from 1 January 2022, to Stanislas de Gramont.

The receipt of annual entitlements by Stanislas de Gramont is conditional on compliance with conditions related to his professional performance. Performance is calculated on the basis of the Business Revenue and Operating Result from Activity objectives set by the Board of Directors over the year in question.

If actual performance is equal to or greater than 100%, the entitlements received by Stanislas de Gramont will equal 3% of the reference remuneration for 2022. If actual performance is between 0% and 100%, the entitlements will be prorated. Therefore, entitlements may be nil (0%).

The company's commitments to Stanislas de Gramont may be terminated by decision of the Board of Directors. However, any entitlements prior to this termination would remain acquired in accordance with the applicable legal provisions.

The other conditions referred to in the description of the new plan apply to Stanislas de Gramont.

Furthermore, Stanislas de Gramont continues to benefit potentially from the previous closed and frozen retirement plan.

Other lifetime benefits: incapacity, disability and death and health insurance and individual life insurance

Stanislas de Gramont continues to benefit from the supplementary social protection mentioned above, notably as regards the incapacity, disability and death and health insurance that covers the company's employees.

He continues to benefit from individual death benefit. The purpose of this specific life insurance policy is to cover the portion of remuneration that is not covered by the collective plans.

In addition to the collective incapacity, disability and death insurance plan, Stanislas de Gramont continues to benefit from an individual life insurance policy with a capital amounting to €2,239,424. The purpose of this specific life insurance policy is to cover the portion of remuneration that is not covered by the collective plans. The annual charge for this guarantee amounts to €13,055.

Severance payments

In the event of termination of duties following dismissal, Stanislas de Gramont may receive severance pay under the conditions and procedures specified above.

Non-compete clause

The abovementioned non-compete clause is maintained after 1 July 2022 under the same terms and conditions.

REMUNERATION OF MEMBERS OF THE GROUP EXECUTIVE COMMITTEE

In 2022, the total remuneration of Groupe SEB's current Executive Committee amounted to €7,646,000, including €5,753,000 in fixed remuneration and €1,893,000 in variable remuneration (€10,174,000 in 2021, including €5,124,000 in fixed remuneration and €5,050,000 in variable remuneration).

This change in the Executive Committee's overall remuneration is due in particular to:

- the appointment of a new member of the Executive Committee on 1 July 2022: Oguzhan Olmez, Executive Vice-president, North America;
- the achievement of 0.0% of the economic criteria at Group level.

ANNUAL VARIABLE REMUNERATION

As with all executive officers, the senior managers' variable remuneration is determined so as to align remuneration with Groupe SEB's annual performance and to support the execution of a long-term growth strategy, year after year. It is set at the start of the financial year, by the Board of Directors.

It is expressed as a percentage of the fixed remuneration for the reference year and corresponds, for the achievement of all the targets, to a target of 60% for all the members of the Executive Committee, with one exception where remuneration is paid internationally.

It is capped and may represent up to 100% of the base remuneration if the quantitative and qualitative targets are met, with one exception where remuneration is paid internationally. The criteria are reviewed on a regular basis to ensure that they adhere to the principles referred to above and are only amended should this prove necessary.

In 2022, the quantitative and qualitative performance criteria were assessed and discussed by the Governance and Remuneration Committee and approved by the Board of Directors at its meeting on 22 February 2023.

Quantitative criteria linked to Groupe SEB's economic performance account for 60% of variable remuneration and are assessed according to the following objectives:

- revenue growth; and
- growth in the Operating Result from Activity.

The qualitative criteria, linked to individual performance, account for 40% of variable remuneration and are assessed according to specific strategic objectives. In particular, they allow performance to be measured in relation to the objectives set surrounding the organizational development and management of the Group, the implementation of the corporate plan, the integration of the latest acquisitions and CSR criteria as described on page 104 of this document.

PERFORMANCE SHARES

The members of the Group Executive Committee are awarded performance shares, according to the same principles and conditions as those presented for executive officers above.

With regard to the 2022 plan, the performance calculation depends on the rate of achievement of the revenue and Operating Result from Activity target assessed over the three-year vesting period (i.e. 2022, 2023 and 2024):

Average achievement rate over three years	Performance shares awarded
100% or more	100%
Between 50% and 100% inclusive	Pro rata
Less than 50%	None

In accordance with the authorization granted by the Annual Meeting on 19 May 2022 (Resolution 20), the Board of Directors, at its meeting on the same day, decided to award 62,000 performance shares to thirteen members of the Executive Committee for financial year 2022 (excluding corporate officers).

Shares resulting from the exercise of stock options and performance shares awarded to members of the Executive Committee must be held in registered form for a certain period, under the following terms and conditions:

- shares resulting from the exercise of stock options: the quantity of shares to be held must correspond to 20% of the net capital gain after the sale of the quantity of shares necessary to fund the option exercise, net of tax and social contributions and transaction fees;
- performance shares: the quantity of shares to be held must correspond to 20% of the net capital gain, net of tax and social contributions and transaction fees.

Once the number of shares held by members of the Executive Committee reaches the equivalent of one year's remuneration (fixed and target bonus), the holding requirement no longer applies.

BENEFITS IN KIND

Executive Committee Members have company cars.

LONG-TERM COMMITMENTS

Pension commitment

In accordance with the remuneration policy, decided by the Board of Directors on 16 December 2021, the application of the new "L. 137-11-2" plan previously described applies to members of the Executive Committee under French contract who may not reach the maximum entitlements under the old scheme, for the extended period retroactively to 1 January 2020 for the three members of the Executive Committee concerned.

Annual entitlements are conditional on compliance with conditions related to their professional performance. Performance is calculated on the basis of the Business Revenue and Operating Result from Activity objectives set by the Board of Directors over the year in question.

If actual performance is equal to or greater than 100%, the entitlements will equal 1% of the reference remuneration. If actual performance is between 0% and 100%, the entitlements will be prorated. Entitlements may therefore be zero (0%) and may not exceed 3% per year.

Entitlements amounted to 100% of entitlements for 2022 given that the performance criterion was achieved over the reference year.

The other conditions referred to in the description of the new plan apply to members of the Executive Committee who meet the conditions for joining the plan.

Furthermore, the other members of the Executive Committee who are under a French contract continue to benefit potentially (subject to career completion) from the old retirement plan, which is closed and frozen when they meet the conditions for membership of this scheme as described on page 106. The other members of the Executive Committee under an international contract (located outside of France) benefit from local pension schemes in compliance with local legislations in those countries.

HISTORY OF STOCK OPTION AWARDS TO EXECUTIVE OFFICERS

At 31/12/2022	Subscription plan	Purchase plan	Purchase plan	Purchase plan	Purchase plan	Purchase plan
Date of meeting	04/05/2000	03/05/1999	14/05/2002	14/05/2002	06/05/2004	06/05/2004
Date of Board of Directors' Meeting	14/06/2001	19/04/2002	17/10/2002	18/06/2003	18/06/2004	04/08/2005
Total number of shares granted	493,500	417,450	598,125	612,150	539,100	554,700
Those awarded to executive officer Thierry de La Tour d'Artaise*	66,000	49,500	6,600	115,516	104,989	105,000
Stock option exercise start date	14/06/2005	19/04/2006	17/10/2006	18/06/2007	18/06/2008	04/08/2009
Expiration date	14/06/2009	19/04/2010	17/10/2010	18/06/2011	18/06/2012	04/08/2013
Subscription or purchase price *(in €)**	18.18	27.88	25.15	24.24	31.67	28
Average of last 20 prices prior to Board Meeting *(in €)**	17.95	27.78	26.65	24.03	31.52	28.2
Number of options exercised* by Thierry de La Tour d'Artaise	66,000	49,500	6,600	115,516	104,989	105,000
Number of options canceled*	**0**	**0**	**0**	**0**	**0**	**0**
BALANCE OF STOCK OPTIONS NOT YET EXERCISED AT 31 DECEMBER 2022*	**0**	**0**	**0**	**0**	**0**	**0**

At 31/12/2022	Purchase plan	Purchase plan	Purchase plan	Purchase plan	Purchase plan	Purchase plan
Date of meeting	11/05/2006	11/05/2006	13/05/2008	13/05/2009	12/05/2010	10/05/2012
Date of Board of Directors' Meeting	16/06/2006	20/04/2007	13/05/2008	12/06/2009	18/06/2010	15/06/2012
Total number of shares granted	589,798	579,150	1,005,900	371,300	412,592	408,925
Those awarded to executive officer Thierry de La Tour d'Artaise*	105,012	105,000	105,000	71,250	59,942	54,000
Stock option exercise start date	16/06/2010	20/04/2011	13/05/2012	12/06/2013	18/06/2014	15/06/2016
Expiration date	16/06/2014	20/04/2015	13/05/2016	12/06/2017	18/06/2018	15/06/2020
Subscription or purchase price *(in €)**	29.33	44	38.35	28.05	53.86	54.12
Average of last 20 prices prior to Board Meeting *(in €)**	29.01	43.73	38.35	28.05	53.85	54.12
Number of options exercised* by Thierry de La Tour d'Artaise	105,012	105,000	105,000	66,922	55,978	51,449
Number of options canceled*	**0**	**0**	**0**	**4,328**	**3,964**	**2,551**
BALANCE OF STOCK OPTIONS NOT YET EXERCISED AT 31 DECEMBER 2022	**0**	**0**	**0**	**0**	**0**	**0**

* *Takes into account the award of bonus shares in March 2004 (1 for 10) and the 3-for-1 stock split on 16 June 2008.*

HISTORY OF PERFORMANCE SHARE AWARDS TO EXECUTIVE OFFICERS

At 31/12/2022

Date of meeting	13/05/2009	12/05/2010	10/05/2012	14/05/2013	15/05/2014	12/05/2015	19/05/2016	11/05/2017	16/05/2018	22/05/2019	19/05/2020	20/05/2021	19/05/2022
Date of Board of Directors' Meeting	12/06/2009	18/06/2010	15/06/2012	23/07/2013	22/07/2014	12/05/2015	19/05/2016	11/05/2017	16/05/2018	22/05/2019	19/05/2020	20/05/2021	19/05/2022
Number of shares granted:	50,472	58,363	63,938	233,475	169,175	169,450	171,075	193,450	185,330	226,500	193,880	200,000	218,360
Of which to executive officers	5,938	4,995	4,500	18,000	27,000	27,000	27,000	27,000	27,000	29,000	29,000	27,000	19,500
• Chairman and Chief Executive Officer	5,938	4,995	4,500	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	9,000[4]
• Chief Executive Officer													6,000[6]
• Chief Operating Officer[2]	N/A	N/A	N/A	6750[1]	9,000	9,000	9,000	9,000	9,000	11,000	11,000	9,000	4,500[5]
Performance condition	Revenue and ORfA	Revenue and ORfA	Revenue and ORfA	Revenue and ORfA	Revenue and ORfA	Revenue and ORfA	Revenue and ORfA	Revenue and ORfA	Revenue and ORfA	Revenue and ORfA	Revenue and ORfA	Revenue and ORfA	Revenue and ORfA
Award date	12/06/2009	18/06/2010	15/06/2012	23/07/2013	22/07/2014	12/05/2015	19/05/2016	11/05/2017	16/05/2018	22/05/2019	19/05/2020	20/05/2021	19/05/2022
Vesting date	12/06/2011	18/06/2012	15/06/2014	23/07/2016	22/07/2017	12/05/2018	19/05/2019	11/05/2020	16/05/2021	22/05/2022	19/05/2023	20/05/2024	19/05/2025
Number of shares earned by executive officers													
• Chairman and Chief Executive Officer	5,938	4,395	3,850	18,000	18,000	18,000	18,000	18,000	19800[3]	19,800[3]	-	-	
• Chief Operating Officer[2]	N/A	N/A	N/A	6750[1]	9,000	9,000	9,000	9,000	9900[3]	12,100[3]	-	-	
Expiration of lock-up period	12/06/2013	18/06/2014	15/06/2016	23/07/2017	22/07/2019	12/05/2020	19/05/2021	11/05/2020	16/05/2021	22/05/2022	19/05/2023	20/05/2024	19/05/2025
Number of shares canceled or lapsed	0	600	650	0	0	-	-	-	-	-	-	-	
BALANCE OF SHARES YET TO BE VESTED	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**31,900[3]**	**27,000**	**19,500**

(1) Concerns Bertrand Neuschwander. In 2013, award as a member of the Executive Committee (became a corporate officer in April 2014 and was dismissed in October 2018).
(2) Stanislas de Gramont, Deputy Chief Executive Officer took office on 3 December 2018.
(3) Taking into account the award of bonus shares (1 for 10) in on 3 March 2021.
(4) Awarded to Thierry de La Tour d'Artaise for the period from 1 January to 30 June 2022.
(5) Awarded to Stanislas de Gramont for the period from 1 January to 30 June 2022.
(6) Awarded to Stanislas de Gramont for the period from 1 July to 31 December 2022.

GENERAL INFORMATION ABOUT EXECUTIVE OFFICERS AT 31 DECEMBER 2022

	Employment contract		Supplementary pension plan(2)		Compensation or benefits due, or likely to be due as a result of termination or a change of roles		Compensation relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Thierry de La Tour d'Artaise		X(1)	Liquidated			X		X
Stanislas de Gramont		X	Frozen + New		X		X	

(1) The Board of Directors' Meeting of 25 February 2020, in accordance with the AFEP-MEDEF Code, reviewed the situation and considered that Thierry de La Tour d'Artaise's employment contract should remain suspended, in light of his age, personal situation, and seniority within the Group. This employment contract ended with its liquidation due to his retirement on 1 July 2022.

(2) For the executive officers present at 3 July 2019, the provisions of Ordinance 2019-697 of 3 July 2019 governing professional supplemental pension plans forced the Group to freeze and close this plan at 31 December 2019. This plan will continue to evolve on the basis of the changes to the annual social security cap and subject to careers coming to an end within the Group. This plan was liquidated at the same time as the liquidation of the pension for the Chairman and Chief Executive Officer under the general plan on 1 July 2022.

Stanislas de Gramont will benefit partly from the old supplementary pension plan and partly from the new "L. 137-11-2" plan, previously described on page 106, from 1 January 2022.

SAY ON PAY: REMUNERATION PAID DURING OR ALLOCATED FOR THE YEAR ENDED 31 DECEMBER 2022 TO CORPORATE EXECUTIVE OFFICERS

COMPONENTS OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER'S REMUNERATION SUBMITTED FOR THE APPROVAL OF THE SHAREHOLDERS

Components of remuneration submitted for a vote	Amounts paid during the previous year	Amounts allocated for the previous year and book valuation	Presentation
Fixed remuneration	€500,000		At its meeting on 26 February 2019, the Board of Directors, on the recommendation of the Governance and Remuneration Committee, re-evaluated Thierry de La Tour d'Artaise's fixed remuneration of €1,000,000 in order to take into account the higher cost of living, as this remuneration was last revised in 2016. This remuneration was approved by the shareholders at the Annual General Meeting of Shareholders on 20 May 2021. It applied to the first six months of 2022.
Annual variable remuneration	€1,500,000 (amount approved by the Ordinary General Meeting of 19 May 2022 in accordance with the ex-post voting principle – Resolution 8) (No deferred portion of this remuneration)	€250,338 (amount to be paid after approval by the Ordinary General Meeting of 17 May 2023 in accordance with the ex-post voting principle – Resolution 10) (No deferred portion of this remuneration)	At its meeting on 22 February 2023, the Board of Directors, on the recommendation of the Governance and Remuneration Committee, assessed Thierry de La Tour d'Artaise's variable remuneration. Given the quantitative and qualitative criteria set by the Board of Directors on 24 February 2022 and the rate of achievement noted at 31 December 2022, the variable remuneration was measured as follows: • **based on quantitative criteria:** the variable portion is 0.0% of his fixed annual remuneration with a target of 100%. The Board of Directors judged Thierry de La Tour d'Artaise's performance based on Group revenue and Operating Result from Activity growth targets; • **based on qualitative criteria:** the variable portion is 125.17% of his fixed annual remuneration with a target of 100%. The Board of Directors judged Thierry de La Tour d'Artaise's performance based on a matrix composed of the collective and individual targets such as the management of the corporate plan, changes to its organizational structure and the active pursuit of the acquisition strategy and the consideration of CSR performance criteria, as described on page 104 of this document. The variable component can amount to no more than 150% of his annual fixed remuneration. Consequently, Thierry de La Tour d'Artaise's variable remuneration paid in 2022 for financial year 2021 was €1,500,000, or 150.0% of his fixed remuneration, due to the overall ceiling of his annual variable remuneration. The variable remuneration awarded in 2023 for financial year 2022 is €250,338 or 50.1% of his fixed remuneration.

<table>
<tr><th>Components of remuneration submitted for a vote</th><th>Amounts paid during the previous year</th><th>Amounts allocated for the previous year and book valuation</th><th colspan="2">Presentation</th></tr>
<tr><td>Multi-year variable remuneration in cash</td><td>N/A</td><td></td><td colspan="2">Thierry de La Tour d’Artaise receives no multi-year variable remuneration.</td></tr>
<tr><td>Performance share awards</td><td></td><td>Performance shares: €828,120 (Accounting amount)</td><td colspan="2">In accordance with the authorization granted by the Annual General Meeting of 19 May 2022 (Resolution 22), the Board of Directors, at its meeting on the same day, decided to award 9,000 performance shares to Thierry de La Tour d’Artaise for the first six months of financial year 2022.
The shares granted to Thierry de La Tour d’Artaise under the 2022 performance share plan represented to 0.0179% of the share capital.
The performance criteria for the 2022 plan were assessed with regard to the rate of achievement of a matrix composed of the following:
• revenue growth target; and
• Operating Result from Activity growth target, over the three-year vesting period (namely 2022, 2023 and 2024):</td></tr>
<tr><td></td><td></td><td></td><td>Average achievement rate over three years</td><td>Performance shares awarded</td></tr>
<tr><td></td><td></td><td></td><td>100% or more</td><td>100%</td></tr>
<tr><td></td><td></td><td></td><td>Between 50% and 100% inclusive</td><td>Pro rata</td></tr>
<tr><td></td><td></td><td></td><td>Less than 50%</td><td>None</td></tr>
<tr><td></td><td>Shares: N/A
Other securities: N/A</td><td></td><td colspan="2">Note that Thierry de La Tour d’Artaise must hold shares resulting from options exercised and bonus shares awarded in registered form (see page 105).</td></tr>
<tr><td></td><td></td><td></td><td colspan="2">Thierry de La Tour d’Artaise receives no other awards of shares or other securities.</td></tr>
<tr><td>Extraordinary remuneration</td><td>N/A</td><td></td><td colspan="2">Thierry de La Tour d’Artaise receives no exceptional variable remuneration.</td></tr>
<tr><td>Remuneration for the office of director</td><td>€15,000</td><td></td><td colspan="2">Thierry de La Tour d’Artaise receives remuneration as a member of the Board of Directors under the rules applicable to all its Board members and detailed on page 101. Thierry de La Tour d’Artaise received €15,000 as a director of the company for the first six months of financial year 2022.</td></tr>
</table>

Components of remuneration submitted for a vote	Amounts paid during the previous year	Amounts allocated for the previous year and book valuation	Presentation
Value of benefits in kind		€11,951 (Accounting amount)	Thierry de La Tour d'Artaise benefits from the availability of a driver and a company car, representing an in-kind benefit of €8,702 for the year, and receives €15,200 per year as compensation for the use of an apartment in Paris (€4,351 and €7,600 respectively for the first six months of financial year 2022).
Severance payments	None received		Thierry de La Tour d'Artaise was only entitled to the severance pay owing under his employment contract, to the exclusion of any other benefit, in the event of termination of his corporate office. His employment contract ended on 30 June 2022. Entitlement to stock options in the event of termination: • those entitlements became null and void since the last Group stock-options' plan expired on 18 June 2020.
Non-compete payments	N/A		Thierry de La Tour d'Artaise has no non-compete clause.
Retirement lump-sum payment	€625,002		Due to his seniority and in accordance with the Metallurgical industry collective bargaining agreement, the amount paid for the retirement lump-sum payment was €625,002.

<table>
<tr><th>Components of remuneration submitted for a vote</th><th>Amounts paid during the previous year</th><th>Amounts allocated for the previous year and book valuation</th><th>Presentation</th></tr>
<tr><td>Supplementary pension plan</td><td>€454,527</td><td></td><td>Previous plan
Thierry de La Tour d’Artaise is a member of the collective supplementary pension plan set up for Groupe SEB’s French senior managers (members of the Executive Committee).
The plan complements the statutory schemes and is composed as follows:
• a defined-benefit deferred compensation plan, under which beneficiaries are subject to seniority and presence conditions. The amount of benefits payable under this plan in addition to the applicable statutory schemes represents up to 25% of a reference remuneration calculated on the average of the target remuneration for the past three years;
• a supplementary defined-benefit plan, subject to seniority and service conditions, with the potential benefits accruing per year of service being 0.8% of the reference compensation calculated on the average of the annual target compensation over the preceding three years and capped at 20 years’ service, i.e. a maximum of 16% of the reference compensation;
• a collective defined-benefit plan available to senior managers, with a contribution equal to 8% of their salaries. Benefits payable under this plan are deducted from the supplementary pension originating from the supplementary defined benefit plan.
Entitlements estimation at retirement on 1 July 2022:
<table><tr><th>Regime</th><th>Amount</th></tr><tr><td>Deferred defined-benefit pension plan</td><td>€217,583 gross per year</td></tr><tr><td>Supplementary defined-benefit pension plan</td><td>€225,015 gross per year</td></tr><tr><td>Defined-contribution pension plan (the entitlements resulting from this plan have been frozen since January 2012)</td><td>€11,929 gross per year</td></tr></table>This plan had been closed and frozen at 31 December 2019, as the provisions of Ordinance 2019-697 of 3 July 2019 governing supplemental pension plans forced the Group to do so.

Executive officers are potentially eligible for defined-benefit plans after 8 years of service and attendance at Executive Committee Meetings.
The plan is capped at 41% of the reference remuneration, i.e. both fixed and variable remuneration (including the income from compulsory plans), in accordance with the AFEP-MEDEF Code. This reference remuneration is itself capped at 36 times the annual social security ceiling in force at the time of retirement.
At the reappointment of Thierry de La Tour d’Artaise, the continuation of this commitment was authorized by the Board of Directors on 25 February 2020 and approved by the Annual General Meeting.</td></tr>
<tr><td>Other lifetime benefits: incapacity, disability and death and health insurance and individual life insurance</td><td>None received</td><td></td><td>Thierry de La Tour d’Artaise continues to benefit from supplementary social protection, notably as regards the incapacity, disability and death and health insurance that covers the company’s employees.
This plan notably includes for Thierry de La Tour d’Artaise:
• due to his age, the plan does not include any supplementary benefits linked to incapacity or disability any more;
• a death benefit set at a maximum of €2,073,254.
In addition to the collective incapacity, disability and death insurance plan, Thierry de La Tour d’Artaise does not benefit from any individual life insurance policy. The expense recorded for the year ended 31 December 2022 is thus equal to zero.</td></tr>
</table>

COMPONENTS OF REMUNERATION FOR THE CHAIRMAN OF THE BOARD OF DIRECTORS SUBMITTED FOR THE APPROVAL OF THE SHAREHOLDERS

Components of remuneration submitted for a vote	Amounts paid during the previous year	Amounts allocated for the previous year and book valuation	Presentation
Fixed remuneration	€475,000		At its meeting on 19 May 2022, the Board of Directors, on the recommendation of the Governance and Remuneration Committee, re-evaluated Thierry de La Tour d'Artaise's fixed remuneration of €950,000. This remuneration was approved by the shareholders at the Annual General Meeting of Shareholders on 19 May 2022. It applied to the first six months of 2022. The Board of Directors considered that the mission to support the Chief Executive Officer in the exercise of his new functions should be completed by the 2024 General Assembly. They therefore projected that the Chairman's compensation could then decrease to €750 000 after the 2024 General Assembly, in view of the other missions that he will continue to perform.
Annual variable remuneration	N/A		Thierry de La Tour d'Artaise receives no variable remuneration for his term of office as Chairman of the Board of Directors. .
Multi-year variable remuneration in cash	N/A		Thierry de La Tour d'Artaise receives no multi-year variable remuneration.
Performance share awards	N/A		Thierry de La Tour d'Artaise is not granted any performance shares for his term of office as Chairman of the Board of Directors.
Extraordinary remuneration	N/A		Thierry de La Tour d'Artaise receives no exceptional remuneration.
Remuneration for the office of director	€15,000		Thierry de La Tour d'Artaise receives remuneration as a member of the Board of Directors under the rules applicable to all its Board members and detailed on page 101. Thierry de La Tour d'Artaise received €15,000 as a director of the company for the last six months of financial year 2022.
Value of benefits in kind		€11,951 (Accounting amount)	Thierry de La Tour d'Artaise benefits from the availability of a driver and a company car, representing an in-kind benefit of €8,702 for the year, and receives €15,200 per year as compensation for the use of an apartment in Paris (€4,351 and €7,600 respectively for the last six months of financial year 2022).
Severance payments	N/A		Thierry de La Tour d'Artaise does not benefit from a departure clause for his term of office as Chairman of the Board of Directors.
Non-compete payments	N/A		Thierry de La Tour d'Artaise does not benefit from a non-compete clause for his term of office as Chairman of the Board of Directors.
Retirement lump-sum payment	N/A		Thierry de La Tour d'Artaise does not benefit from a retirement clause for his term of office as Chairman of the Board of Directors.
Supplementary pension plan	N/A		Thierry de La Tour d'Artaise does not benefit from a retirement plan for his term of office as Chairman of the Board of Directors.
Other lifetime benefits: incapacity, disability and death and health insurance and individual life insurance	None received		Thierry de La Tour d'Artaise continues to benefit from supplementary social protection, notably as regards the incapacity, disability and death and health insurance that covers the company's employees. This plan notably includes for Thierry de La Tour d'Artaise: • due to his age, the plan does not include any supplementary benefits linked to incapacity or disability any more; • a death benefit set at a maximum of €2,073,254. In addition to the collective incapacity, disability and death insurance plan, Thierry de La Tour d'Artaise does not benefit from an individual life insurance policy. The expense recorded for the year ended 31 December 2022 is thus equal to zero.

COMPONENTS OF REMUNERATION FOR THE CHIEF OPERATING OFFICER SUBMITTED FOR APPROVAL BY THE SHAREHOLDERS

Components of remuneration submitted for a vote	Amounts paid during the previous year	Amounts allocated for the previous year and book valuation	Presentation
Fixed remuneration	€375,000		When Stanislas de Gramont was appointed, the Board of Directors' Meeting of 19 December 2018 set the amount of his yearly fixed remuneration at €750,000. This remuneration was approved by the shareholders at the Annual General Meeting of Shareholders on 19 May 2022. It applied to the first six months of 2022.
Annual variable remuneration	€900,000 (amount approved at the Ordinary General Meeting of 19 May 2022 in accordance with the ex-post voting principle – Resolution 9) (No deferred portion of this remuneration)	€356,731 (amount to be paid after approval by the Ordinary General Meeting of 17 May 2023 in accordance with the ex-post voting principle – Resolution 11) (No deferred portion of this remuneration), including €150,203 for the first six months of 2022	At its meeting on 22 February 2023, the Board of Directors, on the recommendation of the Governance and Remuneration Committee, measured Stanislas de Gramont's variable remuneration. Given the quantifiable and qualitative criteria set by the Board of Directors on 24 February 2022, and the rate of achievement noted at 31 December 2022, the variable remuneration was measured as follows: • **based on quantitative criteria:** the variable portion is 0.0% of his fixed annual remuneration with a target of 80%. The Board of Directors measured Stanislas de Gramont's performance with respect to Groupe SEB's growth targets for Revenue and Operating Result from Activity; • **based on qualitative criteria:** the variable portion is 100.14% of his fixed annual remuneration with a target of 80%. The Board of Directors measured Stanislas de Gramont's performance based on collective and individual targets such as changes to the Group's organizational structure and the completion of specific operational projects. The variable component can amount to no more than 120% of his annual fixed remuneration. The variable remuneration paid in 2022 for financial year 2021 was €900,000 or 120% of his fixed remuneration due to the applicable overall ceiling to his variable remuneration. The variable remuneration awarded in 2023 for financial year 2022 was €356,731 or 50.1% of his fixed remuneration (€375,000 for the first six months, then €412,500 for the last six months).
Multi-year variable remuneration in cash	N/A		Stanislas de Gramont receives no multi-year variable remuneration.
Performance share awards		€966,140 (full-year book valuation) €414,060 (book valuation for six months)	In accordance with the authorization granted by the Annual General Meeting on 19 May 2022 (Resolution 22), the Board of Directors, at its meeting on the same day, decided to award 10,500 performance shares to Stanislas de Gramont for financial year 2022. The portion granted to Stanislas de Gramont under the 2022 performance share plan represented 0.01626% of the share capital including 4,500 shares for the first six months as COO. The performance criteria for the 2022 plan were assessed with regard to the rate of achievement of a matrix composed of the following: • revenue growth target; and • Operating Result from Activity growth target; • over the three-year vesting period (namely 2022, 2023 and 2024). Stanislas de Gramont must hold shares resulting from options exercised and bonus shares awarded in registered form (see page 105).
Extraordinary remuneration	N/A	N/A	None
Remuneration for the office of director	N/A	N/A	Stanislas de Gramont is not a member of the Board of Directors.

Components of remuneration submitted for a vote	Amounts paid during the previous year	Amounts allocated for the previous year and book valuation	Presentation
Value of benefits in kind		€50,859 (Accounting amount) or €25,430 (book valuation for six months)	Stanislas de Gramont benefits from a company car representing an annual in-kind benefit of €5,039 and unemployment insurance for company directors, in the absence of an employment contract with the Group, representing an annual benefit of €32,765 and a supplemental death benefit representing an annual benefit of €13,055.
Severance payments	None received		In the event of dismissal, he will be entitled to severance pay capped at two years' fixed and variable remuneration, including, where appropriate, the amounts paid under the non-compete clause. The reference remuneration used to calculate the severance allowance consists of the last two years of fixed and variable remuneration that Stanislas de Gramont received in his capacity as Chief Operating Officer. Payment of the indemnity will be subject to performance conditions, measured in the following manner: • if he is dismissed within four years of his appointment as executive officer, the severance allowance will be adjusted for the rate of achievement of his targets over the last four full years of service, as follows: as an executive officer, for the period following his appointment, and • if he is dismissed after four years from his appointment as executive officer, the severance allowance will be adjusted for the rate of achievement of his targets, in said capacity, over the last four full years of service. In both situations, performance is assessed as follows: **Average rate of achievement over the previous four financial years** — **Amount of benefit paid** 100% or more — 100% Between 50% and 100% inclusive — Between 75% and 100%, according to a straight-line calculation Less than 50% — None This commitment, approved by the Board of Directors on 19 December 2018, was approved by the shareholders at the Annual Meeting of Shareholders.
Non-compete payments	None received		Pursuant to the non-compete agreement, in case of termination of his appointment of office as Chief Operating Officer, by means of dismissal or resignation, he shall be prohibited for a one-year period, renewable once, from working in any manner with a competitor of Groupe SEB. In consideration for this non-compete clause and for its entire duration, Stanislas de Gramont will receive a monthly non-compete payment amounting to 50% of his monthly average fixed and variable remuneration paid over his last 12 months of service within the Group. The Board of Directors may release Stanislas de Gramont from this obligation by waiving the non-compete clause. This non-compete agreement, and the terms of severance detailed above, were authorized by the Board of Directors on 19 December 2018 and were also disclosed as part of the permanent information on remuneration and benefits. This agreement was approved by the shareholders at the Annual Meeting of Shareholders.
Retirement lump-sum payment	None received		Due to his seniority and in accordance with the Metallurgical industry collective bargaining agreement, his collective retirement lump-sum payment entitlement amounts to nihil as he is not subject to any collective bargaining agreement. Legal retirement lump-sum amounts are still being computed as this document is being published.

<table>
<tr><th>Components of remuneration submitted for a vote</th><th>Amounts paid during the previous year</th><th>Amounts allocated for the previous year and book valuation</th><th>Presentation</th></tr>
<tr><td>Supplementary pension plan</td><td>None received</td><td></td><td>Previous plan
Stanislas de Gramont is a member of the collective supplementary pension plan set up for Groupe SEB's French senior managers (members of the Executive Committee).
The plan complements the statutory schemes and is composed as follows:
• a defined-benefit deferred compensation plan, under which beneficiaries are subject to seniority and presence conditions. The amount of benefits payable under this plan in addition to the applicable statutory schemes represents up to 25% of a reference remuneration calculated on the average of the target remuneration for the past three years;
• a supplementary defined-benefit plan, subject to seniority and continued employment conditions, with the potential benefits accruing per year of service being 0.8% of the reference remuneration calculated on the average of the annual target remuneration over the preceding three years and capped at 1 years' service as a result of the freezing of the plan at 31 December 2019 (i.e. a maximum of 0.8% of the reference remuneration);
entitlements estimation at 31 December 2022:
<table><tr><th>Regime</th><th>Amount</th></tr><tr><td>Deferred defined-benefit pension plan</td><td>€43,001 gross per year</td></tr><tr><td>Supplementary defined-benefit pension plan</td><td>€10,800 gross per year</td></tr></table>This plan was closed and frozen at 31 December 2019, as the provisions of Ordinance 2019-697 of 3 July 2019 governing supplemental pension plans forced the Group to.

Executive officers are potentially eligible for defined-benefit plans after 8 years of service and attendance at Executive Committee Meetings.
The plan is capped at 25.8% of the reference remuneration, i.e. both fixed and variable remuneration (including the income from compulsory plans), in accordance with the AFEP-MEDEF Code. This reference remuneration is itself capped at 36 times the French annual Social Security ceiling in force at the time of retirement.
New Plan
In accordance with the Board of Directors' decision on 16 December 2021, which was approved by the Ordinary General Meeting of 19 May 2022, the application of the new "L. 137-11-2" plan described above has been extended, for the period starting on 1 January 2022, to Stanislas de Gramont.
Entitlements estimation at 31 December 2022:
Stanislas de Gramont was awarded 100% of entitlements for 2022 (i.e. 3.0%) given that the performance criterion was achieved over the reference year.
The valuation of this new regime is still being computed at the time when this document is published.</td></tr>
</table>

COMPONENTS OF REMUNERATION FOR THE CHIEF EXECUTIVE OFFICER SUBMITTED FOR APPROVAL BY THE SHAREHOLDERS

Components of remuneration submitted for a vote	Amounts paid during the previous year	Amounts allocated for the previous year and book valuation	Presentation
Fixed remuneration	€412,500		When Stanislas de Gramont was appointed Chief Executive Officer, the Board of Directors' Meeting of 19 May 2022 set the amount of his yearly fixed remuneration at €825,000. This remuneration was approved by the shareholders at the Annual General Meeting of Shareholders on 19 May 2022. It applied to the last six months of 2022.
Annual variable remuneration	€900,000 (amount approved at the Ordinary General Meeting of 19 May 2022 in accordance with the ex-post voting principle – Resolution 9) (No deferred portion of this remuneration)	€356,731 (amount to be paid after approval by the Ordinary General Meeting on 17 May 2023 in accordance with the ex-post voting principle – Resolution 11) (No deferred portion of this remuneration) including €206,528 for the last six months of 2022	At its meeting on 22 February 2023, the Board of Directors, on the recommendation of the Governance and Remuneration Committee, measured Stanislas de Gramont's variable remuneration. Given the quantifiable and qualitative criteria set by the Board of Directors on 24 February 2022, and the rate of achievement noted at 31 December 2022, the variable remuneration was measured as follows: • **based on quantitative criteria:** the variable portion is 0.0% of his fixed annual remuneration with a target of 100%. The Board of Directors measured Stanislas de Gramont's performance with respect to Groupe SEB's growth targets for Revenue and Operating Result from Activity; • **based on qualitative criteria:** the variable portion is 125.17% of his fixed annual remuneration with a target of 100%. The Board of Directors measured Stanislas de Gramont's performance based on collective and individual targets such as changes to the Group's organizational structure and the completion of specific operational projects. The variable component can amount to no more than 150% of his annual fixed remuneration. The variable remuneration paid in 2022 for financial year 2021 was €900,000 or 120% of his fixed remuneration due to the applicable overall ceiling to his variable remuneration. The variable remuneration awarded in 2023 for financial year 2022 was €356,731 or 50.1% of his fixed remuneration (€375,000 for the first six months, then €412,500 for the last six months).
Multi-year variable remuneration in cash	N/A		Stanislas de Gramont receives no multi-year variable remuneration.
Performance share awards		€966,140 (full-year book valuation) €552,080 (book valuation for six months)	In accordance with the authorization granted by the Annual General Meeting on 19 May 2022 (Resolution 22), the Board of Directors, at its meeting on the same day, decided to award 10,500 performance shares to Stanislas de Gramont for financial year 2022. The portion granted to Stanislas de Gramont under the 2022 performance share plan represented 0.01626% of the share capital including 6000 shares for his CEO position over the last six months. The performance criteria for the 2022 plan were assessed with regard to the rate of achievement of a matrix composed of the following: • revenue growth target; and • Operating Result from Activity growth target; • over the three-year vesting period (namely 2022, 2023 and 2024).
			Stanislas de Gramont must hold shares resulting from options exercised and bonus shares awarded in registered form (see page 105).
Extraordinary remuneration	N/A	N/A	None

<table>
<tr><th>Components of remuneration submitted for a vote</th><th>Amounts paid during the previous year</th><th>Amounts allocated for the previous year and book valuation</th><th>Presentation</th></tr>
<tr><td>Remuneration for the office of director</td><td>N/A</td><td>N/A</td><td>Stanislas de Gramont is not a member of the Board of Directors.</td></tr>
<tr><td>Value of benefits in kind</td><td></td><td>€25,430
(book valuation for six months)</td><td>Stanislas de Gramont benefits from a company car representing an annual in-kind benefit of €5,039 and unemployment insurance for company directors, in the absence of an employment contract with the Group, representing an annual benefit of €32,765 and a supplemental death benefit representing an annual benefit of €13,055.</td></tr>
<tr><td>Severance payments</td><td>None received</td><td></td><td>In the event of dismissal, he will be entitled to severance pay capped at two years' fixed and variable remuneration, including, where appropriate, the amounts paid under the non-compete clause.
The reference remuneration used to calculate the severance allowance consists of the last two years of fixed and variable remuneration that Stanislas de Gramont received in his capacity as Chief Operating Officer and then Chief Executive Officer..
Payment of the indemnity will be subject to performance conditions, measured in the following manner:
• if he is dismissed within four years of his appointment as executive officer, the severance allowance will be adjusted for the rate of achievement of his targets over the last four full years of service, as follows: as an executive officer, for the period following his appointment; and
• if he is dismissed after four years from his appointment as executive officer, the severance allowance will be adjusted for the rate of achievement of his targets, in said capacity, over the last four full years of service.
In both situations, performance is assessed as follows:
<table>
<tr><th>Average rate of achievement over the previous four financial years</th><th>Amount of benefit paid</th></tr>
<tr><td>100% or more</td><td>100%</td></tr>
<tr><td>Between 50% and 100% inclusive</td><td>Between 75% and 100%, according to a straight-line calculation</td></tr>
<tr><td>Less than 50%</td><td>None</td></tr>
</table>
This commitment, approved by the Board of Directors on 19 December 2018, was approved by the shareholders at the Annual Meeting of Shareholders.</td></tr>
<tr><td>Non-compete payments</td><td>None received</td><td></td><td>Pursuant to the non-compete agreement, in case of termination of his appointment of office as Chief Operating Officer and then Chief Executive Officer, by means of dismissal or resignation, he shall be prohibited for a one-year period, renewable once, from working and then as Chief Executive Officer in any manner with a competitor of Groupe SEB.
In consideration for this non-compete clause and for its entire duration, Stanislas de Gramont will receive a monthly non-compete payment amounting to 50% of his monthly average fixed and variable remuneration paid over his last 12 months of service within the Group.
The Board of Directors may release Stanislas de Gramont from this obligation by waiving the non-compete clause.
This non-compete agreement, and the terms of severance detailed above, were authorized by the Board of Directors on 19 December 2018 and were also disclosed as part of the permanent information on remuneration and benefits.
This agreement was approved by the shareholders at the Annual Meeting of Shareholders.</td></tr>
</table>

Components of remuneration submitted for a vote	Amounts paid during the previous year	Amounts allocated for the previous year and book valuation	Presentation
Retirement lump-sum payment	None received		His collective retirement lump-sum payment entitlement amounts to nihil as he is not subject to any collective bargaining agreement. Legal retirement lump-sum amounts are still being computed as this document is being published.
Supplementary pension plan	None received		**Previous plan** Stanislas de Gramont is a member of the collective supplementary pension plan set up for Groupe SEB's French senior managers (members of the Executive Committee). The plan complements the statutory schemes and is composed as follows: • a defined-benefit deferred compensation plan, under which beneficiaries are subject to seniority and presence conditions. The amount of benefits payable under this plan in addition to the applicable statutory schemes represents up to 25% of a reference remuneration calculated on the average of the target remuneration for the past three years; • a supplementary defined-benefit plan, subject to seniority and continued employment conditions, with the potential benefits accruing per year of service being 0.8% of the reference remuneration calculated on the average of the annual target remuneration over the preceding three years and capped at 1 years' service as a result of the freezing of the plan at 31 December 2019 (i.e. a maximum of 0.8% of the reference remuneration); Entitlements estimation at 31 December 2022: **Regime** — **Amount** Deferred defined-benefit pension plan — €43,001 gross per year Supplementary defined-benefit pension plan — €10,800 gross per year This plan was closed and frozen at 31 December 2019, as the provisions of Ordinance 2019-697 of 3 July 2019 governing supplemental pension plans forced the Group to. Executive officers are potentially eligible for defined-benefit plans after 8 years of service and attendance at Executive Committee Meetings. The plan is capped at 25.8% of the reference remuneration, i.e. both fixed and variable remuneration (including the income from compulsory plans), in accordance with the AFEP-MEDEF Code. This reference remuneration is itself capped at 36 times the French annual Social Security ceiling in force at the time of retirement. **New Plan** In accordance with the Board of Directors' decision on 16 December 2021, which was approved by the Ordinary General Meeting of 19 May 2022, the application of the new "L. 137-11-2" plan described above has been extended, for the period starting on 1 January 2022, to Stanislas de Gramont. Entitlements estimation at 31 December 2022: Stanislas de Gramont was awarded 100% of entitlements for 2022 (i.e. 3.0%) given that the performance criterion was achieved over the reference year. The valuation of this new regime is still being computed at the time when this document is published.

TRANSACTIONS IN SEB SHARES CONDUCTED BY BOARD MEMBERS AND SENIOR MANAGERS (ARTICLE L. 621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE) DURING 2022

	Function	Number of vested shares	Total amount of acquisitions	Average purchase price	Number of shares sold	Total amount of sales	Average sale price
Delphine BERTRAND	Director				115,590*	€8,056,919.68	€69.70
Vincent Wai Chung TAI	Senior manager				13,984	€865,469.58	€61.89
Céleste LESCURE	Related person	10	€968.00	€96.80			
Augustin LESCURE	Related person	10	€968.00	€96.80			
Hadrien LESCURE	Related person	10	€968.00	€96.80			
Anne-Laure LESCURE	Related person	20	€1,936.00	€96.80			
Aude DE VASSART D'ANDERNAY	Director	1,000	€82,200.00	€82.20			
Thierry LESCURE	Director	1,500	€143,775.40	€95.85			
TOTAL		**2,550**	**€230,815.40**	**€90.52**	**129,574**	**€8,922,389.27**	**€68.86**

* *This operation concerns an intra-family transfer.*

3 Corporate Social Responsibility

DPEF *The elements related to the Extra-Financial Performance Declaration are identified in the summary using the pictogram.*
DV *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

3.1.1 COMMITMENT AT THE HIGHEST LEVEL

Driven by the humanist values passed on by its founders, Groupe SEB has always pursued a corporate philosophy that is based on a sense of responsibility, solidarity and commitment. Convinced that sustainable development is a driver for creating value in the countries in which it operates, for its employees, consumers, customers and shareholders, the Group has been committed for many years to an approach that is at the same time ethical, economically successful, socially equitable and environmentally friendly.

Building on the progress made in these various areas, in 2018 the Group went a step further, defining a strategy that takes into account environmental and societal challenges and sets goals for its activities and business lines to act in a responsible and ethical manner throughout the value chain. This ambition, expressed in the signature “Taking action for a more sustainable daily life”, is based on four pillars that relate to the quantitative objectives set by the Group for 2023.

Since 2022 the growing importance of Sustainable Development in business has been reflected by the fact that this function is directly linked to the Chairmanship of the Group. Following the separation of the roles of Chairman and Chief Executive Officer, CSR will fall under the responsibility of the newly created Strategy and CSR Committee, headed by Thierry De La Tour d’Artaise, Chairman of Groupe SEB, (see Chapter 2, Corporate Governance p. 65), instead of the Governance and Remuneration Committee. Furthermore, the progress of the CSR strategy will continue to be monitored regularly at Executive Committee level and regular presentations will be made on it to the Board of Directors.

Through its involvement with various organizations and professional bodies, the Group supports several initiatives aimed at encouraging an increasing number of companies in their approach to CSR and sharing its practices in this domain: the Group is a member of the AFEP (Association Française des Entreprises Privées – the French Association of Private-Sector Companies) and has taken part in the Ambition4Climate and Ambition4Circularity platforms to share its commitments and specific projects on the climate and the circular economy. Since 2016, the Vice-President, Sustainable Development has also been a member of the C3D (Collège des Directeurs du Développement Durable - College of Directors of Sustainable Development), a French network that brings together more than 250 peers to envision and design the company of the future. Furthermore, with its attachment to its local roots, in 2018 the Group played a role in founding the Mix-R network, which facilitates discussion and the sharing of CSR experience for companies in the economic area around Lyon.

3.1.2 SUSTAINABLE DEVELOPMENT STRATEGY

A STRATEGY BASED AROUND FOUR PILLARS

Published in 2018, the Group’s sustainable development strategy, “Act for sustainable livings”, incorporates the challenges associated with its stakeholders in line with the UN’s Sustainable Development Goals (SDGs) and with the materiality matrix produced in 2016 (see 3.5.2 Materiality matrix p. 162). It involves all the Group’s business lines and all teams and involves commitments relating to four pillars. These commitments are themselves set out as quantitative targets.

The Group has set its targets on the basis of the most demanding international standards, in particular the Global Compact, CDP, SBTi and Ecovadis.

Pillar	UN Sustainable Development Goals	Commitments
PEOPLE MATTER	1 NO POVERTY; 4 QUALITY EDUCATION; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES	Demonstrate the Group's respect for everyone (employees, consumers, stakeholders) and its benefit to society on a daily basis
SUSTAINABLE INNOVATION	2 ZERO HUNGER; 3 GOOD HEALTH AND WELL-BEING	Empower our customers to adopt sustainable lifestyles thanks to our products and services: **Cooking for good and living better at home**
CIRCULAR REVOLUTION	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION	Make the Group's products and services part of the circular economy
CLIMATE ACTION	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION	Contribute to the fight against climate change thanks to our low carbon strategy in line with the "well below 2°C" scenario of the Paris Agreement.

2023 TARGETS AND RESULTS TO DATE

The Group's commitments to the end of 2023 are set out in the form of quantitative indicators and driven by the Sustainable Development department in collaboration with all the business lines involved.

		Scope	2023 objective	2018	2019	2020	2021	2022
People matter								
Employment Conditions, Health & Safety	% of employees covered by the global employment conditions program	Global	100%		100% (pillar 1)			100% (pillars 1 & 2)
	LTIR (Lost Time Injury Rate)	Global	<1.0	2.6	2	1.5	1.1	0.84
	% of plants certified in accordance with health and safety standards (ISO 45001)	Global	100%	100%	100%	100%	100%	100%
Equality & diversity	% of management positions held by women	Global	30%	18.5%	18.5%	18.5%	20.3%	21.2%
	Ratio between the % of female managers and the % of women in the Group	Global	1	0.89	0.90	0.89	0.91	0.95
Quality of life at work	% of positive responses to the GPTW question: "All in all, I can say it is a great place to work"	49 countries (scope of the survey)	75%	68% (18 countries)	71% (30 countries)	-	71% (49 countries)	-
Solidarity	% of main countries where a corporate philantropy program is in place	Top 25 countries (+/- 80% of Group revenue)	100%	-	80%	92%	84%	92%

achieved *on track* *slow progress*

		Scope	2023 objective	2018	2019	2020	2021	2022
Sustainable innovation								
Better home life	Number of inclusive design ranges of products launched	Global	2 (1 small electrical appliances, 1 cookware)				Includeo (small electrical appliances)	
	% of main countries that have created awareness program around healthy homes	Top 25 countries (+/-80% of Group revenue)	100%	8%	8%	61%	76%	76%
Cooking for good	% of main countries that have created a program to make homemade food accessible to everyone	Top 25 countries (+/- 80% of Group revenue)	100%	70%	80%	89%	99%	99%
	Create a Charter to promote healthy and sustainable eating for recipes associated with our products	Global	1		Charter finalized	Charter rolled out		
Circular revolution								
Recycled materials	Evolution of the quantity of recycled plastic used in France *(base year 2017)*	France	×2	×1.8	×2.4	×2.7	×5.2	×6.1
	% of recycled materials in our products/packaging	Global	50%	38%	35%	34%	34%	42%
Repairability	% of small domestic appliances covered by the "15 years repairable" commitment	International brands (Moulinex/Rowenta/Tefal/Seb/Calor/Krups/WMF)	90%	93% (10 years)	94% (10 years)	92% (10 years)	92% (15 years)	90.2% (15 years)
Second life	Experiment with business models to give our products a second life	Global	>1				RépareSeb +Spa/Fra/All/Cze	

achieved *on track* *slow progress*

		Scope	2023 objective	2018	2019	2020	2021	2022	
CLIMATE ACTION	**Climate action**								
Factories	Evolution of GHG emissions linked to factories (scope 1&2), by product manufactured *(base year 2016)*	Global (SBTi)	-40%	-12%	-14%	-21%	-23%	-34%	
Factories	% of plants certified in accordance with Environmental Management standards (ISO 14001)	Global	100%	100%	100%	100%	100%	100%	
Logistics	Evolution of GHG emissions linked to the transportation of products and components, by product sold *(base year 2016)*	Global (SBTi)	-10%	-12%	-15%	-8%	-3%	-11%	
Products & packaging	Evolution of GHG emissions linked to product use, by product sold *(base year 2016)*	Global (SBTi)	-15%	-4%	-6%	-9%	-12%	2022 data not available at the date of publication	
Products & packaging	Eco-packaging: • % of packaging without expanded polystyrene	Global	100%	-	-	-	-	Total: 92%	Of which: Cookware
	• % of recycled fibers in carboard		90%					91%	Small Domestic Appliances
	• % of packaging without plastics bags		100%	-	-	-	-	43%	

achieved *on track* *slow progress*

STEERING AND ROADMAPS

Thematic roadmaps to get all the company's business lines involved

Implementation of the sustainable development strategy is the responsibility of the **Sustainable Development department, whose role is to involve all the company's business lines** collectively and collaboratively by defining and putting into action **11 thematic roadmaps**. Each of these roadmaps is built around specific projects with quantitative indicators for 2023 and progress reports are organized by the Sustainable Development department with the "business line" contributors.

Pillar	UN Sustainable Development Goals	Thematic roadmaps
People matter	1 No poverty; 4 Quality education; 5 Gender equality; 8 Decent work and economic growth; 10 Reduced inequalities	• Health and Safety • Responsible Purchasing
Sustainable innovation	2 Zero hunger; 3 Good health and well-being	• Cooking for Good • Better Home Life • Inclusive Design
Circular revolution	12 Responsible consumption and production; 13 Climate action	• Circular Revolution • New Circular business activities
Climate action	9 Industry, innovation and infrastructure; 12 Responsible consumption and production; 13 Climate action	• Eco-Design • Eco-Manufacturing • Eco-Logistics • Green IT

Dedicated teams and a CSR network at all levels of the Group

Various teams work together to define and implement the 11 thematic roadmaps: the Sustainable Development and "business line" departments **at Group level**, the Head of Sustainable Innovation within the **Small Household Appliances and Cookware divisions**, and steering committees **in the various countries.**

At **Group level**, the Sustainable Development department comprises eight people in three expert hubs: a Corporate Sponsorship hub with two people on secondment to the Fonds Groupe SEB, a Climate hub whose expertise was reinforced in 2022 with the arrival of a dedicated climate and biodiversity analyst, and a Coordination hub. This department collaborates on a daily basis with all the "business line" departments also involved in the roadmaps: Purchasing, Quality, Environment, Product Innovation and Development, Strategic Marketing, Brands, Health and Safety, Human Resources, Production, IT and Digital, Logistics, Consumer Satisfaction, Design, etc.

The Group has created Head of Sustainable Innovation positions within its **Small Electrical Appliance and Cookware divisions**, in order to anchor sustainable development even more deeply at the heart of its business. In direct and daily contact with the product development and strategic marketing teams, these Heads of Sustainable Innovation assume responsibility for the strategy defined by the Sustainable Development department and help to ensure the roll out of eco-design targets within the Group's processes. Since 2022, these targets have been monitored at the highest level of the Company, as part of the strategy of the marketing departments.

Finally, in **the main countries in which the Group operates**, the teams have turned the Group's commitment to sustainable development into targets and action plans that are tailored to the challenges faced in their local areas. In order to develop the country roadmaps and track their progress, the subsidiaries have formed multi-disciplinary Steering Committees made up of representatives from the businesses connected with the priority actions and employee volunteers. The Sustainable Development department provides support to local teams in developing projects as well as sharing best practices between subsidiaries to build on the momentum.

As an indication of the ever-deepening integration of Sustainable Development into the Group's strategy and operations, in 2022 the "country" roadmaps were formalized, presented to the Group's Executive Committee during the 2022 budget presentations and included in the strategic guidelines developed for 2023-2025.

3.1.3 CSR CRITERIA IN THE BONUSES OF SENIOR MANAGERS

From a certain level of managerial responsibility, compensation for all managers includes a variable portion related to the results of the Group and of the entity which they lead. 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, the number of workplace accidents and the social compliance rating awarded to Group sites during social audits carried out in risk countries.

As an indication of the importance the Group places on these indicators, the **proportion of variable compensation that depends on CSR performance increased from 5% to 15% in 2022.**

3.1.4 RAISING EMPLOYEE AWARENESS

The Group uses several channels of communication to increase the awareness of its teams about sustainable development issues: a dedicated section on the Group's intranet site that is regularly updated with news items, articles in site newspapers, events, etc. In addition, numerous sustainable development themes are addressed in the Group's Code of Ethics. This regularly results in mandatory training for all new employees and regular refresher modules (see 3.7.1 Respect for ethics p. 167).

Sustainable Development Week takes place annually, providing an ideal opportunity to get employees all over the world involved. In 2022, this important event sparked dialog and meant that action could be taken on a single major theme; food waste. The Group has implemented a multi-channel campaign, especially tailored to the Group's international population, including a webinar on the challenges associated with food waste and the sharing of "tips and tricks" to help its employees prevent food waste at the source. In addition, the Group's "resident" chef has made some short videos suggesting a number of zero-waste recipes.

As the highlight of the week, the Group also launched its in-house awards. Teams on all continents shared their initiatives on the fight against food waste in three categories:

- winner of the Employee Awareness Award: the subsidiary in Egypt, for its project to raise awareness and engage employees via simple solutions, such as reducing the number of food products purchased, making, sharing and preparing zero-waste recipes or suggesting composting solutions,
- the Consumer Awareness Prize was awarded to the Dutch subsidiary for its campaign to highlight the use of Tefal MasterSeal food storage boxes,
- finally, the Charitable Partnership Award went to Brazil with a charitable partnership that targets vulnerable populations and encourages employees to get involved by donating food and clothing.

Many sites also took advantage of the opportunity to organize activities, either on the year's flagship theme or on other aspects of sustainable development. The Rumilly site shared some "eco-tips" on saving water and energy, followed by a quiz to test people's knowledge. Campus SEB, meanwhile, launched a scheme to sell unsold food from the company restaurants to employees at discounted prices through a partnership with Too Good To Go, an initiative that is still in operation. Teams in Poland took part in World Cleanup Day, while the Mayenne site opted to raise employee awareness of car-sharing for travel between work and home.

3.1.5 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. Furthermore, in 2016, the Sustainable Development department began sending it the action plans implemented by the subsidiaries as part of the ethical, social and environmental audit procedure (see 3.7.1 Respect for ethics p. 167). This strengthens ethical, social and environmental monitoring within all Group 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 entire audit process is 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. It meets as regularly as necessary and at least twice 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.

3.1.6 EXTERNAL VERIFICATION OF DATA

Groupe SEB has been a pioneer in having a selection of its social and environmental information verified on a voluntary basis, as from the 2010 financial year, before regulations made it mandatory 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 165 and Mazars' report for 2022 on page 234). Since 2010, 98 audits have been carried out on 28 different sites in eight countries (Germany, France, Italy, Brazil, Colombia, China, Russia and the United States).

3.1.7 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 Group's CSR policy is regularly included in its financial communications, and the Sustainable Development department meets with investors several times a year, at conferences or roadshows focused on non-financial performance.

NON-FINANCIAL RATING

Numerous non-financial ratings, labels and indices are used to assess Groupe SEB. In order to assess its CSR performance as objectively as possible, the Group closely monitors the evaluations given by the leading internationally recognized non-financial rating agencies. Every year, it seeks to respond to any requests it receives as best it can, so as to continually improve.

	2022 rating	Trend	Description of rating agency, label, etc.	Related indexes
	Carbon Disclosure Project: A- (Climate Change) In 2022, 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.	→	*The Carbon Disclosure Project (CDP) is a non-profit organization that encourages companies to publish their environmental data and evaluates their performance with regard to sustainable development, as well as their efforts to be transparent.*	N/A
	Ecovadis: 70/100 (Gold: Top 3% – 2021) With a global score of 70/100, Groupe SEB was awarded a gold medal in 2021 for its CSR performance, placing it among the 3% of best-performing companies evaluated by Ecovadis. It scored particularly highly in the Environment (80/100) and Labour & Human Rights (80/100) categories.	↑	*Ecovadis is a platform that rates companies on their corporate responsibility, specializing in supply chains. The Ecovadis rating system is based on a set of non-financial management criteria encompassing the environment, human rights, ethics and sustainable consumption.*	N/A
	Vigeo Eiris: 65/100 (Advanced) In 2022, Groupe SEB was rated top in its sector, with a 1-point increase on 2020. The Group is particularly noteworthy for its performance on environmental and social issues, scoring 30 and 36 points above the sector average respectively.	→	*Vigeo is an international non-financial rating agency that assesses environmental, social and corporate governance performance. Since 2021 Vigeo has been part of Moody's ESG Solutions, which aims to fulfill growing global demand for data on ESG and climate matters.*	Euronext-Vigeo
	Sustainalytics: 17.6 (Low Risk) In the home appliances sector, the Group ranks among the 12% best-performing companies, with a Low Risk rating. The Group's different processes for managing its exposure to ESG issues are considered effective and appropriate.	→	*Sustainalytics is a company that assesses the sustainability of listed companies in terms of their environmental, social and corporate governance performance. MORNINGSTAR SUBSIDIARY*	Morningstar/ STOXX indexes
	MSCI ESG Ratings: A (Average) Groupe SEB was rated A for the second consecutive year. It was noted for its corporate governance and risk management within its supply chain.	→	*MSCI is a non-financial rating agency that provides extensive research services, ratings and analyses on environmental, social and corporate governance issues for thousands of companies.*	MSCI ESG Indexes
	FTSE4GOOD: 4.3/5 (Good practices) With a score of 4.3 in 2022, Groupe SEB remains stable compared to previous year and the best in its sector (sector average: 2.1) on the three assessment categories, scoring particularly highly on environmental and social issues.	→	*Created by the global index provider FTSE Russell, the FTSE4Good set of indicators was designed to measure the performance of companies with sound environmental, social and corporate governance practices. The FTSE4Good indexes are used by a wide range of market players to create and evaluate responsible investment funds and other products.*	FTSE4Good Index Series
	Gaïa Research: 77/100 Groupe SEB scored 20 points above the benchmark (52 companies in the consumer discretionary sector, with a positive annual trend since 2019). (It should be noted that there was a change in methodology in 2022 with the removal of performance history)	↑	*Gaïa Research is a rating agency in the EthiFinance Group that specializes in awarding ESG performance ratings to small and medium-sized enterprises that are listed on European markets. Gaïa Research is a brand in the EthiFinance Group. Established in 2004, EthiFinance is a non-financial consulting and analysis agency that guides its customers in risk management and opportunities related to sustainable development.*	N/A

In 2022, for the second consecutive year, Group SEB is one of the companies listed as Europe's Climate Leaders by the Financial Times. This list, developped by the British business and financial daily newspaper in partnership with Statista, identifies the companies that have reached the best results in terms of reduction of the intensity of their Greenhous gas emissions (scopes 1 & 2).

AWARDS

The Group's CSR approach won numerous awards in 2022, including:

- the Group's commitment to workplace gender equality was recognized by FORBES magazine, which ranked Groupe SEB as one of the "World's Top Female-Friendly Companies 2022" in a survey of gender equality across 36 countries,
- the Group's HR policy toward young talent was rewarded with third place in the "Consumer Goods and E-Commerce" category of the 2022 "Favorite companies for students and young graduates" ranking, organized by Epoka and Harris Interactive in partnership with website L'Étudiant;
- Groupe SEB's GPEC agreement won the "Training and Employment" award at the Social Dialog in Action awards 2022, presented by the French Departmental Directorate for Employment, Work and Solidarity (DDETS), the Rhône prefecture, trade union organizations and newspaper Le Progrès;
- Groupe SEB's QWL agreement was recognized at the first edition of the Staff-Management Dialog in Action 2021 event, held in 2022 due to Covid-19 by the French Departmental Directorate for Employment, Work and Solidarity (DDETS), Rhône prefecture, labor union organizations and newspaper Le Progrès, highlighting the actions conducted over the past several years;
- the Group won the GIFAM (French Association of Household Appliance Manufacturers) Prize for Responsible Consumption at the 116th Foire de Paris with its X-Ô vacuum cleaner,
- in the inclusive design field, the User Experience (UX) Lead for the project was awarded the Trophée Femme d'Impact (Woman of Impact Award) by the collective The Wonders;
- the Group's reparability scheme won the Circular Economy Gold Award at the Sustainable Transformation Summit, a conference organized in Paris by "Décideurs" magazine
- the RépareSeb project was awarded the Corporate Citizen Award by Easybourse, a subsidiary of La Banque Postale;
- RépareSeb also won another prize: the Ethical Company Award created by Sopra Steria Next and French TV channel Public Sénat.

The Group's commitment also earned it 3rd place in the electronic and electrical equipment and hardware business segment, and 17th out of 250 in the overall ranking of "Most Responsible French Companies" drawn up by Le Point magazine with the independent institute Statista. This ranking is based on two key elements: a survey that assesses 28 key performance indicators for each company (accounting for 80% of the company's final score) and an opinion poll completed by a sample of 5,000 people (20%).

Finally, 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 (more than 1,500 brands in around 30 countries). In France, SEB has been among the top most trusted brands for French consumers since 2017.

3.2 Non-financial performance statement DPEF DV

Groupe SEB has designed its sustainable development strategy to respond to the requirements of the non-financial performance statement (DPEF[1]). This statement sets out the Group's business model (see Chapter 3.2.1, Business model), the main non-financial risks as well as identification and validation processes for these risks (see Chapter 3.2.2, Main non-financial risks), and the policies implemented for responding to them, monitored and measured by performance indicators and their results (see Chapter 3.2.3, Policy and key indicators). The DPEF 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".

As Groupe SEB has a long-standing commitment to CSR, Chapter 3 (Corporate social responsibility) of this document also includes policies and actions are voluntarily implemented and that go beyond a response to the main risks.

3.2.1 BUSINESS MODEL DPEF

The Groupe SEB business model is presented in pages 8 and 9 of this document. It was elaborated in 2018, after studying the recommendations of Medef[2] and various ITPs[3]. Key financial and non-financial indicators, representative of the Group's performance over the long term, have been defined and validated by General Management.

Since 2019, these indicators have been updated annually and enable the Group's performance to be read over time.

3.2.2 MAIN NON-FINANCIAL RISKS DPEF DV

IDENTIFICATION PROCESS AND METHODOLOGY FOR SELECTING THE MAIN RISKS

The Group's risk identification and control method (see methodology described under "Risk factors" page 49) 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.

RISK MAPPING

Main CSR risks identified:

- health and safety conditions at work;
- product quality and consumer safety;
- attraction and retention of talent;
- corruption;
- tax evasion;
- Human Rights;
- climate change;
- resource depletion.

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

- **health and safety of staff:**
  - **description of risk:** see Employees health and safety and environment risk p. 62,
  - **risk management:** see Chapter 3.7.3, Health and safety, p. 184;

(1) In accordance with Ordinance No. 2017-1180 of July 19, 2017 on the publication of non-financial information.
(2) Mouvement des entreprises de France : French Employers' Association.
(3) Independent third party.

- **product quality and consumer safety risk:**
  - **description of risk:** see Product quality and consumer safety risk, p. 63,
  - **risk management:** see Chapter 3.8.2, Respect for consumers, p. 200;
- **talent attraction and retention:**
  - **description of risk**: see Risk related to attracting and retaining talent, p. 59,
  - **risk management:** see Chapter 3.7.3, Attractiveness of the Group and career development, page 174.

The five 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 49), the risk of corruption is handled in a specific manner in accordance with the French Sapin II law of 8 November 2016. As part of the annual update to the corruption risk mapping, the Group sent out a detailed questionnaire on corruption risks to all entity managers (commercial subsidiaries, plants, shared service centers) and to all support managers. The risk level is assessed based on a combination of three criteria: responses to this questionnaire; the Transparency International map of 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 3.7.1, Anti-corruption measures, p. 168;
- **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,
  - **risk management:**

    the Group cooperates 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 48);
- **Human Rights:**
  - **description of risk:**

    the Group has more than 30,000 employees and deals with more than 20,000 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 3.7.1 Respect for ethics p. 167 and 3.7.2 Responsible purchasing p. 170;
- **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, throughout its value chain, that contribute to global warming. Most emissions are linked to four main factors, which in decreasing order are: the use of products (mainly electrical products), raw materials and bought-in components, 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,
  - **risk management:**

    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 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, p. 216.
- **Resource depletion:**
  - **description of risk:**

    the Group sells around 400 million products per year and uses direct (e.g. plastic, metal, etc.) and indirect (e.g. energy, water, etc.) raw materials to manufacture them. 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,

- **risk management:**

  the Group fights the depletion of natural resources in several ways. First, it limits the consumption of water, energy and raw materials required 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). To do so, the Group set ambitious targets to achieve by the end of 2023.

  Read about these actions in more detail in Chapter 3.9 Circular revolution p. 209 and Chatper 3.10 Climate action p. 216.

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.

3.2.3 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. The results indicators associated with each of the main risks are mainly derived from the Group's commitments for the end of 2023, made as part of the "Act for sustainable livings" ambition, and enable monitoring of the Group's sustainability performance (see Chapter 3.1.2, Sustainable development strategy).

This correspondence table provides the necessary references.

Area	Risks	Policies	Key performance indicators	2022 results	Page
Ethics and Human Rights	Human Rights	Ensure respect of Human Rights, in our activities, everywhere where the Group is established, thanks to the implementation of: • a Code of Ethics • a responsible purchasing policy	• Intertek audits of Group sites: percentage of sites with an overall compliance score greater than 80% and average audit score • Intertek audits of suppliers: percentage of sites with an overall compliance score greater than 51% and average audit score	• 4 sites >80% out of 6 audited. Average score = 87% • 106 suppliers > 51% out of 115 audited. Average score = 80%[1]	3.7.1 Respect for ethics p. 167 and 3.7.2 Responsible purchasing p. 171
	Corruption	Ensuring ethics and transparency of our business as well as respect for the law through the implementation of a: • Code of Ethics and 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	• 87%	3.7.1 Respect for ethics p. 167
	Tax evasion	Ensure compliance with tax regulations and obligations in all countries where the Group is implanted	• Effective tax rate	• 21%	1.4 Risks factors p. 49
Social and societal	Health and safety of staff	Protect and ensure the health and safety of employees thanks to the Health and Safety policy of the Group	• Rate of ISO 45001 certified entities • LTIR (Lost Time Injury Rate)[2]	• 100% • 0.84	3.7.3 Health and safety p. 184
	Product quality and consumer safety;	Ensure the quality of products and protect consumers with the Group's quality policy	• Rate of ISO 9001 certified entities • Design quality: R&D expenditure in % of revenue • Industrial process quality: change in finished product quality compared to the previous year	• 100% • 2.1% • -53%	3.8.2 Respect for consumers p. 200

Area	Risks	Policies	Key performance indicators	2022 results	Page
	Talent attraction and retention	Promote recruitment, development and retention of talents, thanks to career and attractiveness of the Group	• Average employee turnover rate	• 5.16%	3.7.3 A responsible social policy p. 177
Environment	Climate change	Reduce the Group impact on climate change by implementing objectives, some of which are approved by the Science Based Target initiative (SBTi)	• Rate of ISO 14001 certified entities • SBT: Reduce greenhouse gas emissions of plants (scopes 1 and 2) per manufactured product (base year 2016)(3) • SBT: Reduce greenhouse gas emissions related to product usage per product sold (base year 2016)(4) • Reduce greenhouse gas emissions related to transporting products and components per product sold (base year 2016)(5)	• 100% • -34% • -12% • -11%	3.10 Climate action p. 216
	Resource depletion	Combat resource depletion with its Act4nature commitment and circular economy policy	• Rate of recycled materials in manufactured packaging and products(6) • Rate of recyclability of electrical products • Rate of products with a "15-year repairable product" commitment(7) • Evolution of water consumption per item manufactured (base year 2016) • Evolution of the quantity of waste produced on industrial sites (base year 2019)(8)	• 42% • > 80% • 90.2% • -16% • -25%	3.9 Circular revolution p. 209 and 3.10 Climate Action p. 216

(1) Includes WCA/SMETA audits only, i.e. 115 audits on 233 audits in 2022.
(2) Entitled "Frequency of workplace accidents" in the last non-financial performance statement (2021 Universal Registration Document).
(3) Entitled "Evolution of the carbon intensity for factories (Scopes 1 & 2)" in twhe last non-financial performance statement (2021 Universal Registration Document).
(4) Entitled "Rate of improvement of energy consumption by electrical products" in the last non-financial performance statement (2021 Universal Registration Document).
(5) Entitled "Greenhouse gas emissions from the transportation of products and components" in the last non-financial performance statement (2021 Universal Registration Document).
(6) Entitled "Rate of recycled materials in new products" in the last non-financial performance statement (2021 Universal Registration Document).
(7) Entitled "Rate of repairable products" in the last non-financial performance statement (2021 Universal Registration Document).
(8) Entitled "Quantity of waste generated" in the last non-financial performance statement (2021 Universal Registration Document).

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, animal protection and actions that aim to promote 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;

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.

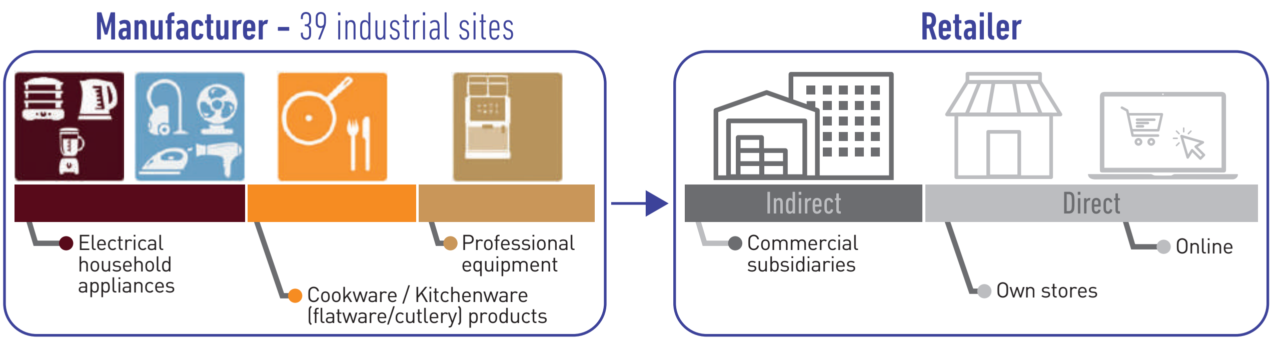
Three types of activity are eligible under the taxonomy: low-carbon activities, transitional activities and enabling activities.

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.

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 with regard 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.

For the European entities, the Group relied primarily on the description of the activities given in the delegated acts currently in force and on the European classification of economic activities (NACE codes).

KEY PERFORMANCE INDICATORS

REVENUE

				Substantial contribution criteria						Do No Significant Harm (DNSH) criteria										
Economic activities	Activity code	Revenue (in €m)	Proportion of revenue	Climate change mitigation	Climate change adaptation	The sustainable use and protection of water and marine resources	The transition to a circular economy	Pollution prevention and control	The protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	The sustainable use and protection of water and marine resources	The transition to a circular economy	Pollution prevention and control	The protection and restoration of biodiversity and ecosystems	Minimum safeguards	Proportion of taxonomy-aligned revenue 2022	Proportion of taxonomy-aligned revenue 2021	Enabling activity category	Transitional activity category
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (taxonomy-aligned)																				
Revenue from environmentally sustainable activities (A.1)		0	0%														0%			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)																				
Revenue from taxonomy-eligible but not environmentally sustainable activities (A.2)		0	0%																	
TOTAL (A1+A2)		**0**	**0%**														**0%**			
B. ACTIVITIES THAT ARE NOT TAXONOMY-ELIGIBLE																				
Revenue from activities that are not taxonomy-eligible (B)		7,960	100%																	
TOTAL A+B		**7,960**	**100%**																	

CAPEX

Economic activities	Activity code	CAPEX (€M)	Proportion of CapEx	Substantial contribution criteria: Climate change mitigation	Climate change adaptation	The sustainable use and protection of water and marine resources	The transition to a circular economy	Pollution prevention and control	The protection and restoration of biodiversity and ecosystems	Do No Significant Harm (DNSH) criteria: Climate change mitigation	Climate change adaptation	The sustainable use and protection of water and marine resources	The transition to a circular economy	Pollution prevention and control	The protection and restoration of biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of CapEx, 2022	Taxonomy-aligned proportion of CapEx, 2021	Enabling activity category	Transitional activity category
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (taxonomy-aligned)																				
Renovation of existing buildings	7.2	1.7	0.4%	0.4%						N/A	YES	YES	YES	YES	N/A	YES	0.4%			
Installation, maintenance and repair of equipment that promotes energy efficiency	7.3	0.6	0.2%	0.2%						N/A	YES	N/A	N/A	YES	N/A	YES	0.2%			
CapEx on environmentally sustainable activities (A.1)		2.3	0.6%	0.6%													0.6%			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)																				
Acquisition and ownership of buildings	7.7	184.7	47.6%																	
CapEx on taxonomy-eligible but not environmentally sustainable activities (A.2)		184.7	47.6%																	
TOTAL (A1+A2)		**187.0**	**48.2%**														**0.6%**			
B. ACTIVITIES THAT ARE NOT TAXONOMY-ELIGIBLE																				
CapEx on activities that are not taxonomy-eligible (B)		**200.8**	**51.8%**																	
TOTAL A+B		**387.8**	**100%**																	

3

OPEX

Economic activities	Activity code	OpEx (€m)	Proportion of OpEx	Substantial contribution criteria						Do No Significant Harm (DNSH) criteria										
				Climate change mitigation	Climate change adaptation	The sustainable use and protection of water and marine resources	The transition to a circular economy	Pollution prevention and control	The protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	The sustainable use and protection of water and marine resources	The transition to a circular economy	Pollution prevention and control	The protection and restoration of biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of OpEx, 2022	Taxonomy-aligned proportion of OpEx, 2021	Enabling activity category	Transitional activity category
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (taxonomy-aligned)																				
OpEx on environmentally sustainable activities (A.1)		0	0%														0%			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)																				
OpEx on taxonomy-eligible but not environmentally sustainable activities (A.2)		0	0%																	
TOTAL (A1+A2)		**0**	**0%**														**0%**			
B. ACTIVITIES THAT ARE NOT TAXONOMY-ELIGIBLE																				
OpEx on activities that are not taxonomy-eligible (B)		165	100%																	
TOTAL A+B		**165**	**100%**																	

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 of Annex I of Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021, 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, the numerator, is therefore that referenced in category (c) of Section 1.1.2.2 of Annex I of Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 that is related to expenditures for the purchase of products from a taxonomy-aligned activity and, in particular, expenditures related to the activities of:

- 7.7: Acquisition and ownership of buildings
- 7.2: Renovation of existing buildings
- 7.3: Installation, maintenance and repair of equipment that promotes energy efficiency

Flows related to these activities are disclosed in the change in property, plant and equipment table in Note 12.1 to the financial statements, in the "Buildings" and "Land" columns.

In 2022, they amounted to €187 million, including €136 million for acquiring rights of use under IFRS 16 (nearly half of which is for leases of commercial premises related to retail activities, the remainder being comprised of office or warehouse lease agreements).

The total amount of CapEx, the denominator, is €388 million and includes:

- Increases in property, plant and equipment of €355 million (Note 12.1 of the consolidated financial statements); this includes €155 million for the increase in rights of use of the leased assets under IFRS 16 (Note 13.1 of the consolidated financial statements);
- Increases in intangible assets of €33 million (Note 11.2 of the consolidated financial statements).

In total, the ratio of eligible CapEx to the Group's CapEx is 48% (compared to 43% in 2021).

The Group has conducted a detailed analysis of the eligible capital expenditure across all its industrial and tertiary sites that helps promote energy efficiency. It considered that capital expenditure that complies with the technical screening criteria for activities identified as eligible, as referred to in the delegated climate act, was aligned with the objective to mitigate climate change.

In total, it identified €2.3 million of aligned capital expenditure.

- €1.7 million in 7.2 "Renovation of existing buildings"
- €0.6 million in 7.3 "Installation, maintenance and repair of equipment that promotes energy efficiency".

The most significant capital expenditure was on:

- Replacement of a degreasing tunnel at the Selongey site (in Bourgogne, France), for which the Group won the "Decarbonization of Processes and Utilities in Industry" call for proposals.
- Replacement of a compressor at the Rumilly site (in Haute-Savoie, France).

The remaining expenditure mainly relates to insulation work, replacing lighting with LED bulbs, etc.

So far, the Group has considered that expenditure related to the purchase, construction or increase of the rights of use of leased assets in application of IFRS 16 was not aligned, as defined by the taxonomy.

At the end of 2022, the Group launched a substantial two-year investment plan to continue to optimize its industrial processes in order to further reduce its energy consumption and improve its energy mix. This will allow it to significantly increase the proportion of its capital expenditure that is taxonomy-aligned over the coming years.

Do no significant harm (DNSH):

The DNSH (Do Not Significant Harm) criteria have been analyzed to confirm that this contribution is achieved without negatively affecting any other environmental objectives.

The analysis focused in particular on the climate or physical risks that could influence the course of economic activity. The Group believes, having examined the mechanisms described in Chapter 3.10.3, "Risks associated with climate change", that it meets the DNSH criterion.

Minimum safeguards:

The minimum safeguards cover the following four pillars: human rights, corruption, competition law and taxation. The Group particularly bases its belief that it meets the minimum safeguard requirements on its application of the Duty of Vigilance and the Sapin II regulations.

In terms of human rights, respect for human rights is an integral part of the Group's Code of Ethics. The Group's respect for human rights is detailed in its Vigilance Plan (Chapter 3.4. "Vigilance Plan"), in Chapter 3.7.1 "Ethical compliance" and in Chapter 3.7.2."Responsible purchasing".

In terms of anti-corruption policy and procedures, the Company has many policies and procedures in place. In addition to the Code of Ethics, a specific anti-corruption Code of Conduct, validated in 2021, was rolled out in 2022. The anti-corruption policy is detailed in Chapter 3.7.1 "Ethical compliance".

In terms of taxation, the Code of Ethics lays out the principles that govern the Group's taxation policy. It endeavors to comply with and implement tax regulations in all the countries in which it operates.

With regard to competition law, respect for competition is an integral part of the Group's Code of Ethics. The Group is also putting in place policies and procedures to ensure that the Company complies with the applicable laws and regulations, and is also setting up training for employees particularly affected by these issues.

There have been no convictions that cast doubt on the minimum safeguards analysis.

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 €164.6 million in 2022. This amount is analyzed as being insignificant in light of the Group's materiality thresholds. As the ratio of eligible OpEx to the Group's total OpEx is around 2%, the Group makes use of the exemption provided and does not calculate the taxonomy OpEx indicator in further detail.

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, with the objective of achieving carbon neutrality in 2050. These objectives were officially approved by the SBT Initiative (SBTI) in 2019.

These initiatives are all described in Chapter 3.11 "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.

3.4 Vigilance Plan

For the fifth 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. Corporate social responsibility has been an essential component of the Group's strategy for many years, and the CSR risks identified over time 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 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 (see Chapter 3.4.1, Management of risks of serious harm to individuals and to the environment). It 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.

In order to allow employees and external stakeholders to report serious harm to people and the environment, the Group has implemented an alert mechanism (see Chapter 3.4.2, Whistleblowing and reporting mechanism).

The plan is the subject of dedicated monitoring. In 2022, monitoring and updating of the plan were coordinated by the Sustainable Development department. This was conducted using the roadmaps, which involve the company's various business lines, and each department contributed to completing and updating the plan (see Chapter 3.4.2, Management, governance and monitoring of the plan deployment).

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

PREVENTING AND MANAGING RISKS RELATED TO ETHICS AND HUMAN RIGHTS
see details in Chapter 3.7, People matter, page 167)

Code of 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 Code of Conduct[1].

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 major training program was deployed in 2018. at year-end 2022, 87% of the 11,300 connected employees had taken the online training program. In order to make it as real-world as possible, this training program 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 mandatory training for new employees.

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

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

Respect for Human Rights, everywhere and by everyone

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 self assessment tools (HRCA[1] and CBSSC[2]) that covered almost 99% of the workforce and drove improvements.

Since 2015, Groupe SEB has applied the same **ethical, social and environmental audit procedure** that it operates with its suppliers to its plants in risk countries[3], 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 results of the audits are shared with the Manufacturing department (including the Health, Safety and Environment Managers), the Human Resources department and the Audit and Internal Control department. Action plans are submitted to the Human Resources department. 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 makes it possible to generate audits that are enforceable against customers.

Responsible purchasing

Groupe SEB bears great responsibility for ensuring its products are manufactured under ethical conditions. It follows a responsible purchasing strategy that includes reporting and control systems to ensure that its suppliers comply with its ethical, social and environmental requirements worldwide.

This strategy includes:

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

This strategy has been continually reinforced since 2012. It is covered by a roadmap shared by the Purchasing and Sustainable Development departments. At the beginning of 2022, the Purchasing department recruited a person dedicated to coordinating non-financial purchasing issues. In doing so, the Purchasing department continues to build its contribution to the Group's sustainable development ambitions.

PREVENTING AND MANAGING SOCIAL AND SOCIETAL RISKS ASSOCIATED WITH PEOPLE'S HEALTH, SAFETY AND SECURITY

see details in Chapter 3.8, Sustainable innovation and respect for consumers, page 199 and Chapter 3.7, People matter, page 167)

Ensuring product quality and consumer safety

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, showing 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. During the production phase, many 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 may reveal possible anomalies not detectable on the new product.
- **Harmlessness:** the Group is particularly vigilant when it comes to selecting the materials used to produce its products, going beyond regulatory requirements. As part of its commitment to quality, the Group has introduced a "Tefal commitment" notice which has been included with Tefal/T-fal non-stick cookware for several years. This commitment gives a guarantee that there is no PFOA[4], lead or cadmium and that, overall, the products are 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 regulations, in order to stay a step ahead of future directives. PFAS, for example, which are concerned by a European discussion on a global ban, are historically a subject of special attention for the Group. On that matter, the Group takes an active part in the discussions and studies around the ban proposal, calling for more discrimination on the topic.

3

(1) Human Rights Compliance Assessment, developed by the Danish Institute for Human Rights.
(2) China Business and Social Sustainability Check, used for sites operated by Group's Chinese subsidiary Supor Risk countries as defined by amfori/Business.
(3) Social Compliance Initiative – Country Risk Classification, 2021.
(4) Perfluorooctanoic acid.
(5) Restriction of the use of certain Hazardous Substances.

Ensuring employee health and safety

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

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

The health and safety policy draws on a global network of 35 Environment, Health and Safety (EHS) managers, who cover all plants and logistics sites in 13 countries. Since 2020, they have met remotely, convening on a monthly basis for teams in France and quarterly for other sites around the world. In addition to these meetings, the network also meets (remotely since 2020) once a year for the annual seminar, which strengthens the network's international dimension, also supported by the Yammer community (Groupe SEB's 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. The certification audit campaign (carried out by the firm DNV) has had 100% positive results in the years since then. This means that the Group is now ISO 45001 certified.

- **Safety:** Groupe SEB's safety approach is formalized by 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 Short Interval Management. 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 a success: since 2019, the number of lost-time accidents has decreased by 58%. Safety-specific checkpoints have been incorporated into daily site visits by local managers since 2018. This feeds into the safety pyramid, a tool designed to detect dangerous 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 sites (offices) and commercial entities (stores). The Group's six "golden safety rules" are systematically communicated to these sites and 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. All industrial and logistics sites around the world must work toward the objective of improving 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 limit 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 carrying out specific measures on the sites.

    All French plants and logistics site have 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 modifying high-demand workstations.
  - Social protection: In terms of social protection, in 2017 the Group launched a worldwide initiative designed to offer its employees, a worldwide initiative, a high level of coverage when measured against the local context, going further than regulatory obligations. Since 2018, the Group has been progressively rolling out a global social protection floor and working conditions, WeCare@Seb, built initially on two pillars:
    - life insurance: 12 months of salary paid to the employee's family in the event of work-related death;
    - healthcare costs: coverage of hospital stays resulting from accidents (capped at 70% of actual costs).

A third medical pillar is being defined for roll-out over the 2023–2024 period.

- **Measures to combat harassment:** Groupe SEB pays very close attention to sexual harassment, an issue which is covered by specific legislation in many countries. In India, for example, Groupe SEB has introduced a very firm policy 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. In 2019, all French entities with over 250 employees appointed a contact person responsible for combating sexual harassment and sexist behavior.

PREVENTING AND MANAGING ENVIRONMENTAL RISKS (see details in Chapter 3.10, Climate action, page 216 and Chapter 3.9, Circular revolution, page 209)

Contributing to the fight against climate change:

Groupe SEB sells an average of 400 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.

The Group has set itself ambitious objectives:

- **by 2023:**
  - 40% reduction in greenhouse gas emissions from our plants (Scopes 1 and 2) per manufactured product (in kg of CO_2 eq.)/ product unit [base year 2016]),
  - 15% reduction in greenhouse gas emissions related to the energy consumption of the products per product sold (in kg of CO_2 eq./ unit sold [base year 2016]);
  - 10% reduction in greenhouse gas emissions related to the transportation of products and components per product sold (in kg of CO_2 eq./unit sold [base year 2016]);
- **by 2050:** contribution to reaching global carbon neutrality (reduction of emissions and sequestration of residual greenhouse gas emissions).

The Group established special governance to achieve these goals and define the path to follow:

- **the "product manufacturing" low carbon strategy (Scopes 1 & 2)** is defined and controlled by a low carbon Steering Committee coordinated by the Sustainable Development and Manufacturing departments. It includes representatives from the Cookware and Small Electrical Appliance Industry departments, the Quality Standards and Environment department and the Purchasing 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 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, or renewable energy certificates.
  - as a final measure: sequestration of residual greenhouse gas emissions by supporting ecosystem restoration projects, primarily in forestry, featuring a biodiversity conservation label. See details about these actions on page 225 (3.19.6 Eco-production).
- **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 actions to the specifics of the category concerned. Actions to reduce greenhouse gas emissions caused by the use of products generally include:
  - repairing products,
  - integrating recycled materials,
  - raising consumer awareness of correct product use,
  - reducing the energy consumption of products (eco-design and new technologies).

  See details about these actions on page 209 (3.9 Circular Revolution) and page 221 (3.10.5 Eco-design).
- **The eco-logistics approach:** 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 pollute less. Transporting less empty space means emitting less CO_2 and cuts costs. The Group also optimizes the load rates of transport units (trucks or shipping containers), particularly by reducing the size of the packages and the empty space inside.

  See details about these actions on page 230 (3.10.7 Eco-logistics).

Combating resource depletion:

The Group fights the depletion of natural resources in several ways. First, it reduces its consumption of the water, energy and raw materials required 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).

- **Reducing the consumption of resources required for manufacturing products:** The Group has been pursuing an eco-production approach for many years with the aim of reducing resource consumption during the product manufacturing process:
  - 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.,
  - 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. As part of its partnership with the Act4Nature International initiative (see page 220 (3.10.5)), it made a new commitment in 2022 and now aims to reduce water consumption by 20% per manufactured product by 2023 and by 25% by 2025 (base year 2016).

See details about these actions on page 220 (3.10.5 Biodiversité) et page 225 (3.10.6 Eco-production).

Making our products part of the circular economy: For many years, Groupe SEB has been committed to a circular business model by rethinking its production and marketing processes. The Group operates on several levels at all stages of the circular economy and supports consumers in the drive toward more responsible consumption:

- extending product life, particularly by means of reparability
- promoting recycling and the use of recycled materials
- giving products several lives by encouraging the use of second-hand and shared items

See details about these actions on page 209 (3.9 Circular Revolution).

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. The Group has 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.

See details about these actions on page 225 (3.10.6 Eco-production).

3.4.2 WHISTLEBLOWING AND REPORTING MECHANISM

In 2012, as part of the measures introduced to ensure that the Code of Ethics' commitments are properly applied, the Group set up a **whistleblowing system** so that any employee or person from outside the Group can report situations that violate the Code. It is also communicated within the Code of Ethics and the Anti-Corruption Code of Conduct (see Anti-corruption measures, page 168) and to suppliers through the Responsible Purchasing Charter (see Responsible Purchasing Charter, page 171) along with a provision included in contracts when they 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. Any employee can report an alert on the Group's "ethics@groupeseb.com" hotline. In addition, some entities have set up an additional alert hotline for their area, including India, Brazil, WMF and Supor. The whistleblowing procedure is set out in the Code of Ethics and in the dedicated training program. This is available to employees via the Group's intranet

All reports are analyzed and followed up.

3.4.3 MANAGEMENT, GOVERNANCE AND MONITORING OF THE DEPLOYMENT PLAN

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.

REGULAR STEERING VIA THE THEMATIC ROADMAPS

The implementation of the Group's CSR actions is based on defining and putting into action the 11 thematic roadmaps (see 3.1 Commitment and management, p. 138) and progress reports on these are put together by the Sustainable Development department with "business line" contributors.

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 Ongoing dialog with stakeholders

Dialog with all the stakeholders affected by its business activity is of great importance to the Group. It uses ISO 26000 to identify the stakeholders with whom it maintains ongoing dialog (see 3.5.1 Identification of and dialog with stakeholders). The Development department has developed a materiality matrix to test and enhance its strategy (see 3.5.2: Materiality matrix) and regularly organizes meetings that include panels of stakeholders who are identified and invited in line with the topics on the agenda (see 3.5.3 Meetings with stakeholder panels). The Group also communicates regularly with public authorities and professional associations and contributes its insights to the development of standards and regulations that could impact its business (see 3.5.4 Influencing activities).

3.5.1 IDENTIFICATION OF AND DIALOG WITH STAKEHOLDERS

Groupe SEB regularly conducts transparent dialog with all of its stakeholders through various communication media, annually via the publication of 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. The share of value between Groupe SEB and its various stakeholders is presented in the activity report published each year on its website.

Stakeholders	Dialog channels
Employees Employees (managers and non-managers)	Intranet site, welcome booklet, internal communications initiatives, Annual Appraisal Interviews (AAIs), employee survey (Great Place to Work), 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, 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	Press releases, Universal Registration Document, letter to shareholders, website, webzine, Annual General Meeting, information meetings, etc.
Customers Distributors	Code of Ethics, sales meetings and campaigns, partnerships and multi-year action plans, etc.
Professional associations appliA, Gifam, UIMM, 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	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.	Universal Registration Document, website, SRI meetings, road shows, responses to questionnaires, press releases, communication on progress of the UN Global Compact, Investor Days, formal meetings, etc.

3.5.2 MATERIALITY MATRIX

The Group drew up a materiality matrix in 2016. Completing this exercise enabled the Group to confirm the relevance of the main issues identified and develop its sustainable development strategy, “Acting for a sustainable daily life”, which looks at four pillars and was launched in 2018 (see 3.12 Sustainable Development Strategy p. 138). The materiality matrix will be reviewed with regards to a double-materiality approach during the CSRD application.

For the drafting of the current materiality matrix, a list of 20 issues organized into themes (environmental, ethical, social, societal, or consumer-related) was pre-defined by the Group's Sustainable Development Steering Committee. These challenges were then classified according to their “importance for Groupe SEB” and their “importance for stakeholders” by 214 stakeholders drawn from the following groups: employees, students, employee representative bodies, consumers, clients and suppliers, shareholders, financial players (banks and rating agencies), professional associations, public authorities and NGOs.

To make it easier to read the information contained in Chapter 3, Corporate Social Responsibility, the table below summarizes the 20 issues identified by Groupe SEB and lists the number(s) of the pages on which the issue is addressed.

People matter		
Ethics		
Human Rights	Fight against any form of forced or compulsory labor, concealed work, child labor, inhuman working conditions and excessive overtime.	167
Responsible purchasing	Require our suppliers to respect Human Rights and essential ethical, social and environmental principles.	170
Anti-corruption measures	Strictly prohibit any kind of corruption in our relationships, not only with our commercial and institutional partners, but also with the government.	168
Governance	Work toward more responsible governance: diversity and independence of the Board of Directors, more women appointed to key positions, transparency about the pay of executive officers, etc.	Chapter 2
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.	178
Employee-management dialog	Respect for freedom of association and union representation while encouraging employee-management dialog on both an individual and collective basis.	182
Health and Safety	Provide each employee with a safe and healthy working environment.	184
Global social protection floor	Ensure fair pay, minimum social cover and decent working conditions for all employees.	189
A corporate citizen		
Dialog with stakeholders	Take into account the expectations of all stakeholders in the conduct of our activities: consumers, associations/NGOs, municipalities/public authorities, suppliers, customers, shareholders, employees, etc.	161
Social commitment	Fulfill our economic and social responsibilities in the geographies where we operate: creating jobs, taking part in the development of local companies and supporting local associations that combat exclusion.	193
Sustainable innovation		
Respect for consumers	Propose high-quality products which are fully guaranteed 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.	200
Product accessibility	Promote the accessibility of the product offer to as many as possible by working on price, ergonomics and distribution networks.	210
Sustainable eating	Promote consumer behavior that encourages healthy and sustainable eating by innovating and supporting consumers.	202
Circular revolution		
Circular Economy	Make the circular economy central to our sustainable innovations. The circular economy requires an approach based on structured value chains (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 efficient use of resources and reduce impact on the environment while enabling the well-being of individuals.	209
Reparability	Facilitate the repair of the products: design, availability and price of spare parts, training of approved service centers, etc.	210

Climate action		
Eco-design	Reduce the environmental footprint of products through eco-design.	221
Water	Reduce sites' water consumption and discharge into water.	227
Waste management	Reduce and recover waste from production by encouraging use of solutions with a lower impact on the environment.	227
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.	216
Biodiversity	Promote ordinary biodiversity and limit the impacts of the processes and products on biodiversity.	220

3.5.3 MEETINGS WITH STAKEHOLDER PANELS

In order to listen to the opinions and suggestions of its "ecosystem" on its sustainable development policy, the Sustainable Development department began holding a series of in-depth discussions with a panel of the Group's stakeholders in 2013. 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.

In 2022, the work the committee had done in 2021 was consolidated with the implementation of the Group's eco-design label (see EcoDesign label and raising consumer awareness p. 222). The next committee meeting in 2023 will provide an opportunity to lay the groundwork for the Group's next CSR goals.

3.5.4 INFLUENCING ACTIVITIES

Groupe SEB regularly communicates its opinion about the potential consequences of an action or a decision to the authorities. It provides insights through professional associations of which it is an active member and which have the same role to play 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 information it needs to make the best decision according to the desired aim and the expectations of the various stakeholders. The Group bases its analysis on its industry expertise and its market knowledge. The aim of this activity is to give the authorities the information they need in order to define regulations and standards that may impact the Group's product designs.

In 2022, Groupe SEB continued to take action to develop the circular economy by emphasizing the importance of product reparability, including defining and disseminating a reparability index, and the use of recycled materials, particularly in connection with the French AGEC Act[1] and the draft European regulation on the eco-design of sustainable products (ESPR). It was also involved in European Union work to promote the return of an energy label for vacuum cleaners and work on fans, air-conditioners and portable heaters to guarantee that consumers have useful 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;
- the regulations on working toward a zero-carbon world.

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;
- UIMM – Union of Metallurgy Industries and Trades;
- APPLiA – Professional Association of European Household Appliance Industry;
- FEC – Federation of the European Cutlery, Flatware, Holloware and Cookware Industries.

(1) *The law against waste for a circular economy.*

3.6 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 2022 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 the Commercial Code. The Group goes beyond this legal requirement by reporting other indicators for example 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 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 all divisions concerned 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 new 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.

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

Topic/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 (monthly)
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 this data involves almost 400 correspondents from different divisions on all Groupe SEB's sites.

ACCURACY AND COMPARABILITY

Groupe SEB is committed to ensuring that the data it publishes is 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 is 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 2022, all the data communicated in this chapter excludes certain entities namely Ethera, Groupe SEB Media (750 g), Feeligreen, Coffee Technology, StoreBound, CEI RE ACQUISITION LLC, Financière Billing, GS Maroc and ZUMMO, that represent less than 1% of total Group workforce. With the exception of the table "Breakdown of total workforce by geographic region" that does include all the entities listed above.

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.

3.7 People matter

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

As people are the driving force of its organization, the fact that people matter has been firmly anchored in the Group's culture from the very beginning. The Group therefore gives the utmost importance to respecting ethical principles both internally (see 3.7.1 Respect for Ethics) and throughout its value chain, including with its suppliers (see 3.7.2 Responsible Purchasing). For the Group, this encompasses both internal social responsibility for its employees (see 3.7.3 A Responsible Social Policy), and social responsibility in terms of the communities in its ecosystem (see 3.7.4 A Corporate Citizen).

3.7.1 RESPECT FOR 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 Code of Conduct[(1)].

CODE OF ETHICS: 18 SUBJECTS, TRANSLATED INTO 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 more than 30,000 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 subjects, including child labor, anti-corruption measures, non-discrimination, environmental protection and the prevention of conflicts of interest. The various points in the Code of Ethics are included in the **internal audit** manual and are checked during site audits.

A large-scale international 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 understands the key concepts and knows how to act when faced with an ethical dilemma. It consists of six modules designed to be interactive and enjoyable. Each module is comprised of 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 refresher module sent to all employees with online access as part of the Compliance digital refresher program. At year-end 2022, 87% of the 11,300 employees had taken the online training program, available in ten languages on the iGrow@Seb HR online platform. This campaign is scheduled for relaunch in 2023 (see Training and skills development p. 190).

For employees without online access, classroom-based training on the Group's Code of Ethics 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. Roll out, which was set back in 2020/21 by the pandemic, got underway again in 2022 (depending on health and safety restrictions) to cover all the teams involved.

RESPECT FOR HUMAN RIGHTS, EVERYWHERE AND BY EVERYONE

Respect for Human Rights forms an integral part of the Groupe SEB Code of Ethics as well as the training offered on this subject 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 ten people. Up until 2014, it used self assessment tools (HRCA[(2)] and CBSSC[(3)]) that covered almost 99% of the worforce and drove improvements.

(1) Professional Association of European Household Appliance Industry.
(2) Human Rights Compliance Assessment, developed by the Danish Institute for Human Rights.
(3) China Business and Social Sustainability Check, used for sites operated by Group's Chinese subsidiary Supor.

External audits in risk countries

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 risk countries[1], 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 results of the audits are shared with the Manufacturing department (including the Health, Safety and Environment Managers), the Human Resources department and the Audit and internal control department. Action plans are submitted to the Human Resources department. 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 are enforceable against customers.

In 2022, six sites were audited in the Czech Republic, China, India and Vietnam. All the sites obtained an overall compliance score of above 71%, with an average score of 87%: two sites were ranked medium in terms of performance level (71–85), and four achieved a high performance level (86–100). Corrective action plans have been drawn up in conjunction with local teams to tackle issues of non-compliance, with implementation monitored by the Human Resources department.

FORCED AND CHILD LABOR

Groupe SEB is particularly attentive in the fight against forced and child labor, as illustrated by the commitments set out in the Code of Ethics in the "Working Conditions" section. These are based on the following international rules and principles:

- ILO Core Conventions No. 29 (Forced Labour), No. 105 (Abolition of Forced Labour), No. 138 (Minimum Age) and No. 182 (Worst Forms of Child Labour)
- Principles 1, 2 and 5 of the Code of Conduct issued by the European Committee of Domestic Equipment Manufacturers (CECED).
- Principles 1, 2, 4 and 5 of the UN Global Compact
- Principle 5 of the OECD Guidelines for Multinational Enterprises

These commitments apply to group employees as well as to its suppliers, and are included in the Group's Responsible Purchasing Charter (see Responsible Purchasing Charter, p. 171).

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 external 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, validated in 2021, was rolled out in 2022. 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.

Corruption risks questionnaire

Each year until 2022, as part of the annual update to its corruption risk mapping, the Group sent out a detailed questionnaire on corruption risks to all entity managers (commercial subsidiaries, plants, shared service centers) and to all support managers. 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. In 2022, a program to redesign the Group's corruption risk mapping was launched, set to be finalized for roll-out in 2023. This redesign will include an analysis of the processes through interwiews focusing on risk scenarios as well as a detailed evaluation of the gross and net risks and associated action plan.

Raising awareness among all staff

A campaign to raise awareness among all staff about the risks of corruption and conflicts of interest was launched in October 2022.

This online training program provides a real-life illustration of the risks to which any employee may be exposed, outlining the initial best response in the event of a suspected or proven case of corruption or non-compliance with the rules, to apply in the event of a conflict of interest. This mandatory program is available in 11 languages. 82% and of employees with online access had completed it by the end of 2022. It will be extended to include employees with no online access in the first half of 2023.

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. It is also communicated within the Anti-Corruption Code of Conduct (see above) and to suppliers through the Responsible Purchasing Charter (see Responsible Purchasing Charter p. 171) along with a provision included in contracts when they are renewed.

(1) Risk countries as defined by amfori/Business Social Compliance Initiative – Country Risk Classification, 2021.

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. Any employee can report an alert on the Group's "ethics@groupeseb.com" hotline. In addition, some entities have set up an additional alert hotline for their area, including India, Brazil, WMF and Supor. The whistleblowing procedure is set out in the Code of Ethics and in the dedicated training program. This is available to employees via the Group's intranet.

All reports are analyzed and followed up.

IT RESPONSIBILITY

Information systems, including digital networks and sites connected via the internet, provide structural support for the organization and operations of Groupe SEB. They contain a vast amount of valuable data: strategic and commercial data concerning the Group and personal data concerning its consumers and employees.

As such, the protection of personal data and the prevention of cyber attacks are at the heart of the Group's strategic and operational concerns. In full compliance with European regulations, or local regulations when these provide more protection, its specialist teams implement procedures, tools, best practices and training to maintain the IT integrity of the Group and its stakeholders.

Protection of personal data

Groupe SEB's personal data protection policy is based on a common foundation that spans all markets and all persons whose data it processes, including its consumers, customers and employees. This set of Group standards is based on the General Data Protection Regulation (GDPR), while also taking into account any local regulations outside the EU that apply. The protection of and respect for the confidentiality of personal data is one of the key themes of the Group's Code of Ethics.

Individuals who entrust their data to the Group have the right to access, delete or modify it, within the structure determined by the applicable legislation. They must also be able to rely on their data being managed securely and confidentially. To ensure compliance with these fundamentals, the Group implements technical and organizational measures that restrict access to this data to only those persons who need to know, both internally and to third parties outside the Group. In all contracts signed with third-party suppliers or service providers, the Group also includes security and confidentiality requirements that are at least equal to the Group's data protection standards.

NETWORK-BASED ORGANIZATION

The central data protection team is attached to the Group's Legal department and has an international network. Each local entity has a local DPO (Data Protection Officer) or a Privacy contact who is responsible for enforcing Group rules and processes.

Among these processes, the whistle blowing mechanism brings together the privacy and cybersecurity teams, setting out the procedures to be followed in the event of a suspected or proven data leak. Aimed at prevention and thus very protective, the starting point of this mechanism is the suspicion of an incident rather than its confirmation: each alert is analyzed from a legal standpoint as soon as the discovery is made and a technical investigation ensues.

TRAINING FOR PROTECTION

This is a major issue for Groupe SEB, and each employee joining the Group undergoes mandatory training on personal data protection and the Group's policies in this respect. Specialist training sessions (in the form of webinars, for instance) are also organized on a regular basis, and the Privacy team offers training sessions tailored to specific target audiences (Human Resources, IT, Purchasing, Sales, and so on). These tailored sessions are also available for replay on the Group's intranet. Internal communication and awareness-raising activities also take place to mark such events as the European Data Protection Day, for instance.

Cybersecurity

Against the backdrop of increasing cyber threats around the world, Groupe SEB launched plans to strengthen the security of its information systems in late 2020. The level of cyber attack detection and response has been considerably strengthened and crisis management exercises involving the Group's management have been held regularly since 2021. A master plan has been implemented since 2022, setting out the Group's cybersecurity pathway until 2025. It incorporates computers and servers, *as well as operational technologies* (robots and other production equipment) and connected products. In this context, the Group aims to achieve ISO 27001 certification for its own information security management system and those of its suppliers by 2025.

WE ARE ALL CYBER DEFENDERS

Since cybersecurity is everyone's business, the Group has implemented robust risk governance on several levels. A risk assessment is shared monthly with the IT department, quarterly with representatives from the Human Resources, Legal Internal Audit and E-commerce departments, and twice a year with the Board of Directors. (see Cybersecurity and information systems failure risk, p. 56).

It is essential that each person is prudent and vigilant. All newcomers to the Group are made aware of cybersecurity issues by way of a welcome kit published in French and English, and all employees are notified by email of new risks, whether they come from within the Group, from its partners, or from elsewhere. Together with the Group's Learning & Development team, the cybersecurity team also offers targeted training to the most relevant business lines - e-commerce or finance, for instance - and organizes an annual phishing test to make employees aware of the ever-more sophisticated techniques used by hackers. The system also includes the Group's partners and subcontractors in risk prevention via close technical monitoring and tighter contractual clauses.

BATTLE READY

Since prevention is a key factor, the Group has a set of tools and procedures to detect vulnerabilities in advance and identify weak signals promptly, in order to react to potential cyber attacks and limit their occurrence or impact. In parallel, in order to test the system, the Group's internal audit team conducts so-called *red teaming* checks where fictitious hackers attempt to make it past the Group's cyber defenses. In addition to these periodic controls, permanent monitoring is done via the Group's internal control framework, covering some forty points, including password management, review of user access rights, coverage of vulnerabilities, and so on. Each year, the Executive Committee and the Manufacturing, IT and Marketing teams take part in a cyber crisis management exercise to train in how to tackle current crises and to strengthen collaboration between Group management, business lines and IT systems teams.

In addition, websites, connected objects and new projects undergo a by design security strategy, while the most exposed elements (D2C, sensitive systems and connected products) undergo intrusion tests prior to production launch. As user awareness and compliance with best practice lie at the heart of risk reduction, the cybersecurity team works closely with the Communications department to regularly pass on best practice and alerts to deal with increasingly sophisticated methods of attack and deception, aimed at disrupting business continuity or breaching user data confidentiality (privacy and business secrecy).

To maintain the optimum level of cybersecurity information and practice, the Group's cybersecurity team has a close relationship with the French National Information Systems Agency and partners with the French national cyber campus.

The Group's expertise was acknowledged in 2021 when it was ranked 4th in a list of French cybersecurity and IT decision-makers by Forbes magazine.

3.7.2 RESPONSIBLE PURCHASING

In line with the UN's sustainable development goals and its Sustainable Development strategy, Groupe SEB pays close attention to ensuring that its products and services are designed, manufactured and produced under ethical and responsible conditions. With this in mind, the Purchasing department implements a responsible purchasing strategy that includes several information and control systems to help strengthen its collaboration with suppliers around the world and to take account of environmental and social issues. This strategy is constantly being developed to rise to new global challenges and to anticipate the needs of regulatory compliance and CSR risk management. In 2022, the creation of a Purchasing Development Coordinator position, dedicated to coordinating the non-financial aspects of Purchasing, strengthened management's commitment to the Group's CSR ambitions.

The responsible purchasing strategy has its own roadmap drafted by the Purchasing department, in collaboration with the Group's Sustainable Development department. This is implemented and rolled out across two levels:

- At Group level, the Purchasing Performance and Development team, Category Managers and Leads, and the Purchasing Management Committee play a key role in increasing the maturity of Purchasing practices and the Purchasing community, as well as the Group's suppliers, with regard to CSR issues. The Performance and Development team defines and continuously strengthens purchasing processes, providing teams with the relevant tools, and supporting and monitoring them. The purchasing category teams (Category Managers and Leads) establish supplier panels and draft purchasing strategies that take into account, among other things, CSR aspects. Lastly, the Management Committee rolls out Group-wide actions and decision-making to ensure that these are communicated seamlessly to the entire Purchasing community.
- Purchasing Managers and Buyers relay this best practice at grass-roots level. Thanks to their daily actions in supplier selection and operations monitoring, projects and supplier performance, they ensure that CSR-related rules are properly implemented.

The Purchasing department regularly organizes information and training sessions for its community, specifically via webinars on key topics. Responsible Purchasing is an integral part of the themes discussed.

Furthermore, in France, Groupe SEB renewed its commitment to the principles of the **Charter on Supplier Relations and Responsible Purchasing in 2021.** With its ten pledges, this Charter 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.

The Group's compliance with all regulations governing its activities goes without saying, including in the field of purchasing. For instance, three specific due diligence initiatives were launched or completed in 2022, further developing the Group's responsible purchasing strategy:

- under the Sapin II law (2016), monitoring the ethical quality of suppliers was further strengthened with the drafting of a new procedure in 2022, co-authored with the Group Compliance Officer. The Purchasing and Compliance teams are now working on a tender to acquire a tool in 2023 that will automatically access potential corporate sanctions information, thus providing more support to buyers when making their supplier selections;
- regarding the collection of legal **documents from suppliers** in accordance with the revision of the French Labor Code in 2017 (Article D. 8222-5), the partnership with a service provider for the collection a nd validation of supplier documents was strengthened.

In the event of non-compliance with the Group's requirements, a supplier may not be awarded business until it provides compliant documentation;

- lastly, in 2022, a project team was established in preparation for the Supply Chain Act, a German law due to enter into force in early 2023.

RESPONSIBLE PURCHASING CHARTER

Groupe SEB's Responsible Purchasing Charter is based on the **Code of Ethics** and the Responsible Purchasing strategy. It is available in ten languages, allowing all Groupe SEB suppliers, regardless of where they are in the world, to clearly understand and implement Groupe SEB's expectations.

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, its in-house stakeholders, 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 shared with all the Group's direct suppliers (materials and components) and all its suppliers of finished products, allowing them to become familiar with it prior to signing.

The Group's suppliers of indirect purchases (services, energy, information systems, maintenance, transport, overheads, etc.) are also concerned, though they are not subject to it if their activity is judged to be inconsequential based on predefined criteria (contract amount, nature of purchase, frequency, etc.).

In 2022, the coverage of purchasing expenditure[(1)] through the signing of the Charter was:

- 71% for direct purchases;
- 94% for finished goods;
- 60% for indirect purchases[(2)].

SUPPLIER CSR EVALUATIONS

All new suppliers of materials, components or finished products are subject to a rigorous preliminary evaluation and monitoring process conducted under the supervision of the lead buyer in that category.

- For all new suppliers, 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 2020/2021/2022, some visits were carried out remotely for health and safety reasons).
- Ethical, social and environmental criteria are part of the supplier evaluation form. These criteria have a direct impact on the product listing decision (existence of minimum required levels), and their weighting in the overall criteria of the form was recently revised upward.
  - 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 social aspects, they mainly concern: the existence of a formal ethics/social policy or the signature of the Groupe SEB Responsible Purchasing Charter, working conditions, compliance with labor laws (notably age and working hours) and safety rules, in order to prevent health and safety risks for the employees of the Group's suppliers.
- In addition, the Group has been tightening the selection process for suppliers located in **high risk countries[(3)]** since 2020, requiring any new supplier to first pass an **ethical, social and environmental audit** (see below). This requirement also applies to indirect suppliers[(4)] and to suppliers of finished goods.

ETHICAL, SOCIAL AND ENVIRONMENTAL AUDITS

3

A pillar of the Responsible Purchasing Policy

The Group conducts ethical, social and environmental audits of its suppliers across all categories: raw materials, components, finished products, indirect purchases, and so on. The audits are carried out by external service provider Intertek, which has a global audit management tool that provides instant, accurate monitoring and compares the results of the Group's suppliers against those of the companies registered in its database (over 32,000 audits). They are conducted in line with the WCA (Workplace Condition Assessment) framework, which has over 360 checkpoints covering 6 topics (working conditions, wages and working hours, health and safety, management system, environment, integrity).

The annual audit plan is determined according to the country type and the prioritization criteria drawn up by the Group:

- high-risk countries[(1)]: all suppliers are potentially involved;
- other countries: suppliers are selected according to certain criteria or following a report from a Group buyer on a point of concern;
- prioritization criteria: specific risks related to the field of business, suppliers with known problems, significant levels of business in terms of the Group spend amount and increase in spend.

The procedure is highly formalized:

- **Audits** are conducted at the start of the relationship and then every three to four years, depending on the results of the previous audit. During these in-depth audits, which last 1 to 3 days depending on the size of the company and take place on site, the auditor reviews **more than 360 checkpoints** contained in the **WCA** (*Workplace Condition Assessment*). Each checkpoint is assessed according to a four-level scale of compliance ranging from "zero tolerance" (e.g. child labor, forced labor, locked emergency exits, excessively long hours, etc.) to minor non-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),

(1) Not including suppliers of SUPOR subsidiary
(2) Not including suppliers whose activity is judged to be inconsequential (amounting for 14% of indirect purchases expenditures in 2022).
(3) High risk countries as defined by the AMFORI / Business Social Compliance Initiative - Country Risk classification, 2021.
(4) Not including suppliers whose activity is judged to be inconsequential (amounting for 14% of indirect purchases expenditures in 2022).

poor (51 to 70) and very poor (0 to 50). The audit report is sent to the Group's Purchasing department and to the supplier in question.

- A single "zero tolerance" non-compliance (e.g. failure to comply with the minimum 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, focusing on the non-compliant items. If not, the Group ends the collaboration.
- If a score of less than 51/100 is obtained for one of the six modules, or if an aggregate score of less than 51/100 is obtained, then the Regional Head of Purchasing or Sourcing or their deputy sends a formal letter warning the company to correct the breach and checks that the situation has been rectified through a **follow-up** audit (by Intertek) within the following 12 months.
- Suppliers with a score between 51/100 and 71/100 are audited every three years, and those with a score above 71/100 every four years.
- The audits are paid for by the Group, except for follow-up audits, which are paid for by the supplier.

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.

A strengthened worldwide internal network to ensure that the annual audit plan is achieved

A network of 20 Social Audit Leaders (11 for finished products and 9 for direct and indirect purchasing), spread across all continents, is responsible for drafting the annual audit plan jointly with the Group's Social Compliance team (based in Hong Kong) and the Purchasing Development Coordinator (based in Écully). Social Audit Leaders also help to oversee audit implementation, and to monitor the progress plans undertaken by suppliers. Local delegations have been set up to be as close as possible to the Group's various entities and to strengthen intervention agility, in line with the Purchasing department's new matrix organization. This network is run by the Head of Social Compliance and the Purchasing Development Coordinator, who meet to analyze the Group's social audit dashboard four times a year. They also hold monthly meetings with the Group's Purchasing department to review audits, analyze results and risks, take corrective action and improve supplier performance, as well as discussing other key CSR issues.

RESULTS OF ETHICAL, SOCIAL AND ENVIRONMENTAL AUDITS

In 2022, the Group completed 233 audits (200 in 2021) of suppliers in Asia (192), South America (28), Europe (9), Turkey (2), Russia (1) and North Africa (1).

Of the 115 suppliers audited by WCA/ SMETA 4 pillar, 73% posted good or average performance (>71), 19% posted low performance (between 51 and 70) and 8% posted poor or very low performance (<50). The average rating of all suppliers audited was 80/ 100. 1 "zero tolerance" compliance was reported and has been improved within the same year.

Of the 118 suppliers audited by BSCI, 98.3% posted acceptable to very good result (Rating A/B/C) and 1.7% posted insufficient performance (Rating D/E). No zero tolerance" compliance was reported.

Over the past four years (2018–2022), 75% of audited suppliers have reached a score superior to 51. For suppliers that have not reached an acceptable score (score below 51 for one module or as average), follow-up audits were scheduled to check the implementation of action plans. Following those follow-up audits, the performance rate (score > 51) had increased by 15 points to 90%. 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 2022, 45 Group's suppliers received the AA label (+11 compared to 2021).

Supporting our suppliers

Lastly, in order to help its suppliers to advance in terms of social and environmental responsibility, the Group forwards a document prior to audits explaining the challenges and setting out the points to be assessed. The Group also offers training on this topic: in 2022, these sessions were held as webinars and 251 suppliers from China, Colombia, and Brazil attended them. They were also attended by Group buyers responsible for monitoring them.

MAPPING OF CSR ISSUES BY PURCHASING FAMILY

The Group is committed to integrating environmental and social issues into its Purchasing function, beyond the requirement of compliance. 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 initiated an update of this mapping of CSR issues by purchasing family, with the support of a consulting firm specializing in Responsible Purchasing. This mission is in line with the regulatory Duty of Vigilance (see Duty of Vigilance, page 147) and will serve as a basis for buyers and category managers to support their purchasing strategies and action plans, and thus to advance the ethical, social and environmental aspects for each purchasing category. The first stage of the project's analysis covered 46 purchasing families, encompassing all of the Group's expenses.

In 2022, the project focused on 13 purchasing families (direct and indirect) prioritized according to the issues facing each sector and the Group's purchasing expenditure. For direct purchases, the categories are: electronic components, aluminum, ferrous metals, printed paper and cardboard, magnets, chemicals, glass, wood, batteries, and textiles. For indirect purchases, the focus was on transport, temporary work and waste management. This process will result in risk analysis sheets and recommendations for each of the 13 purchasing families, along with around ten general recommendation sheets that apply to all of the various purchasing categories.

These deliverables are expected in early 2023. They will be analyzed and presented to the Executive Committee and will drive the ongoing reflection that aims to strengthen Groupe SEB's Responsible Purchasing strategy.

MONITORING OF CHEMICAL SUBSTANCES

To help its suppliers ensure compliance with regulations governing the use of chemical substances, in early 2022 Groupe SEB forged a new partnership with Bassetti Data Provider, a company that specializes in the management of technical, regulatory and environmental data. Some 700 Groupe SEB suppliers are subject to closer monitoring through this partnership.

The Group is also making additional specific efforts to monitor certain substances, in anticipation of future regulatory changes (particularly in Europe, such as RoHS and REACH). It permanently monitors changes in the classification of substances by official bodies, and the Development and Innovation departments work proactively to substitute compounds that may be subject to changes in this classification.

In 2022, the reference documents for suppliers and purchasers (such as, the eco-statement format including instructions for completion and the list of substances that are compliant, non-compliant or not covered by the eco-statement) were updated and are now available in English, French and Chinese. In addition, roles, rules and internal governance are under review to adapt to the Purchasing department's new matrix organization. These documents will be rolled out progressively over the first half of 2023 via uniform, learner-focused communication to ensure they are fully understood by the Group's teams.

SUBCONTRACTORS IN THE DISABILITY AND INCLUSIVE EMPLOYMENT SECTOR

To deliver the Group's commitment to the "People matter" pillar, the Purchasing teams are developing and intensifying links with stakeholders in the social and solidarity economy (SSE). This momentum has significantly shifted lines over the years, particularly in France.

Groupe SEB uses the services of sheltered workshops, assisted employment centers, and associations, either on its own sites or on supplier premises.

For instance, the Group appointed sheltered workshop Recyclea in 2021 to recycle IT equipment and salvage end-of-life servers. 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, while the Handishare sheltered workshop also provides administrative services for human resources and general services.

Two of the Group's production sites have welcomed a team from an assisted employment center on their premises. At Pont-Evêque, it is entrusted with increasingly complex product assembly tasks, while the site in Lourdes works with an association that employs people with an intellectual disability.

The Faucogney site calls on people from 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 who have previously been excluded from the job market back to work) provides a recycling service. The logistics platform in Mions employs six workers from an assisted employment center working with people with mental or psychological disabilities, who work in re-palletizing, handling, treatment of non-compliant products, and so on.

In the logistics field, the Group has developed partnerships that allow it to subcontract certain activities to companies which are themselves committed to the inclusion of people with disabilities. For example, it commissioned FM Logistic France, which manages the Group's product logistics at its Saint-Cyr-en-Val platform near Orléans, and which 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).

See more details about these partnerships in the "A responsible participant in the economy" section, page 197..

At the end of 2021[(1)], work subcontracted to the disability and inclusive employment sector totaled more than €4,5 million, accross all of the Group's French sites (expenses linked to human workforce only).

3.7.3 A RESPONSIBLE EMPLOYMENT POLICY

Support for employees and other people affected by the conflict in Ukraine

As soon as the war in Ukraine began in February 2022, Groupe SEB made a commitment to support the 106 employees at its subsidiary in Kyiv. Of these, some 30 made the decision to leave their country with their family. Welcomed at the border by their Polish and Romanian colleagues, the Group then mobilized to help them settle into new homes. Full payment of the salaries of all Groupe SEB Ukraine employees has been maintained and the Group Human Resources department remains in close contact with the team in Kjiv. In addition, to support the entire Ukrainian population who are facing extremely difficult living conditions, an exceptional donation was made to UNHCR (UN High Commissioner for Refugees), see section p. 194.

(1) 2022 data is not available yet at the date of the publication of this URD.

Groupe SEB's Human Resources policy aims to consolidate a **global employment policy based on the Group's values** (entrepreneurial drive, passion for innovation, group spirit, professionalism and respect for people). It is shaped by key priority areas such as respect for Human Rights, the development of competences, health and safety in the workplace, employee-management dialog and diversity and equality.

In the 2022 Best Employers in France awards run by Capital magazine and Statista Institute, Groupe SEB was ranked in the top five in the electrical equipment sector for the fifth year running, with a special mention for CSR and Quality of Life at Work.

GLOBAL HUMAN RESOURCES MANAGEMENT

To support its international growth and ensure fair treatment for all, Groupe SEB draws on human resources (HR) processes that are harmonized worldwide. As such, in 2022, additional HR procedures were shared across the Group to harmonize recruitment and mobility for key positions and organizational transformation, notes on organization and appointment, and job titles. All HR processes are integrated within a dedicated information system that uses the latest generation of digital tools. This digitization enables more automated tasks, connects the various processes faster and more easily and improves global management. It provides both a consolidated and cross-company view that makes the Group more agile.

Similarly, in October 2022, the Group consolidated its Annual HR Reviews worldwide for the first time, thus enhancing the visibility of its talents' competences and geographical location and offering a clearer vision of its succession plans.

Groupe SEB's **Managerial Competency Model (MCM**), 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.

In order to help managers to implement the MCM, the Group regularly organizes training workshops for Management Committees. In 2022, the management workshops revisited some of the topics from 2021 (trust, feedback and change management). 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 (AAI), one or two are related to the personal development of the employee, with a direct link to the MCM. Ahead of this interview, the managers are given the opportunity to self-assess with a view to enriching the discussion. In 2022, over 96% of the 5,400 or so managers eligible for an AAI worldwide received such an interview.

Three-party feedback meetings were set up in 2022 for the Group's 187 key positions, as part of their Individual Development Plan. These meetings, where senior executives participate alongside their manager and a member of the Talents team, promote the manager's personal development and mean that the Group can take account of changes made in business lines, and demands from the market.

In parallel to managerial skills, in 2018 Groupe SEB developed a **Framework of Professional Skills and their Associated Posts** (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 is 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 2022, 5 experts were confirmed in the Research field, 11 in the Product Development field and 4 in the Manufacturing field, which joined the approach this year.

ATTRACTIVENESS OF THE GROUP AND CAREER DEVELOPMENT

Professional development

Internal promotion, along with the integration of new profiles and skills, is a priority for the Group. In 2022, 40% of managerial positions were filled by Group employees, both in France and worldwide, and succession plans for 84% of key positions involve 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 applies to an increasingly diverse population: in 2022, for example, more than half of 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 monitoring 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. Gender parity is ensured for mentors and mentees. This development tool is beneficial to both mentors and mentees and has been very successful. Two to three cohorts of around ten pairs are established each year. Over six years, the program has involved 230 people from 27 countries, working in various functions and at different levels. Of those involved, 78 received a promotion or were transferred geographically. In the fourth quarter of 2022, the Group also started an Executive Committee Mentoring program with eight mentors and ten mentees.

Digitally driven recruitment

When it comes to external recruitment, the Group relies heavily on digital tools, which enabled it to remain very active in recruitment in 2022 even though the health context remained challenging and despite the tight market conditions for many types of jobs..

The Group's Careers website is building on the improvements made in 2021, offering an ever better candidate experience: digital content is enriched with portraits and testimonials from international employees on their jobs and their challenges within the Group, while the interface allows candidates to view all vacancies and locate those meeting their requirements via a more user-friendly presentation and finely tuned search criteria. In addition, the Group is constantly adapting to market developments and now increasingly offers video interviews as part of the recruitment process. It has also strengthened its presence and activity on **social media and professional social networks,** which have become the primary channels for finding out about a company. In 2022, the Group invested in an unlimited Hiring Enterprise Program (HEP) contract with LinkedIn, the leading job board in Europe. All advertisements published on the **Careers website** are now automatically published on the both the LinkedIn and Indeed platforms, which give the Group high visibility on the market. Job opportunities are published both internationally (e.g. LinkedIn, Indeed) and locally (e.g. in France, for example: APEC, Jobteaser, Hellowork). All external applications, wherever they come from, are entered in the ***Taleo*** tool, a **single e-recruitment platform that meets the needs of the Group's global structure.** Rolled out in 49 countries, it received around 47,500 applications in 2022 (compared with 15,000 applications in 2015). Taleo, is user-friendly and offers candidates a simplified and seamless experience allowing them to apply from any device (smartphone, tablet, etc.) in just a few minutes. This same platform also manages internal mobility requests via *iMove@SEB,* improving and simplifying the flow of the application process.

In its ongoing search for improvement, the Group plans a recruitment training course for 2023, giving managers and HR directors the skills they need to attract the best candidates. This training course will be available online and in the classroom to ensure coverage of the entire target group.

Attracting young talent

In order to broaden its young talent pool, the Group maintains close relationships with **higher education institutions** targeted according to recruitment challenges in key business lines: Manufacturing, Marketing, IT Systems, etc. For example, in September 2022 the Group signed a strategic partnership with the Industrial Engineering department of INSA LYON, the French Institute of Applied Sciences, for a period of three years. During their studies, a wide range of actions will offer the students (class of 2022-2025) support and close contact with Group SEB managers and HR staff.

Groupe SEB also has links with higher education institutions internationally via its partnership with the CEMS World Alliance and its 34 leading business school members (HEC in France, ESADE in Spain, BOCCONI in Italy, Cornell SC Johnson College of Business in the US, HKUST Business School in China, University of Sydney Business School in Australia, and so on).

Groupe SEB organized a total of around 100 events with target educational institutions in 2022, including physical and virtual forums, job presentations, site visits, case studies, and panels.

Groupe SEB offers two flagship Young Talent programs.

In autumn 2022, the students on its **Graduate Program** joined the Group for the fifth year. This program aims to train young graduates from business and engineering schools and universities. The Group offers them the chance to spend two years 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.

The second program is the **international work experience volunteers (VIE)** program. The Group offers around ten assignments per year, lasting 12 to 24 months. For example, some have gone to work in Finance in the United States, in Marketing in Belgium or in Hong Kong, or in Supply Chain Management in Germany.

This Young Talent policy, which includes interns, work-study trainees and participants in the Graduate Program and VIEs produces results: in 2022, the Group recruited nearly 71% of its young graduate employees (management positions) by drawing on this pool, strengthening our teams and skills and helping to transform our business lines and business models. The rate was 71% in 2022 (+ 6 points compared to 2021)

Groupe SEB is also regularly recognized for its attractiveness and support for Young Talent:

The 2022 list of "Favorite Companies for Students and Young Graduates" was unveiled at an awards ceremony on 20 October 2022. The survey, conducted by EPOKA and Harris Interactive in partnership with L'Etudiant, measures the overall attractiveness and communication of some 250 companies across 20 fields of business among students and young graduates of French higher education establishments (Grandes Ecoles) and universities. In this 10th edition, **the Group took third place in the "Consumer goods and e-commerce" category.**

Furthermore, in 2022 and for the eighth year running, it was awarded the ***Happy Trainees*** (France) label, which recognizes excellence in its commitment to its students. On average, the Group takes in about **300 interns and work-study trainees** every year. The Happy Trainees survey asked them questions, based on six criteria: professional advancement, stimulating environment, management, motivation, pride, job satisfaction.

Breakdown of total workforce by geographic region

(number of individuals)	2022	2021	2020
France	5,996	5,883	5,661
Other EMEA countries	10,142	10,201	10,255
Americas	2,797	2,909	2,738
Asia	11,951	13,380	13,730
WORLD	**30,886**	**32,373**	**32,384**

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 2022, Groupe SEB had 30,886 employees based on the scope defined in the table above. The evolution between 2022 and previous years is explained by a standardization of reporting guidelines - especially concerning the Chinese entity SUPOR - and does not reflect an actual decrease in the workforce.

Breakdown of changes in the workforce

Worldwide (excluding WMF Heshan, SEB Professional Shanghai and EMSA Taicang).

(number of individuals)	2022	2021	2020
France			
Recruitment [(1)]	**651**	**856**	**403**
Fixed-term and work-study	277	328	239
Permanent contracts	374	528	164
Departures [(1)]	**667**	**645**	**563**
Economic redundancies	0	0	0
Terminations for other reasons	37	11	60
AVERAGE STAFF TURNOVER RATE [(2)] *(in %)*	**2.42**[(3)]	**1.83**[(3)]	**1.37**[(3)]
Other EMEA countries			
Recruitment [(1)]	**1,880**	**1,863**	**1,644**
Fixed-term and work-study	884	831	772
Permanent contracts	996	1,032	872
Departures [(1)]	**2,111**	**1,939**	**1,765**
Economic redundancies	148	46	55
Terminations for other reasons	185	193	138
AVERAGE STAFF TURNOVER RATE [(2)] *(in %)*	**7.15**[(3)]	**7.37**[(3)]	**6.06**[(3)]
Americas			
Recruitment [(1)]	**521**	**771**	**462**
Fixed-term and work-study	117	128	116
Permanent contracts	404	643	346
Departures [(1)]	**641**	**715**	**537**
Economic redundancies	143	129	116
Terminations for other reasons	68	87	100
AVERAGE STAFF TURNOVER RATE [(2)] *(in %)*	**9.54**[(3)]	**9.54**[(3)]	**4.78**[(3)]
Asia			
Recruitment [(1)]	**3,632**	**8,161**	**5,865**
Fixed-term and work-study	3,477	7,851	5,692
Permanent contracts	155	310	173
Departures [(1)]	**5,117**	**8,322**	**6,070**
Economic redundancies	83	109	22
Terminations for other reasons	503	800	604
AVERAGE STAFF TURNOVER RATE [(2)] *(in %)*	**3.83**[(3)]	**13.63**[(3)]	**10.03**[(3)]

(number of individuals)	2022	2021	2020
World			
Recruitment (1)	**6,684**	**11,651**	**8,374**
Fixed-term and work-study	4,755	9,138	6,819
Permanent contracts	1,929	2,513	1,555
Departures (1)	**8,536**	**11,621**	**8,935**
Economic redundancies	374	284	193
Terminations for other reasons	793	1,091	902
AVERAGE STAFF TURNOVER RATE (2) *(in %)*	**5.16** (3)	**6.54** (3)	**4.72** (3)

(1) Excluding internal transfers and the return of expatriates.
(2) Number of resignations of permanent-contract employees/average number of permanent employees.
(3) Turnover scope: Excluding WMF France Consumer Goods, SEB Professional France, SEB Professional NA, Wilbur Curtis Co., Inc., SEB Profesionnal Iberia, GS Australia, GS New Zealand.

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 2022, the Group's staff turnover rate was 5.16% (down compared to the 2021 figure of 6.54%).

Breakdown of workforce by contract type

Worldwide (excluding WMF Heshan, SEB Professionnal Shanghai and EMSA Taicang).

	2022	2021	2020
France			
Permanent contracts, fixed-term contracts or other short-term contracts excl. work-study	5,696	5,570	5,408 (2)
Full-time workforce (incl. work-study)	89.8%	91%	90.2%
Part-time workforce (incl. work-study)	10.2%	9%	9.8%
Work-study trainees (1)	294	313	253
Other EMEA countries			
Permanent contracts, fixed-term contracts or other short-term contracts excl. work-study	9,798	9,973	10,049 (2)
Full-time workforce (incl. work-study)	78.8%	79%	77.8%
Part-time workforce (incl. work-study)	21.2%	21%	22.2%
Work-study trainees (1)	178	228	206
Americas			
Permanent contracts, fixed-term contracts or other short-term contracts excl. work-study	2,666	2,827	2,650 (2)
Full-time workforce (incl. work-study)	99.9%	99.9%	99.8%
Part-time workforce (incl. work-study)	0.1%	0.1%	0.2%
Work-study trainees (1)	69	82	88
Asia			
Permanent contracts, fixed-term contracts or other short-term contracts excl. work-study	11,646	13,380	13,712 (2)
Full-time workforce (incl. work-study)	99.9%	99.6%	99.8%
Part-time workforce (incl. work-study)	0.1%	0.4%	0.2%
Work-study trainees (1)	0	0	18
World			
Permanent contracts, fixed-term contracts or other short-term contracts excl. work-study	29,806	31,750	31,819 (2)
Full-time workforce (incl. work-study)	91%	91%	91.1%
Part-time workforce (incl. work-study)	9%	9%	8.9%
Work-study trainees (1)	541	623	565

(1) Working under apprenticeship/professional training contracts.
(2) Data updated for 2020.

Worldwide, 73.2% of the workforce are on permanent contracts, and 26.8% are on fixed-term contracts, including 1.8% work-study trainees.

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, human resources teams in France and the Executive Committee had awareness training on stereotyping, diversity and gender equality. Since then, these awareness-raising initiatives have been offered in a large number of 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 of “Recruiting and managing without discriminating, harassing or slandering” for Human Resources Managers, people responsible for recruitment, employee representatives and Management Committees at French sites. More than 300 managers have been trained over the past five years. Diversity is monitored by specific committees covering signed collective agreements on this issue. Regarding gender equality more specifically, a Group committee tasked with monitoring the collective agreement (France) analyzes the actions implemented in this topics. 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. This drive for diversity was recognized by Capital magazine in June 2022 when it ran the first edition of its 2022 ranking for “companies committed to diversity” (in partnership with research institute Statista) in which Groupe Seb placed 108th out of 6,000 companies.

To stabilize and structure this approach worldwide, the Group created a new Head of Diversity and Inclusion position in 2022, as well as a committee involving members of the Executive Committee and Group management, as well as the VP Sustainable Development. The committee’s mission is to structure and steer the Group’s diversity strategy in all regions.

One of the first actions implemented this year was a training course based around 4 major themes of diversity (gender, age, nationality, disability) to strengthen the knowledge of the HR community in charge of recruitment and employee mobility (around 100 HR professionals have taken this training). Some 250 employees also attended an international conference on the challenges of diversity and inclusion open to all employees this year, followed by a training session open to all (more than 300 employees have taken this course to date). In 2023, other Group-wide conferences are scheduled, specifically on the topic of gender equality, with a training course on Inclusive Management mandatory for all line managers.

The importance placed on these topics was also highlighted by the creation in 2022 of an international diversity group made up of some sixty volun teer employees from ten countries. Their mission is to bring the values of inclusion to life through special events.

In parallel, Group subsidiaries take many initiatives to support diversity in all its forms, with the support of the Group. This is the case in the UK, for example, where the Group has organized regular events with outside speakers to raise employee awareness about a different diversity theme each month (disability, gender, opinion, origins, and so on). In Spain, the subsidiary signed the country’s Diversity Charter (an initiative supported by the European Commission) and disseminated it to all its staff, reminding them of the fundamental principles to be applied to promote equal opportunities and inclusion. In Brazil, attention is focused on the importance of potentially vulnerable minorities in the country via awareness-raising workshops and support for dedicated events throughout the year. In 2023, an international action plan will engage all countries with a focus on Inclusive Management and the Working Environment for even larger more structured actions.

Gender equality

GROUPE SEB 2023 TARGETS	2022 RESULTS
• 30% female managers (key positions)	21.2%
• Bring the % of female managers into line with the % of women in the Group	41% female managers 43% female employees

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 selected 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.

These actions led to a better gender mix throughout the world in 2022, including:

- 53% of executive positions filled by women through external recruitment (+8 points compared to 2019);
- 41% female managers (+3 points compared to 2019);
- 84% of employees considering that they are treated fairly regardless of gender: +6 points compared to 2019 and one of the ten best scores for responses obtained during our last Great Place to Work survey.

The Group's commitment to workplace gender equality was recognized by FORBES magazine, which ranked Groupe SEB one of the "World's Top Female-Friendly Companies 2022" in a survey of gender equality across 36 countries.

In addition, the Group has also been on the board of the Partnership for Gender Diversity in the Workplace (Alliance pour la Mixité en Entreprise, AME) with two employee representatives since 2018, and joined the French Association of Managers for Diversity in 2022. These organizations have members from dozens of large companies and aim to encourage experience sharing, benchmarking and mutual assistance on gender equality.

ACCESS TO MANAGERIAL POSITIONS

The objective of parity between the percentage of women managers and the percentage of women in the Group was almost achieved in 2022 with 41.1% female managers and 43.4% female employees respectively. With regard to recruitment, 53% of new managers hired from outside the Group in 2022 were women. They also accounted for one quarter of expatriate managers in 2022.

Women now make up 21.2% of the Group's key positions (+9.2 pts vs 2015) with an ambitious target of 30% by the end of 2023. To ensure that this trend continues, the Human Resources department makes efforts to ensure that at least one woman is included in the shortlist of applicants for ***key positions.***

The mentoring program launched in 2017, based on strict gender parity, also contributes to achieving this aim (See Attractiveness of the Group and carreer development p. 174), as does the joint development program created in 2018 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. It is also worth noting that in 2022, 43% of the Group's Talents were women.

GENDER BREAKDOWN BY CLASSIFICATION

Worldwide (excluding WMF Heshan, SEB Professionnal Shanghai and EMSA Taicang).

(in %)	**2022**	2021	2020
Men			
Manual workers	24.5	26.7	28
Employees	22.3	21.3	21
Managers	9.8	9.1	8.8
TOTAL	**56.6**	**57.1**	**57.5**
Women			
Manual workers	13.7	15.4	15.8
Employees	23.0	21.6	21.3
Managers	6.8	5.9	5.4
TOTAL	**43.4**	**42.9**	**42.5**

At the end of 2022, 38% of the Group's workforce were manual workers, 45% were employees and 17% were managers, 41% of whom were women.

FRANCE: A KEY AGREEMENT

In France, gender equality in the workplace is covered by a **collective agreement** that was renewed at the end of 2022. 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 at the time of recruitment and 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 is another key focus 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 work-life balance. The implementation of this agreement requires each French site to prepare an action plan with at least one action item tailored to local circumstances very year. 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 2022, all Groupe SEB entities in France outperformed this threshold, with scores ranging from 86% to 99%.

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 2022 (see page 184), 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 under certain conditions and hours paid for the start of the school year.

MEASURES TO COMBAT HARASSMENT

Groupe SEB pays very close attention to 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.

People with disabilities

Disability represents a dual 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. This agreement specifically strengthened support for the employees in question, including support in maintaining employment, support in financing vehicle modifications, driver's license costs and relocation due to disability, and improvements in parental leave and sick child leave. The agreement also schedules the allocation of 5% of the training budget to people with disabilities, in particular to improve their employability, and sets a target figure for disability-related recruitment for each French entity.

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) to ensure the smooth roll-out of the Agreement throughout the Group's legal entities.

The challenge for the Group will be to continue its efforts over the next three years as part of a new Disability Agreement to be renewed in 2023.

PRACTICAL MEASURES

As regards **raising employee awareness**, all French sites participate each year in the European Week for the Employment of People with Disabilities with practical and fun activities: distribution of a Disability Guide to combat prejudice and provide practical advice, testimonials from employees with disabilities, a digital workshop to learn sign language, an awareness workshop on visual impairment, and so on. This year, the Group once again participated in the French national DuoDay initiative. This 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 access the world of work. Around 30 pairings were organized at French sites, including one with the Group Chairman, and in 2022 with the Global Manufacturing HR Director. Awareness-raising does not stop after this dedicated week, since similar actions are conducted throughout the year thanks to training courses such as Recruiting without Discrimination, actions with disability officers and medical teams, and more recently through testimonials by employees with disabilities at "Diversity Cafés".

To encourage 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-selected applicants. In addition, in 2022 the Group participated in the "Talents Handicap" forum for the first time. Dedicated to IT professions, this event is organized entirely online to avoid travel, which can be complicated for the target audience: people with visual, motor, hearing or mental disabilities. The Group also works closely with local stakeholders and participates in events allowing it to meet talented people with disabilities and to share common experiences, particularly through sports challenges such as the Race for Diversity or Sport2job.

Disability initiatives have multiplied since 2020, particularly through partnerships between the Group's sites and **organizations or companies in the protected sector** (see "Subcontractors in the disability and inclusive employement sector" p. 173 and "A responsible participant in the economy" page 197). On 18 November 2021 at the "Victoires des Leaders du Capital Humain" event, Groupe SEB was awarded an "Honorable Mention" for its work with 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".

One of the highlights of 2022 was the growth in number and increased structuring of initiatives in other countries as well. In Germany, for instance, the subsidiary cooperates with "Lebenshilfe", an association committed to enhancing the well-being of people with disabilities, fighting discrimination, and actively contributing to their integration within society. Initiatives such as factory visits with added workshops or the collection of donations to finance this organization take place throughout the year. In 2022, another initiative took place in Brazil when the subsidiary participated in the first job fair for people with disabilities, with a dedicated stand to attract applications (around 120 CVs were submitted at the eight stands during the day).

People with disabilities

Worldwide (excluding EMSA Taicang, WMF Heshan, SEB Professional Shanghai)

	2022		2021		2020	
	World	France	World	France	World	France
Number of employees with disabilities	702	369	695	346	669	323
% of employees with disabilities*	2.3	6.2	2.15	5.9	2.1	5.8

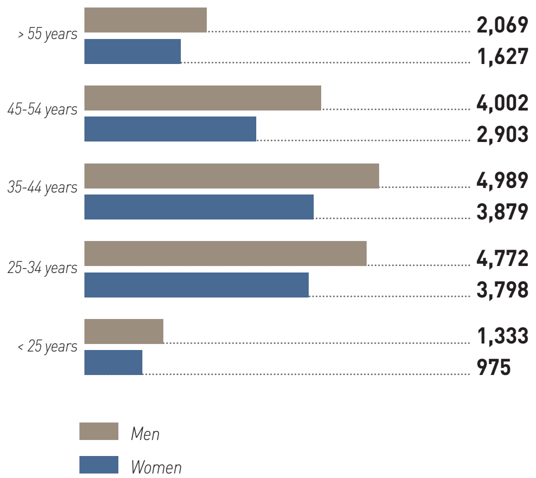
* *Ratio between the number of employees with disabilities and the total number of employees as at 31 December excluding temporary employees and ESAT (sheltered employment center) employees.*

Worldwide, 2.3% of employees had a disability in 2022 (slightly up compared to 2021).

Generational balance

BREAKDOWN OF EMPLOYEES BY AGE

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



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-LOOKING MANAGEMENT OF JOBS AND SKILLS

In France, Groupe SEB management and the trade unions have been cooperating openly and constructively on the forward-looking 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 priorities.

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.

This agreement strengthens existing measures to take the approach further. The main measures 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 site teams, which previously had the interviews every two years);
- training all employees with basic 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.).

Key figures on actions related to the GPEC (Annual results 2022 – to September 2022):

- employing young people: 30% of work-study trainees and interns are hired on a permanent or short-term contract at the end of their assignment;
- employing older people: 19% of short-term 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.
- A new training program, known as the "Tamed Mouse" is being rolled out. It will allow employees to enhance their digital skills against a backdrop of technological change. This program, which will be rolled out to around 470 employees in France, is also intended to facilitate the daily use of IT tools at a more personal level.

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.

Groupe SEB's GPEC agreement won the "Training and Employment" award at the Social Dialog in Action awards 2022, presented by the French Departmental Directorate for Employment, Work and Solidarity (DDETS), Rhône prefecture, trade union organizations and newspaper Le Progrès.

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.

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 program was rolled out in 2019 to all local managers with elected representatives in their team.

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

Collective agreements

Worldwide (excluding EMSA Taicang, WMF Heshan, SEB Professional Shanghai)

	2022	2021	2020
France	39	29	38
Other EMEA countries	73	97	87
Americas	13	17	16
Asia	29	42	40
WORLD	**154**	**185**	**181**

A total of 154 collective agreements were signed in 2022. 44% of these agreements related to remuneration, 12% to health and safety, 14% to employee management dialog and 4% to diversity.

In France, five agreements or amendments were signed in 2022:

- two amendments relating to health and incapacity/ disability/death insurance expenditure;
- one agreement relating to quality of life and working conditions (see page 184);
- one agreement relating to gender equality within Groupe SEB (see page 179);
- one agreement relating to time savings accounts.

As of end 2022, 72% of Groupe SEB's workforce was covered by a collective agreement signed during the year.

QUALITY OF LIFE AT WORK

GROUPE SEB 2023 TARGETS	2022 RESULTS
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"	71% (2021 result, no survey in 2022)

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. In 2018, the Group set itself the target of achieving 75% positive responses to the statement "Overall, I can say that Groupe SEB is a good place to work" by the end of 2023.

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. 86% of the approximately 16,700 employees surveyed responded.

There was an improvement in results:

- **71% of employees believe that Groupe SEB is a good place to work** (three points more than the previous survey).
- The average satisfaction rate across all questions (Trust Index) is up 5 points to 68%.
- 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 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 more collaborative managerial practices.

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).

Among the best-performing subsidiaries is Portugal: in 2022, the subsidiary came first in the "*Melhores Lugares Para Trabalhar*" (Best Places to Work) ranking for companies with between 51 and 100 employees for the third year running.

Action plans worldwide

Based on the detailed results of the survey, areas for progress are identified and prioritized at Group level, and each entity also develops an action plan to improve its weak points by involving the teams extensively.

At Group level, the roles and responsibilities of the HR function were clarified in 2022, and its processes shared and digitized (see p. 174). The training offer has been expanded, in particular with the creation of Business Line Academies and the development of new modules to encourage managers to become more competent in soft skills, such as feedback or team cohesion. (see p. 191).

At subsidiary level, the action plans determined are based on local priorities, though common areas of focus have emerged, in particular:

- Improving the working environment by continuing to support work-life balance and promoting diversity and inclusion. In 2022, a pilot project was launched at Group level to assess the implementation of two days working from home per week.
- Better communication: with for example, the organization of information-sharing meetings by top management on the SEB Campus available online.

To ensure that the actions implemented result in an improvement in employee perception throughout the Group, the teams are committed to a collaborative approach:

- 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.
- Lastly, in France and in some Asian countries, managers regularly take their teams' pulse using *Bloom@work*. This new tool, which is simple and fun, lets employees take regular mini-surveys, with anonymous responses, in the form of a quiz on 10 topics (atmosphere, team spirit, relationship with the manager, recognition, training, working conditions, and so on).

The Great Place to Work survey will be updated in 2023, in line with the Group's bi-annual schedule

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. This agreement was renewed on 13 June 2019, then on 1 June 2022 for three years, under the new name Quality of Life and Working Conditions (QLWC).

One of the measures in the QLWC 2022 agreement covers working from home, including an increase in occasional working from home from 4 days per year to 5 days per year (in addition to the possibility of two regular days working from home per week) and the possibility of working from home for interns and work-study students.

The QLWC agreement in France also includes various measures related to striking a good work/life balance. Roll-out of a social assistance hotline to all sites, and, at some sites, physiotherapy, osteopathy and occupational psychology services, as well as easier access to intercompany daycare facilities and the creation of concierge/personal services. Lastly, the agreement also provides for the possibility of making ad hoc changes in the workday of parents whose children are enrolled in school up to and including 6th grade, so that they can help those returning to school after the summer vacation.

In addition, a QLWC officer will be appointed at each site. They will ensure that office ergonomics (equipment and work posture) are correct.

Improvements to workspace layout (break rooms, restrooms and locker rooms) continued in 2022.

Groupe SEB's QWL agreement was recognized at the first edition of the Staff-Management Dialog in Action 2021 event, held in 2022 due to Covid-19 by the French Departmental Directorate for Employment, Work and Solidarity (DDETS), Rhône prefecture, labor union organizations and newspaper Le Progrès, highlighting the actions conducted over the past several years.

HEALTH AND SAFETY

GROUPE SEB 2023 TARGETS	2022 RESULTS
LTIR <1.0[1] (scope extended to SEB Professional, Wilbur Curtis and Krampouz)	0.84
100% of plants certified to health and safety standard ISO 45001	100%

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.

To illustrate the importance the Group attaches to employee health and safety issues, it has set two ambitious targets for 2023:

- Reduce LTIR to below 1 (see Safety)
- Ensure ISO 45001 certification in health and safety standards across all its manufacturing sites (see ISO 45001 certification policy below)

The health and safety policy draws on a global network of 35 Environment, Health and Safety (EHS) Managers, 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 2022, convening on a monthly basis for teams in France and quarterly for other sites around the world. In addition to these meetings, a teambuilding seminar with the EHS France managers was organized remotely in November. These annual meetings make it possible to strengthen the international aspect of the network, which is also supported by the Yammer community. In 2022, with the aim of encouraging engagement and sharing best practices, the Group launched the second edition of the International Health and Safety Awards, with prizes for the best projects to be awarded at a ceremony in 2023.

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. In 2022, a training course entitled Developing Your Influence Posture was launched for all HSE managers worldwide, and will continue in the years to come.

As culture change is one of the key areas to further improve the Group's accident rate in the coming years, a program called "Shared Vigilance" was launched at the Rumilly pilot site this year. The aim is to roll it out across all sites in France and around the world.

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

An ISO 45001 certification policy

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. The Group set a target of having all its manufacturing sites certified to ISO 45001 health and safety standards by the end of 2023. Certification audits continued in 2022 (with external partner DNV), achieving 100% positive results.

ISO 45001 Certification

(Worldwide)

	2022	2021	2020
Number of certifiable entities	46	46	44
Entities holding certification *	100%	100%	100%

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

At the end of December 2022, 100% of the Group's industrial and logistics entities had this workplace Health & Safety certification, with one new entity compared to 2021: Wilbur Curtis.

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 Short Interval Management. 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 2022, 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 ensure lessons are learned. 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. Site Health and Safety Managers and the Health and Safety department are involved in site transformation plans, in order to find a balance between performance and prevention measures in health and safety.

This Safety in SEB program has produced results: the number of workplace accidents with days lost has fallen by 58% since 2019. This is illustrated by the continued decline in the LTIR since 2019 (see details in the Safety Reporting section below). **In 2022, the LTIR stood at 0.84: the Group thus achieved its 2023 target a year ahead of schedule**.

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.

In 2022, three standards were updated, making them easier to understand, and facilitating the link with regulatory compliance. These cover management standards for external companies, equipment consignment, and circulation and coactivity between forklifts and pedestrians.

Some standards, such as **behavior-based safety inspection** (VCS) are particularly important. More than 80% of accidents could be avoided by a change in behavior. The VCS aims to eliminate dangerous practices and conditions by encouraging dialog between the employee "being inspected" and a supervisor, including a discussion of health and ergonomic aspects. All industrial or logistics site employees are inspected twice a year on average for at risk sectors. In 2022, in order to further strengthen the criteria involved, priority was given to inspections of situations and people at risk.

Safety-specific checkpoints have also been incorporated into day-to-day **field visits** by local managers worldwide since 2018. This contributes to our new event management tools: Safety Cross for accidents (with and without lost time and minor accidents), alongside a mechanism that monitors near misses and dangerous situations. In 2022, these two mechanisms replaced the Safety Pyramid.

All standards can be consulted on the MySEB intranet.

FEEDBACK

All initiatives are welcome when it comes to simplifying alerts. The 30 projects of the International Health and Safety Award 2022 were disseminated to inspire Group teams around the world, focusing on such topics as training, ergonomics and event management.

In addition, each accident for which the action plan can be used as feedback is communicated to all managers and to the Groupe SEB safety community: the Accident Newsflash system. Actions arising from accidents and events considered as serious are specifically monitored by sites and by the Health and Safety department. These Accident Newsflash messages, along with other safety measures, tools and systems implemented by management, target all Group entities: manufacturing and logistics sites, along with tertiary entities (offices) and commercial entities (stores).

Safety reporting

Unlike previous reports, this table takes into account temporary staff.

(Worldwide, including temporary employees)

	2022	2021	2020 [3]
France			
Number of workplace accidents with days lost	29	36	52
Number of days lost	2,442.5	2,470.5	2,986
LTIR [1]	2.98	3.45	5.73
Severity rate [2]	0.25	0.24	0.33
Number of workplace fatalities	0	0	0
Other EMEA countries			
Number of workplace accidents with days lost	29	30	32
Number of days lost	541.5	562	893
LTIR [1]	1.76	1.80	2.03
Severity rate [2]	0.03	0.03	0.06
Number of workplace fatalities	0	0	0
Americas [3]			
Number of workplace accidents with days lost	1	6	3
Number of days lost	404	418	431
LTIR (1)	0.13	0.71	0.43
Severity rate [2]	0.06	0.05	0.05
Number of workplace fatalities	0	0	0
Asia			
Number of workplace accidents with days lost	0	8	5
Number of days lost	334	704	1145
LTIR	0	0.22	0.14
Severity rate [2]	0.01	0.02	0.03
Number of workplace fatalities	0	0	0
World			
Number of workplace accidents with days lost	59	80	92
Number of days lost	3,722	4,154.5	5,365
Severity rate [2]	0.05	0.06	0.08
Number of workplace fatalities	0	0	0
WORLD LTIR [1]	**0.84**	**1.1**	**1.37**

(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.

Each year, the Group sets quantified targets for each region: accordingly, the target set in 2022 for the LTIR (Lost Time Injury Rate, including temporary workers) was 1 for Worldwide; 2.3 for EMEA; 0.16 for Asia; 0.5 for North America and 0.33 for South America.

The 2022 results were as follows:

In total Groupe SEB recorded 125 work-related accidents with and without lost time, including temporary employees (59 accidents with lost time, 66 accidents without). The global LTIR was 0.84 and the severity rate 0.05. **The Group's results thus once again improved.** Thanks to the multiplication of global prevention efforts, standards and tools, Groupe SEB recorded 21 fewer accidents with lost time than in 2021, a reduction of 26%, and 82 fewer than in 2019, including temporary employees. The severity rate for temporary employees was also down slightly, with 3,724 days lost compared to 4,155 days in 2021.

Three Group entities (France, WMF and EMSA Emsdetten) account for nearly 66% of the total number of work-related accidents with lost time:

- France recorded 54 work-related accidents with and without lost time, including temporary employees (29 accidents with lost time, 25 without). The LTIR is 3 and the severity rate is 0.25.
- WMF Europe recorded 18 work-related accidents with and without lost time (9 accidents with lost time, 9 without). The LTIR is 1.2 and the severity rate is 0.012.
- EMSA Emsdetten recorded 8 work-related accidents with and without lost time (1 accident with lost time, 7 without). The LTIR is 2.4 and the severity rate is 0.5.

Since 2018, those entities contributing the most number of accidents have been subject to specific monitoring by the Health and Safety department, regularly involving local management and the Executive Vice-President for Industry.

Health

TAKING ACTION TO COMBAT COVID-19

Employee health and safety is Groupe SEB's top priority, and in 2022 its Health & Safety and Human Resources teams, along with all management and occupational health professionals, remained vigilant in continuing to monitor the Covid-19 pandemic. Together, they continue to ensure the protection of the Group's employees and all those involved with it: temporary workers, subcontractors, store customers, etc. They adjust the Covid plan according to the spread of the virus and ask employees to respect protective measures where necessary. At the end of the year, the situation in China remained worrying and was closely monitored both centrally and by local teams.

The working group formed in 2020 and led by the Health and Safety department continued its work in 2022. The Covid-19 advisers remained active on every site, with the role usually taken by the site's Environment, Health and Safety Coordinator.

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 stricter than local regulations, and gives guidelines on the actions that need to be taken. This protocol, drafted in French and English, is constantly updated and the measures are regularly adapted in line with changes in the context, which has generally been more positive, and in line with government directives.

EFFORTS TO COMBAT MUSCULOSKELETAL DISORDERS (MSDs)

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 and limit 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 carrying of specific measures on the sites. With this in mind, an Ergonomics Steering Committee was set up in France in 2021, and continued in 2022. It meets three times a year, bringing together the international Methods teams and the Health and Safety Director.

Ergonomic improvements to workstations are still being made across the Group with the help of the EvalErgo rating tool (specific analysis methods, scoring grids), which has been rolled out in France and internationally. The indicator was extended in 2022: all plants and logistics sites worldwide have the objective of improving the ergonomics of 25% of its workstations every year.

In France, all plants and logistics sites have their own 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 modifying high-stress workstations. At the end of 2022, the Group had 40 MSD specialists in France.

Since 2019, the France Health Network has included MSD specialists, occupational physicians, nurses and ergonomists from the various sites, as well as the Health and Safety department. It implements a range of actions to help prevent the occurrence of musculoskeletal disorders: ergonomic improvements to workstations, testing of ergonomic protective equipment, such as exoskeletons, to reduce the strain of certain tasks, training and staff rotation, as well as warm-up and cool-down exercises, and a rapid response whenever an employee indicates discomfort while working. Several sites in France also pay for visits to a physiotherapist and have an osteopath on site.

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 (site Management Committees and SEB Campus managers). The goal is to help detect signs of stress as early as possible and adopt the correct behavior, not only for themselves but also for their teams. Four pilot sessions were run in 2019. Roll-out began in 2020 and is ongoing.

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 2022, 54 employees contacted the counseling office (51 in 2021).

HEALTH REPORT

A worldwide survey of work-related illnesses has been conducted since 2013. 36 new cases of occupational illnesses were recognized throughout the Group in 2022, excluding temporary employees. This figure is stable compared to 2021.

	2022	2021	2020	2019
France	31	29	35	44
Other EMEA countries	0	0	0	0
Americas	5	8	2	4
Asia	0	0	0	0
WORLD	**36**	**37**	**37**	**48**

GLOBAL SOCIAL PROTECTION FLOOR

GROUPE SEB 2023 TARGET	2022 RESULT
100% of workers worldwide are covered by the WeCare@Seb social protection floor	100% of employees are covered by the first two pillars

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 local regulations.

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 gradually rolling out a global social protection and working conditions program, WeCare@Seb, reviewing each of the agreements negotiated locally in the countries. This global program was initially built around 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 2018, the Group set itself the target of having 100% of its employees worldwide covered by the WeCare@Seb social protection program: all permanent employees, regardless of their country and level, will benefit from the insurance cover provided by this global program as a minimum. Since January 2019, life insurance has been in place for all employees[1] **At the end of 2022, 100% of employees in the subsidiaries were covered by the first two pillars**[2].

A third medical pillar is being defined for rollout between 2023 and 2024.

The Group also ensures that it reviews the content of employment contracts on a regular basis in order to supplement and/or improve existing insurance coverage in each of the contracts negotiated locally at the level of the legal entity and/or the country concerned.

3

Payroll and charges

Groupe SEB is committed to the implementation of a fair and transparent compensation 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.

	2022		2021		2020	
(in € millions)	World	France	World	France	World	France
Remuneration (1)	1,060.2	285.8	1,051.0	299.7	986.0	270.5
Payroll taxes (2)	190.5	66.1	185.1	71.7	168.7	65.5
Pension and other post-employment benefit plan costs	75.4	49.0	71.3	46.2	71.5	42.8

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

"Worldwide" data include "France" data.

Statutory and discretionary employee profit-sharing

Groupe SEB is a pioneer in terms of profit-sharing: 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 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 as from 1992. The last program, in July 2019, covered 34 countries and almost 4,200 employees (23% of the eligible employees).

(France)

(in € thousands)	2022	2021	2020
Provision for bonuses	3,821	17,028	11,718
Provision for profit sharing	13,734	22,411	12,433
TOTAL	**17,555**	**39,439**	**24,151**

(1) with the exception of the entities that were not in the 2016 feasibility study, but will be covered by 2024.
(2) with the exception of the entities that were not in the 2016 feasibility study, but will be covered by 2024.

In 2022, the amount paid in profit-sharing and bonuses totals €17.6 million. The decrease of 2022 total amount is mostly explained by the decrease of the operational result in France. 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.).

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 rollout of the programs continued in 2022. Each Academy and its curriculum 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. The next review will take place in the first quarter of 2023.

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

- **Groupe SEB culture:** 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.

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 utilizes all teaching methods to provide a rich, dynamic and tailored offering.

Highlights of 2022

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. In 2022, 238 managers took part in this seminar (70% in person and 30% remotely).

"Around Groupe SEB in 80 Days": This digital onboarding scheme is aimed at all employees with online access worldwide (excluding Supor). Available in five languages, fully automated and regularly updated, 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.

Open-access digital learning for all employees with online access: In 2022, all of our online courses were made available to all of the Group's employees with online access. Our partnership with Coorpacademy allows us to cover topics such as personal development, digital skills, leadership and management, CSR and many others, with more than 400 courses. This offering is also supplemented by the best online content, managed by our partner EdFlex. Thanks to the wide range of formats (videos, podcasts, articles, MOOC, playlists, etc.), Group employees can broaden their knowledge and develop their skills flexibly and independently. The EdFlex platform offers not only content on Group-wide topics but also an assortment of courses that are relevant for many business divisions (Marketing, Manufacturing, Finance, Human Resources, Sales, Purchasing, etc.). In total, more than 11,000 employees worldwide have access to online courses via the HR iGrow@SEB portal, the majority of which are available in three languages (French, English and German).

ChallengeMe is one of the peer learning solutions that the Group is continuing to develop. 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. In 2022, certain training programs were enhanced with challenges targeting two objectives: consolidating new skills and promoting knowledge-sharing among peers (making and evaluating contributions).

Circus Street: A new learning platform was introduced to expand the digital learning offering for skills development in e-Commerce and Digital. Launched in September 2022, the first cohort of 100 employees working for e-Commerce or Direct to Consumer are now following a year-long training course in English, developed in line with the Group's business objectives. In addition, a network of local Champions was implemented to support trainees in their studies.

Path to Innovation: This program, launched at the end of 2020, 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). It was rolled out on a large scale over two years with ten sessions for a total of nearly 330 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.

Management Workshops: Launched in April 2021, this innovative format is based on peer learning for team managers. The workshops are run remotely via Teams by around 20 internal facilitators from the Human Resources departments in various countries. They are offered in five languages (Spanish, Portuguese, English, German and French). For the first time in 2022, sessions on two topics were held in Mandarin. At the end of 2022, around 2,000 participants had taken part in the workshops since their launch. These covered the following topics: trust-based management, feedback, influence, appreciative inquiry and team building (new topic in 2022).

Personal Development Workshops: An offshoot of the Management Workshops, since 2022, they have been offered to managers/ executives who do not have a direct team to manage. Two topics are offered in French, German and English: influence and feedback. In this first year, 300 people took part in these sessions.

Digital coaching platform – Coachhub: To enhance the ecosystem for developing managerial practices and leadership, a contract was signed with the European digital coaching leader Coachhub in September 2022. The platform helps support the individual development of managers and talent at the Group's various locations through video coaching sessions via computer, tablet or cellphone (more than 3,000 certified coaches and over 60 languages).

Improving English skills: The Group remains committed to developing the linguistic skills of its employees, making use of the solution provided by Education First, a world leader in English language learning. In 2022, all employees with online access based in non-English-speaking countries, i.e. more than 9,000 employees, were given the opportunity to improve their English skills using the fully digital, flexible solution with a test to assess their ability level. The solution then helps them to develop both their written and speaking skills. In addition, more than 300 employees for whom English fluency has been identified as a priority receive tuition in virtual individual and group classes with certified trainers.

Compliance: The digital Compliance program, which all newcomers to the Group are required to take, was expanded in 2020 with a new module on anti-corruption. This digital training, available in 11 languages, has been assigned to all employees with online access (See Anti-corruption measures page 168). The module will also be made available to employees that do not have online access through the specific support scheme with a view to raising awareness of this topic among all Group employees. More than 9,000 employees successfully completed this module in 2022, confirming their level of essential knowledge through questionnaires and role-playing exercises. As a reminder, the full Compliance program currently covers the Code of Ethics, IT security, anti-competitive practices, internal control, personal data protection and anti-corruption.

Training (workforce and training hours)

Worldwide (excluding Wilbur Curtis, Krampouz, SEB Pro BELUX, SEB PRO UK, SEB PRO Japan, SEB PRO Iberia and WMF Shanghai)

	2022*	2021	2020
Number of training hours *	504,732	517,336	398,471
Number of employees trained	22,280	35,613	31,833
Number of women trained	8,841	13,816	11,475
Number of men trained	13,439	21,797	20,358

* *2022 training hours include hours of digital training (source iGrow@SEB).*

The decrease of the number of employees trained is linked to the decrease of the total workforce (see table "Evolution of workforce by region" p.176) and by a standardization of the reporting guidelines.

Of the total hours of training completed in 2022, 40% was for manual workers, 37% for office employees and 23% for managers.

Training budgets

Worldwide (Excluding Wilbur Curtis, Krampouz, SEB Pro BELUX, SEB PRO UK, SEB PRO Japan, SEB PRO Iberia, WMF Shanghai)

(as a % of payroll)	2022	2021	2020 *
France	4.14	3.81	3.00
Other EMEA countries	0.92	1.04	0.64
Americas	0.56	0.67	0.50
Asia	0.75	0.72	0.59
WORLD	**1.74**	**1.70**	**1.26**

* *Data updated following error in calculations.*

The Group's training expenses represented 1.74% of its payroll in 2022, unchanged from 2021.

ABSENTEEISM RATE

Worldwide (excluding WMF Heshan, EMSA Taicang, SEB Pro Shanghai, Krampouz, SEB Professional NA, GSE Côte d'Ivoire, GSE Maroc)

	2022		2021		2020	
	Monde	France	Monde	France	Monde	France
Absenteeism rate*	3.1	5.0	3.1	4.9	2.6	4.0

* *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)

	2022		2021		2020	
	Worldwide excluding Supor	Supor	Worldwide excluding Supor	Supor	Worldwide excluding Supor	Supor
Number of overtime hours *(in thousands)*	587	8,412	680	12,315	1,087	11,143
Full-time equivalent *(in persons)*	274	4,023	305	5,898	490	5,304

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)

	2022	2021	2020
France	245	828	973
Other EMEA countries	471	544	517
Americas	472	648	1,061
Asia	2,348	589	1,994
WORLD	**3,536**	**2,609**	**4,545**

* *Temporary full-time-equivalent employees.*

3.7.4 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

GROUPE SEB 2023 TARGET	2022 RESULT
100% of main countries[1] are involved in a corporate philanthropy program	92%

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.

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;
- household equipment and access to a healthy diet;
- assistance for people with health issues.

The people helped include the homeless, those excluded from the world of work, in a very vulnerable situation or minors in disadvantaged communities.

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, subsidiaries 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.

In 2018, the Group set itself the target of having 100% of its main countries involved in a corporate philanthropy program by 2023. **In 2022, 92% of them made financial or product donations.** This figure is up 8 points compared to 2021 (with Belgium and Brazil now included), which was a year impacted by Covid, and is stable compared to 2020. A high proportion (72%) of countries have committed to partnerships involving employees that have been built over several years.

This greater involvement of countries in corporate philanthropy should be seen in the light of trends in the Group's overall spending on philanthropy.

Total Corporate Philanthropy Expenses

(Worldwide)

(in €)	2022	2021	2020	2019
Financial donations	2,904,501	2,256,331	2,068,227	2,432,811
including Fonds Groupe SEB	*1,006,000*	*500,000*	*448,889*	*500,000*
Product donations	980,176	1,033,511	1,288,761	614,697
including Fonds Groupe SEB	*156,079*	*100,056*	*188,539*	*199,970*
TOTAL CORPORATE PHILANTHROPY EXPENSES	**3,884,677**	**3,289,842**	**3,356,988**	**3,047,508**

(The financial donations include donations to 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.)

Overall, the Group allocated €3.88 million to corporate philanthropy activities in 2022, up 18% from 2021.

2022 was marked by exceptional support for Ukraine, provided by Fonds Groupe SEB and the Group's subsidiaries (see below).

(1) 25 largest subsidiaries, representing around 80% of the Group's sales (Germany, Belgium, Brazil, China, Colombia, South Korea, Denmark, Egypt, Spain, United States, Finland, France, India, Italy, Japan, Mexico, Norway, Netherlands, Poland, United Kingdom, Russia, Sweden, Switzerland, Turkey and Vietnam).

Local initiatives

Exceptional support for Ukraine

This year, Groupe SEB decided to be part of the wave of international support for Ukraine and its people. As part of humanitarian efforts to provide aid and support to Ukrainian refugees, Fonds Groupe SEB made a donation of €500,000 to the United Nations High Commissioner for Refugees (UNHCR). As a trusted global partner, the UNHCR used the donation to distribute basic necessities and medical equipment to people in need in the region.

The Group also made donations (in kind) in the field, providing health and medical supplies, including 75 MakAir ventilators. In addition, 700 products were donated to the Le Foyer Notre-Dame des Sans-Abri organization to equip their shelter in Écully, which welcomes displaced persons from Ukraine.

Groupe SEB's Ukrainian subsidiary decided to support its fellow citizens affected by the conflict. It made a donation of more than €30,000 to a local medical fund, as well as donating products worth €28,000. Other subsidiaries in Europe also showed solidarity with Ukraine, notably including GS Belgium, which made a donation of €10,000.

CHARITY WEEK – A TIME FOR EVERYONE TO MAKE A BIG DIFFERENCE

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 2022 edition on the theme of "**Working together to combat exclusion**" saw employees from 75 sites and 43 countries get involved 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.

A large number 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 and ways to brighten the lives of the elderly and people with disabilities, including organizing shared meals and participatory cooking workshops, making and selling Christmas cakes, running competitions, holding auctions and putting on performances to showcase employee talent, to name a few. In some cases, the funds raised by employees were topped up with contributions from the company.

In several countries, employees got involved in **solidarity days and workshops. In France,** Campus SEB organized a **workshop** in connection with Le Foyer Notre-Dame des Sans-Abri, an organization supported by Fonds Groupe SEB. It involved participating in painting work at one of the organization's sites. Their colleagues also took part in a "spring cleaning" operation at one of the premises of the Habitat & Humanisme association. The solidarity day at the Lourdes site in France was more relaxing: employees offered foot reflexology workshops to their colleagues! In Belgium, employees were given the chance to spend a workday volunteering at a local association of their choice. The Belgian subsidiary also organized several different collections: supplies for a school for disadvantaged children, Christmas presents for an organization for the homeless and donations of various products for Ukrainian families who have taken refuge in Belgium.

Many actions targeted support for **people in need or with disabilities**. In Mexico, the subsidiary once again supported the Renacimiento center, a shelter housing 49 homeless young people aged between 8 and 17. Residents at the center were given warm clothing, shoes, board games and candy. The **Chile** subsidiary regularly supports a children's home for 20 children who qualify for adoption. For this year's Charity Week, two employees of the subsidiary surprised the children: Santa Claus and one of his elves came to see them to hand out gifts! In **Portugal**, the subsidiary was also determined to bring a little Christmas magic to children in need. Here, 52 residents of a children's home received their own Christmas gifts. In **India**, employees helped the elderly, people with mental disabilities and those in need by collecting around 150 kilos of food supplies, which they donated to Apna Ghar, an ashram dedicated to the well-being of the most vulnerable members of society in India.

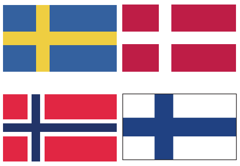
COMMITTED SUBSIDIARIES

The Group's subsidiaries also directly support and initiate projects all over the world outside Charity Week. For example:

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 due to the public health crisis but will run once again in 2023. Three associations in the country received food and hygiene products as well as clothing donated by employees of the Group as part of the Charity Day in Brazil in July. Lastly, and quite understandably, Groupe SEB Brazil and the Arno-Rochedo Foundation came to the aid of the urban population of Petrópolis, Recife and Jaboatão, cities located close to their production sites in Recife and Itatiaia that had been severely affected by natural disasters in 2022.

In **China**, since 2006, Supor has undertaken a major construction program, **building schools** for disadvantaged children in rural areas. Since the start of the project, 28 schools have opened (including two in 2022 in Yunnan and Henan), giving over 20,000 children the opportunity to go to school. In addition to funding schools and organizing training sessions for teachers, this program supported the organization of e-learning courses in 2022. This program asks employees to volunteer through leadership, learning support and book donation initiatives, including in particular during Charity Week. In 2022, employees spent several days with the children from the two recently opened schools, participating in cooking competitions. Supor remains dedicated to improving access to education and is planning a new initiative that will replace the program that ran until 2022. More details will be announced in 2023.

In **Colombia**, the Imusa – Samurai foundation, Taller de Sueños, is heavily involved with the tinteros (street coffee vendors, see page 198). It also supports initiatives to provide decent housing: in 2022, it collaborated with The Social Waters to provide drinking water to more than 500 inhabitants. The employees of the subsidiary are involved in the Dream Builders program, helping to build 25 houses for families in vulnerable situations. Lastly, the Foundation is helping to educate the most disadvantaged people in good nutrition through cookery courses (426 people in 2022). Various solidarity sales initiatives were carried out in 2022 to help fund the Foundation's activities, including the sale of eco-friendly bags, charity galas and much more.



In the **Nordic countries** (Sweden, Denmark, Norway and Finland), Groupe SEB continues the partnership begun more than ten 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.

SOLIDARITY SALES CAMPAIGNS

Solidarity sales campaigns represent another form of philanthropy undertaken by Groupe SEB. This was the case for the campaign "Les marques engagées pour une rentrée solidaire" (Committed brands for support at the start of the school year) in **France**. From mid-August to the end of October 2022, for every household appliance purchased from one of its brands, consumers were invited to vote for a solidarity project, with their chosen organization (Télémaque, Apprentis d'Auteuil or Les Petites Cantines) receiving a donation of €5. Each association received a financial donation corresponding to the number of votes received. In 2021, Groupe SEB's French subsidiary ran a cause-related marketing campaign in aid of the Emmaus Défi "Solidarity Equipment Bank".

Furthermore, Groupe SEB's French subsidiary is also building partnerships with social organizations to give them access to reduced-price products. Two such partnerships have been in place since 2019 with the associations VRAC and Revivre (see the "Cooking for good" section, page 202).

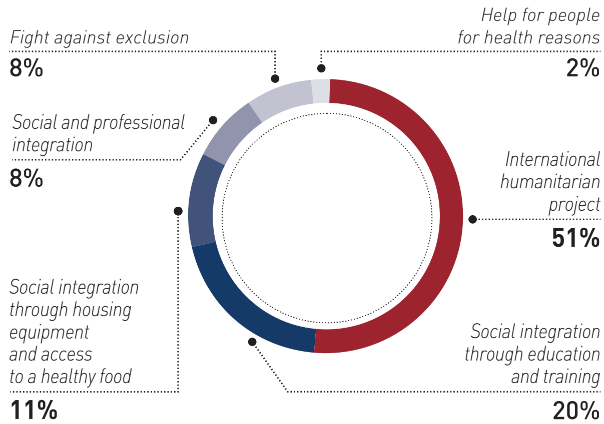
In the **Netherlands**, the Group has developed a partnership with the national food bank organization, Voedselbank, to support its work to combat poverty and food insecurity. Every order of €75 or more on the Tefal.nl site triggers a donation to the organization to help fund meals. Since the start of the partnership, 8,600 families have benefited from this support.

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 exclusion, mainly in France.

In 2022, it provided support to 26 projects (the same number as in 2021) from a support budget that amounted to €1,006,000 in cash, including an exceptional donation of €500,000 to UNHCR in support of the Ukrainian population and €156,079 in product donations.

DISTRIBUTION OF CASH 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 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: Director of Rhône Développement Initiative.

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.

Led by Juliette Sicot-Crevet, the Group's Vice President Sustainable Development and Managing Director of Fonds Groupe SEB, the Operational Committee has seven 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 its establishment in 2007, the Fonds has supported a total of 510 projects in France aimed at "better living for all", conducted by charitable organizations with which it has close and long-standing links, such as Emmaüs Défi, Agence du Don en Nature (ADN), Énergie Jeunes, Télémaque, Chemins d'Avenirs, and others.

In 2022, the main projects and actions were as follows:

EDUCATION, TRAINING	
Cd'a	Fonds Groupe SEB has supported **Chemins d'avenirs** since 2021. This organization promotes equal opportunities for junior and senior high school students in rural areas and small towns. In 2022, 14 Group employees mentored a young person remotely through video calls, educational tools and the organization's collaboration platform. The aim is to help the mentee to build self-confidence, offer another perspective on their career path and cultivate their sense of commitment so they can realize their potential and achieve their ambitions. In the field, 15 senior high school students were given an insight into the world of industry at the Faucogney site, where they were welcomed by five Group employees.
énergie JEUNES On va tous aimer apprendre !	**Énergie Jeunes** fights educational inequalities in schools in disadvantaged areas through input from volunteers, primarily from the corporate world. These volunteers help to trigger a change in mindset and instill a love of learning in all students. In 2022, 19 Groupe SEB employees, based in the Lyon, Isère and Bourgogne regions, were trained in teaching and were volunteers at the association.
Télémaque	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 2022, Fonds Groupe SEB celebrated the successful completion of the program by seven mentors of the Group and their mentees, all of whom passed the Baccalaureate. At the end of 2022, 14 Group employees based in the Lyon region acted as mentors to one young person each to help them prepare for the future.
SOCIO-PROFESSIONAL INTEGRATION	
APPRENTIS D'AUTEUIL	Among the new projects, Fonds Groupe SEB supported the "La Touline" scheme in Lyon, developed by the organization **Apprentis d'Auteuil**. This program is aimed at young adults leaving child welfare systems, providing regular meetings to facilitate their socio-professional integration. It is an invaluable aid for guiding young adults toward independence.
ECOPRA RUMILLY - ALBANAIS / ÉCOLE DE PRODUCTION	The Fonds also supported the establishment of two new production schools specializing in training for careers in industry: **ECOPRA** in Haute-Savoie and **L'École de production industrie** in Bourgogne.
RÉSEAU ÉTINCELLE transformer le renoncement en motivation	In 2022, the Fonds continued its partnership with **Réseau Étincelle**, which began in 2020. 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 first-hand work experience at the company, role playing, understanding workplace culture, discovering opportunities, etc. This year, 12 young people participated in the second session run by the Mayenne site.
SIMPLON FOUNDATION	The Fonds renewed its support for the SAS Hackeuses program (**Simplon Foundation** – Lyon), which helps women excluded from the world of work to 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 prepare for 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 2022, 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 from the Fonds has translated into the donation of 314,000 products, financial assistance totaling €255,000, and the provision of skills.

In 2022, Fonds Groupe SEB and the **Emmaus Défi "Solidarity Equipment Bank"** celebrated the 10-year anniversary of their partnership, which has helped to support more than 9,000 households. The "**Solidarity Equipment Bank**" (Banque Solidaire de l'Équipement – BSE) is a service committed to combating poor housing by supporting people in vulnerable situations. The BSE forms partnerships with companies based on donations of new equipment so that beneficiaries can buy them at reduced prices, thereby regaining their dignity and independence. Thanks to products donated by Groupe SEB, beneficiaries of the BSE can afford cooking equipment for their new home. In 2022, nearly 2,500 households were provided with equipment.

Since 2020, 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 shares and allocates time (volunteer employees) as well as financial and material resources to social actors, helping them go considerably further. In 2022, Groupe SEB ran a new campaign to inform employees in the Lyon region about two schemes through 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 2022, the donation of paid vacation days raised €25,000, including a €10,000 contribution from the Group.

INVOLVING EMPLOYEES

For the tenth 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 2022, the Fonds supported 12 projects selected by the French sites' local juries. Charity Boost has extended to 12 countries internationally; seven projects were supported in Brazil, as well as in Colombia, Hungary, Finland and the United States.

The "Défis Solidaires en Équipe" (Team Community Challenges), launched in 2017, continued in 2022 (solidarity days during Charity Week at Campus SEB, 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**" (knowledge transfer) 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'Avenirs (see above).

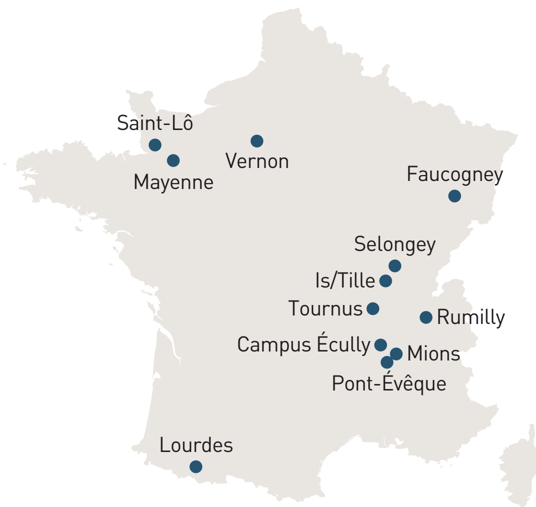
More generally, to encourage and facilitate employees' social engagement, Groupe SEB introduced the microDON platform in 2020. Accessible through the MySEB intranet homepage, the platform centralizes all information about the Group's corporate sponsorship policy and programs that rely on voluntary participation 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 members of the social and solidarity economy: companies providing work to people with disabilities, sheltered employment centers, welfare-to-work companies, welfare-to-work temporary agencies. Whenever possible, it aims to work with 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 173).

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 eight and 16 workers, depending on requirements). In 2019, Adapei was selected 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. In 2022, the site partnered with CRIT, a company specializing in temporary work. This partnership focused on a program aimed at putting six people with disabilities back into employment. They were initially trained, which then led to a temporary assignment lasting 6–18 months at suitable workplaces.

Since October 2021, the **Mions** logistics platform has welcomed six workers with intellectual or mental disabilities from the Ateliers de l'Isère Rhodanienne (AIR) sheltered employment center to assist with tasks including re-palettization, handling, and dealing with non-compliant products and delayed differentiation. In 2022, Mions welcomed a forklift operator intern from the Association familiale de l'Isère pour personnes handicapées (AFIPH) for six weeks to assess their ability and level of independence in this role, with a view to providing employment in 2023. The appropriate type of contract for this service is currently being reviewed.

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.

At **Mayenne**, the sheltered employment company Maine Ateliers is used for parts assembly and the maintenance of green spaces.

The **Faucogney** site also made extensive use of welfare-to-work associations for the packaging of spare parts and accessories, generating approximately 66 full-time equivalent jobs.

The **Is-sur-Tille** plant has worked for many years with Groupe Coopératif Demain, a company specializing in recycling that has over 200 employees, around half of whom are part of an inclusive employment program.

Since 2019, the **Selongey** site has developed a partnership with Régie Rurale du Plateau (a solidarity-based enterprise of social utility, which manages integration projects), focusing on the creation of an educational garden. Régie Rural du Plateau prepares the seedlings and seedbeds, and is responsible for planting in collaboration with students from the Is-sur-Tille middle school. In 2022, Régie Rural du Plateau renovated a dry-stone wall, with the help of eight people seeking to enter the world of work, as part of its heritage renovation activities.

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 **Campus SEB** in Écully, ten 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 even 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.

At the end of 2021, work subcontracted to the disability and inclusive employment sector totaled more than €4.5 million, across all of the Group's French sites (expenses linked to human workforce only)[1].

INTERNATIONAL INITIATIVES

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 Columbian subsidiary is also offering two months' training on the management of their business, health and safety and customer service (200 participants in 2022).

Local roots

Although the Group has become very international, it is a committed local player in the many countries in which its industrial sites, national subsidiaries and regional teams are located. This local presence enables it to pursue its priority areas – innovation, close relationships with its consumers and customers, and even sustainable development – through the work of its experienced employees and their extensive knowledge of their business, their market, their country and their region.

The Group's history is anchored in the Auvergne-Rhône-Alpes region, where more than 3,800 employees currently work across 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**, the Canonsburg (All-Clad) plant has been working for several years with high schools in the region on manufacturing and engineering-related topics. Students analyze the site's complex issues, look for alternative solutions and make recommendations. At the end of the year, their work is evaluated by All-Clad employees. 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 Products & Innovation teams.

(1) 2022 data is not available yet at the date of the publication of this URD.

3.8 Sustainable innovation and respect for consumers

Since the outset, Groupe SEB has always placed innovation at the heart of its strategy, in order to better meet and anticipate consumer expectations. Sustainable Development and Corporate Social Responsibility are the main drivers of this innovation policy (see 3.8.1 Innovation and sustainable development), which aims to create products and services that consumers can use easily and safely (see 3.8.2 Respect for consumers). Solutions that will help them to eat tastier, healthier food and to live better at home, while limiting their impact on the planet (see 3.8.3 Cooking for good and 3.8.4 Better homelife).

3.8.1 INNOVATION AND SUSTAINABLE DEVELOPMENT

A STRATEGIC APPROACH WITH ITS ROOTS IN SUSTAINABLE INNOVATION

In order to further strengthen its capacity for disruptive innovation, the Group established a new structure with the creation of a Group Innovation Division in 2021. This new Division defines and manages a portfolio of eight areas of innovation, two of which are directly linked to the Group's CSR strategy in relation to the following needs:

- Facilitating a healthy lifestyle at home by offering products and services to support consumers' food choices and help them stay healthy;
- Taking action for the planet at home by helping consumers to use products more sustainably and live in a more eco-friendly way.

Several centers of excellence have been created within the new division with expertise in various fields: Innovation Insights, Intellectual Property, Electronic and Software Expertise, Materials Expertise, Food Technology and Engineering. These centers play a key role in the Group's sustainable innovation through their research work and by looking specifically at the following topics: technologies to reduce energy consumption, new materials with reduced ecological impact, and healthy ways of cooking that reflect consumer habits and expectations (see Innovation Insights below).

A CENTER OF EXCELLENCE TO PLACE CONSUMERS AT THE HEART OF INNOVATION

Through these five Centers of Excellence, the teams at the Innovation Insights Center bring together experts with specialized skills – such as Anthropology, Cognitive Psychology, Cognitive Sciences or Human-Centered Design – supported by the best methodologies and tools. Understanding the needs of those at both ends of the age curve is now one of their primary areas of research, with the aim of meeting two major societal challenges: teaching children about healthy and sustainable food and keeping senior citizens independent (the inclusive design of the Includeo breakfast range demonstrates the importance the Group already places on this issue, see page 206). To achieve this, the team uses a life-size tool: the Living Lab is a test home with a kitchen, living room, dining room and bathroom. It welcomes consumers into a controlled space that enables anthropologists to observe and document consumer behavior, reactions and use of products, which then informs their research work.

Since 2022, the Innovation Insights Center of Excellence has also been home to SEBLab, a facility that has played a central role in accelerating the Group's innovation policy for many years. In addition to contributing to research projects from the ideas stage right up to proof of concept, its role has now been extended to include validation of the insights generated by the Center. Sustainable development issues often feature prominently in SEBLab sessions. In 2021, SEBLab ran a session on recommendations for how to use products in an environmentally friendly way, for instance, and there was another session, in collaboration with the Brand Strategy department, on Rowenta's corporate social responsibility, followed by Tefal's in 2022.

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 3.8.3 Cooking for good p. 202). One of the ongoing areas of research in this area is the Group's collaboration with leading companies in the silicone and materials industries to develop new coatings for frying pans and saucepans.

This open innovation also includes start-ups, in which the Group acquires holdings 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

Launched in 2017, the All Innovators Challenge invites employees to submit innovative ideas for products and/or services. 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 SEBLab. Over half of the winning projects relate to sustainable development (energy saving, waste reduction, healthy sustainable eating, etc.).

Between 2020 and 2022, the All Innovators Challenge was not able to take place due to the Covid-19 pandemic, but SEBLab continued its scheme for receiving spontaneous proposals from employees. It has allowed them to flesh out their ideas so they can submit the most promising ones to the Business Units. The scheme is currently being redefined with a view to relaunching it in 2023.

Each year, the Group's industrial and logistics sites are also encouraged to present at least one eco-innovative project aimed at reducing their environmental impact. This challenge was also suspended in 2020, but resumed in 2021 and projects for four sites in France, China and Vietnam were chosen (see page 229).

(For more information on Groupe SEB's innovation strategy, see Chapter 1.2, page 24).

3.8.2 RESPECT FOR CONSUMERS

Groupe SEB is committed to offering consumers products that meet the highest quality standards and 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.

AN ISO 9001-CERTIFIED QUALITY MANAGEMENT SYSTEM

The Group has had a quality management system in place at all its industrial sites since 2000. This system has been certified as ISO 9001-compliant. The Group certification applies to all entities (industrial and logistics) and the Group has set itself the goal of incorporating new acquisitions into the Group certificate within a maximum of five years. Krampouz and WillburKen were ISO 9001-certified in 2022.

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 esthetic 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 Shaoxing site, more than 400 kettles are tested per year, at a rate of 240 cycles each, totaling 9,600 hours of testing. For the Cookeo electric steam cooker, more than 100 products are subject to long-term testing (350 cycles each) and/or short-term testing (30 cycles each), representing a total of over 4,000 hours of testing per year.

The endurance tests carried out on the Eco Respect range of food preparation products, manufactured in Lourdes under the ECOdesign label (see page 222), meant that technical developments for improved energy efficiency and the use of materials with low environmental impact could be approved. For example, this rigorous approval process resulted in the Eco Respect blender undergoing more than 30,000 endurance and durability tests carried out by quality control teams and their laboratory at the Mayenne site.

The testing capacity for complex products such as fully automatic coffee machines was enhanced in 2022, thanks to increased resources and staff training, as well as the sharing of skills and equipment between plants: as a result, the Mayenne production site was able to temporarily increase its testing capacity by delegating some of its endurance testing to the Lourdes site. This pooling of resources will continue in 2023.

The Group's testing laboratory in Saint-Priest is accredited to perform Electrical Safety and Electromagnetic Compatibility (EMC). These accreditations allow for greater flexibility, better control of the approval timetable and self-certification of products, while complying with international standards in force. In 2022, 53% of the testing conducted in these laboratories was directly relat ed to certification.

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 has contributed to an increase in single shipments and creates additional constraints in terms of packaging. In 2020, the Group invested in new packaging test equipment in its Saint-Priest laboratory. This equipment has made it possible to approve new packaging developed specifically for e-commerce and also to test and certify the packaging to comply with the standards required by the Group's partners (see the section on Eco-Packaging, page 223).

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 2022, 85% of these pre-production runs were deemed "right first time" compared to 61% in 2014, a sign of 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.

Continuous improvement in quality

To strengthen the continuous improvement loop, the Group systematized its the Product Quality Reviews: for each product line, the various teams involved (Marketing, Product Development, Production and Quality) collectively analyze the scrap rates at plants, the rate of returns under warranty, consumer comments received by call centers, and comments from approved repair centers. On this basis, an action plan is implemented under the supervision of the Quality department. For example, in 2022, these in-depth analyses were conducted on more than 1,200 products returned under warranty.

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 monitors external quality activities and is proactively involved in raising 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, many 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 and that the products comply fully with specifications. More than 7 million products were tested in 2022, and the rate of non-compliance continued to decrease, more than halving between 2020 and 2022.

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 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. PFAS, for example, which are concerned by a European discussion on a global ban, are historically a subject of special attention for the Group. On that matter, the Group takes an active part in the discussions and studies around the ban proposal, calling for more discrimination on the topic.

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. To improve service in all markets, it has established multi-country call centers, with teams that are able to respond in all the languages spoken in the countries concerned and cover the various time zones. In 2021, it opened one near Düsseldorf (employing around 50 staff) to assist consumers of Group products in the DACH region more effectively, including the WMF brand. The Sofia (Bulgaria) call center covers ten eastern and central European countries, as well as Australia and New Zealand. From 2022, the third center, located in Lisbon, has been serving customers in Western Europe.

In addition, Consumer Services France has consistently won “Customer Service of the Year” for its quick responses and the quality of its customer relations on all communication channels.

The organization of all consumer service centers in Europe was reviewed in 2022. Outsourced teams have been deployed for greater efficiency and call center hours expanded to take into account the needs of consumers who buy online.

The Groupe SEB after-sales service also aims to ensure the correct 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 210).

Inform the consumer

The Group continually makes new product use and maintenance **videos** (on average, three to four a month), which are posted on YouTube and can be accessed via the brand websites.

(1) PFOA: perfluorooctanoic acid.
(2) Restriction of the use of certain Hazardous Substances.

3.8.3 COOKING FOR GOOD

COOKING FOR GOOD

MAKE HEALTHY AND TASTY HOMEMADE FOOD ACCESSIBLE TO EVERYONE

2 ZERO HUNGER

3 GOOD HEALTH AND WELL-BEING

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 diet that is more sustainable, encouraging practices with a lower environmental impact, and healthier, bearing in mind the impact diet has on health.

It has set itself two tasks: to make home cooking easier for everyone and help consumers adopt healthy, tasty and sustainable eating habits

MAKING HOME COOKING EASIER FOR EVERYONE

GROUPE SEB TARGET FOR 2023	2022 RESULTS
Create one program to make home-made food accessible to everyone in the Group's main countries[1]	99% of main countries are covered by a food application

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 European Cook2Health program (2016-2019), carried out with academic partners (Université Grenoble Alpes, Aberystwyth University and the University of Barcelona), physicians, dietitians and digital players, confirmed that using the Group's connected products had a positive impact on health. Led by the Group, this study involved a large panel of volunteers in France and the United Kingdom being 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.

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, more than 4.5 million Cookeo multi-cookers have been sold around the world. In 2022 Cookeo has continued to adapt to changes in society with a new, smaller model that meets the needs of couples or people living alone, who are looking for a simple solution for healthy, homemade meals. It has a 3-liter capacity and, just like the classic 6-liter model, makes it possible to cook thousands of dishes.

With the launch of Companion, the Group addressed a whole range of additional needs: as well as cooking, it makes it easier to prepare ingredients, pasta and sauces, using a range of accessories for chopping, mixing, beating, kneading, grating, etc.

These products, which all have connected models that were launched a few years later, are constantly being enhanced by digital services so they can continue making life easier for consumers.

Homemade food at the heart of many activities

To make home-made food accessible for all, the Group has developed applications associated with its culinary products, and since 2022, with its brands. By giving access to a huge number of heathy and tasty recipes, as well as numerous services to make cooking easier, these applications help make home-made food accessible for all, whatever the level of culinary expertise (see Better eating solutions that combine products and services p.204). As end of 2022, 99% of the main countries[2] had deployed one or several food applications.

In addition to the applications, many Group subsidiaries are launching communication programs on their social networks. In France, for example, the Tefal brand launched its presence on Tiktok in February 2022 and consumers are at the heart of its content strategy. Every week, Tefal cooks live in the homes of consumers in the various regions of France in order to showcase homemade food and the

(1) 25 largest subsidiaries, representing around 80% of the Group's sales (Germany, Belgium, Brazil, China, Colombia, South Korea, Denmark, Egypt, Spain, United States, Finland, France, India, Italy, Japan, Mexico, Norway, Netherlands, Poland, United Kingdom, Russia, Sweden, Switzerland, Turkey and Vietnam).

(2) 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.

wealth of local French specialties. Less than a year after its launch, Tiktok Tefal has more than 60,000 followers, 260,000 comments and more than 10 million views.

In Belgium, the star of French-speaking TV and Moulinex ambassador Sandrine Corman extols the virtues of sustainable cooking by preparing homemade meals, often in large batch quantities, so that her recipes can be savored several times over and waste can be avoided: when food has been prepared in large quantities, it only needs to be reheated at mealtimes. All of this is prepared in appliances made by the Group, Cookeo or iCompanion, for example, most often with local, seasonal produce.

In Australia, Tefal ambassador, Justine Schofield, took part in a cookery course run by the well-known chef Jason Roberts. With its almost fat-free recipes, the multi-functional Easy Fry & Grill was the star appliance in an event that took place in a store in Sydney, which was widely publicized on social networks and in the media.

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 vulnerable 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) 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, or 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. At the end of 2022, the Malin program had supported 100,000 families in the ten years since it was launched in 2012!

As part of this program, Groupe SEB offers cookware and electrical appliances at accessible prices for families (40% reduction). The objective is to offer a useful range while developing a sustainable, balanced business model for the Group. These "special" sales are held three 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 product 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.

3

SUSTAINABLE, HEALTHY AND TASTY MEALS

GROUPE SEB 2023 TARGET	RESULT
A "healthy and sustainable eating" Charter for recipes accompanying products	Charter finalized in 2019

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 Technology and Sustainable Development teams based in particular on the recommendations of the National Health and Nutrition Program (PNNS – France) and the expertise of a dietician 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: brand websites and apps, social media, cookbooks, etc.

It was translated into English in 2020 and 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 ActiFry 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 target of having healthy and sustainable savory recipes make up 30% of the content was **achieved in 2021**.

Cookbooks take the same approach. The cookbook for the Nutricook+ pressure cooker offers a balanced breakdown of recipes: pulses, meat, fruit and vegetables, and fish and seafood each represent 20% of

(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.

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.

Better eating solutions that combine products and services

Eating quality food is the key focus of the Group's brands, They are developing new solutions to promote healthy eating without compromising on enjoyment, from innovative electrical appliances and cookware to services and solutions that make using them an even simpler and more personalized experience.

INNOVATIVE PRODUCTS FOR HEALTHY AND SUSTAINABLE COOKING

The history of Groupe SEB is dominated by technological innovations for healthy and sustainable cooking, some examples of which are provided below.

In Cookware, the Group, together with the Tefal brand, invented the original nonstick frying pan, making it possible to cook with little to no fat. With its legendary Cocotte-Minute®, invented in 1953, which cooks food using pressurized steam, the Seb brand also contributes to healthier, more sustainable diets. As well as cooking food twice as quickly and significantly reducing energy consumption, the pressure cooker also improves the retention of nutrients in the food – preserving up to 80% of vitamin C[1]. In 2022, the brand launched Clipso Now, a new Cocotte-Minute® range with a smart timer, for the quick and easy cooking of healthy meals.

In the Small Electrical Appliances category, the Group has revolutionized the world of delicious food with the oil-free **ActiFry** fryer launched in 2006, which cooks tasty dishes with minimal oil. The Group has continued innovating around this concept, launching several products, the latest of which, the **Easy Fry & Grill XXL**, cooks several dishes at the same time, all with the minimum amount of fat.

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

On the dessert front, the **Cake Factory** baking machine includes several low sugar recipes.

For healthier rice recipes, the Group launched **Healthy & Tasty (from Supor and Tefal)** in Asia in 2019. This cooks rice in two stages with a system that reduces carbohydrates by 20% compared to traditional cooking methods. This new procedure is of particular interest preventing diabetes and obesity, especially in Asia-Pacific where 90% of rice production and consumption is concentrated.

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.

MOBILE APPS AND BRAND WEBSITES TO PROVIDE INSPIRATION AND MAKE PRODUCTS EASIER TO USE

In 2022, Groupe SEB launched brands apps to replace the existing products apps: with a single click, consumers can install the Tefal or Moulinex app, for example, where they can access thousands of recipes to suit all tastes (fresh, seasonal vegetables, world cuisine, 30-minute recipes, etc.) as well as create a shopping list or share their favorite recipes with their friends.

Groupe SEB's major international cookery brands – Tefal, Moulinex and Krups – as well as its local brands SEB, Arno, OBH, Imusa and All-Clad, all now have their own apps that are tailored to the languages and consumer culture in 33 countries around the world. They were downloaded 2.6 million times in 2022.

Designed to help make the best use of the Group's products, these apps enable consumers who want to eat healthy, sustainable meals to do so more easily. For example, available in all the Group's food apps, the "In my fridge" function helps to avoid food waste by suggesting recipes that use ingredients that are already available in the kitchen. In France, Spain, Italy, Germany and the United Kingdom, consumers who follow a specific diet or who are vegetarian, flexitarian or vegan can use the "Ingredients not eaten" functionality to search only for recipes that suit them. In France, the Moulinex app suggests recipes displaying the NutriScore logo[2]. This label, created in 2017 by Santé Publique France (the French public health agency), provides details about the food's nutritional value, using a scale of five letters and colors from A (green) to E (red): more than 60% of the Cookeo and Companion recipes in the app are rated A or B.

Just like the new apps, the Group's brand websites offer content to support consumers' efforts to eat healthily and sustainably.

Consequently, in addition to recipes highlighting seasonal ingredients, consumers can find articles on topics such as zero waste, inspiration for leftover food they have at home, batch cooking or flexitarianism.

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 overripe 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.). Cookbooks also give hints and tips on avoiding food waste: the cookbook included with the Moulinex juicers (Juice & Clean, Juiceo, Power Juice), for example, is full of ideas on how to cook the pulp instead of throwing it away.

All the Group's brand apps now offer an "In my fridge" functionality, with ideas for how to make delicious meals out of leftover food (see above).

(1) compared to a classic Tefal stewing pot. Based on a comparative study of cooking times and energy consumption for cooking broccoli and dry beans in a pressure cooker compared to a stewing pot.

(2) 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.

Lastly, in 2022 the Group took a major step forward in its commitment against food waste by investing, through its investment company SEB Alliance, in Blisce, the first transatlantic venture capital fund to be B Corp-certified for its social and environmental performance. In 2021, Blisce itself had invested in Too Good to Go, an app that saves tens of thousands of meals worldwide by putting consumers in touch with its partner restaurants and food stores to pick up their unsold food at low prices.

REDUCING PACKAGING WASTE WITH STORAGE BOXES

The Group's product offer 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. The Group's company restaurants also use these boxes for take-away or eat-in meals at sites such as Campus SEB in Ecully or the Rumilly factory. Employees who work at the Rumilly site also have the option of ordering room-service meals on the website, which are also served in storage boxes or plastic-free containers.

Agrifood distributors are also very interested in reducing disposable packaging, as shown by 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 organic produce bulk, has started using Optima boxes (EMSA) for order shipments. Stackable, strong and easy to clean, they can also be kept for re-use. Supplying food in bulk is now a booming industry and in 2022, the Group conducted a study to improve its understanding of the habits and needs of the consumers who shop like this in France and Germany. The results will be cross-referenced with the Group's expertise in food conservation solutions, so as to offer new products and services that promote this type of sustainable consumption.

AVOIDING SINGLE-USE PLASTICS WITH REUSABLE FLASKS MUGS, AND MORE

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 idea also led to Groupe SEB acquiring a stake in Castalie, a company with the French ESUS designation (Entreprise Solidaire d'Utilité Sociale, or Solidarity-Based Enterprise of Social Utility) 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.

Collaboration and partnerships

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

In France for example, 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 contributed to the "Conscious consumer" workstream, which aims to test what "sustainable eating" on a day-to-day basis actually means and to better understand what hurdles need to be removed and the potential drivers of action, through the "Bon pour la planète, bon pour mon assiette" (good for the planet, good for my plate) service, which is designed to support the transition to more sustainable eating habits. This service combines the Group's cooking appliances (such as Cookeo, frying pans/woks/saucepans) with a digital app designed to help inspire and suggest sustainable recipes. The trial was conducted over a six-month period in 25 households in the city of Dijon, and demonstrated that the proposed service increased the proportion of home-cooked meals, thereby limiting the amount of food packaging that was discarded. In 2023, a second trial will be conducted to test a new service solution to ease the transition to a more plant-based, less meat-heavy diet.

Groupe SEB partners with AgroParisTech's Chair of Diet, Nutrition and Eating Behavior (Alimentation, nutrition et comportement alimentaire - ANCA), alongside two further stakeholders: The Roquette Foundation for Health and the Louis Bonduelle Foundation. The ANCA Chair develops fun and innovative food education campaigns using mostly digital teaching tools that are designed for a broad audience: millennials, families, and people in vulnerable situations, etc. In 2021, it launched an Instagram campaign, using the account @ jemangepourlefutur ("I'm eating for the future"), to raise awareness of a more sustainable diet among the target audience of 18-to-35-year-olds. Initially presented in the form of an investigation conducted by Sasha, a fictional heroine, about existing solutions for "eating better for the planet", the campaign was rebooted in January 2023 with cooking tips and techniques from various chefs being posted, covering numerous topics: the nutritional value of plant-based alternatives, cooking with pulses, food waste and fair prices for food will all be on the agenda, for example. This second season of "Je mange pour le futur" was supported by the Ile-de-France region and the Center for Interdisciplinary Studies on Biodiversity, Agroecology, Society and Climate (C-BASC) at the Université Paris-Saclay.

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.

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. The subsidiary in the Netherlands, for example, has taken part in the national meat-free week for the last two years. In 2022, this took the form of collaboration with several local distributors and with meal-kit company Hello Fresh, and communications about the benefits of vegetarian diets on its website and social networks.

A further example is Tefal's partnership with Jamie Oliver, which goes back to 2003, to promote homemade food and a balanced diet with tasty meals. The famous chef is deeply committed to these subjects and has launched the Jamie's Ministry of Food program to encourage a return to healthier, homemade cooking in the UK, thereby helping to reduce obesity levels in the country. An extended range of Jamie Oliver by Tefal products is already available in around 30 countries. And in order to further strengthen collaboration with Jamie Oliver, in 2022, donations of Jamie Oliver by *Tefal* products were given to the Jamie's Ministry of Food program in the UK and to The Good Foundation in Australia.

3.8.4 LIVE BETTER AT HOME

SUSTAINABLE INNOVATION

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

3 GOOD HEALTH AND WELL-BEING

INCLUSIVE-DESIGN PRODUCTS

GROUPE SEB TARGET	2022 RESULTS
Develop an inclusive design range of products per main product family	• 2021: Includeo range (small electrical appliances) • 2025: a cookware range

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 carrying a young child in your arms. Whether permanent, temporary or situational, disability may affect mobility, or limit motor skills, touch, vision, hearing 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 2022, the User Experience (UX) Lead for the project was awarded the Trophée Femme d'Impact (Woman of Impact Award) by the collective The Wonders.
- 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 this approach was recognized twice, with the Mines ParisTech & Cegos sustainable development CSR Award and the LSA "La conso s'engage" (committed consumer) 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 became an integral part of the product design process in 2022. Specific training on the topic has been 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.

In 2022, two qualitative studies were carried out in partnership with APF France Handicap, first on devices in the Food Preparation category and then on Home Cleaning. They aim to understand the obstacles to using these devices by people with disabilities and to come up with improvements that would make the solutions offered by the Group more inclusive. The most recent results of these studies were issued at the end of 2022 and their conclusions will be analyzed in 2023.

In addition, representatives of APF France Handicap are now members of the SEB&You consumer testing panel.

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 stylish 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.

Groupe SEB was awarded the **2021 LSA innovation award** in the "Household appliances" category for the design of the Includeo range.

It has also been a commercial success. Available across Europe: in France, Spain, Germany, but also in Eastern Europe and Russia, sales of Includeo products have doubled in its second year of commercialization and consumers appreciate them. In fact, by the end of 2022, the range had more than a thousand reviews on Amazon, with an average rating of 4.7 stars and positive comments on its elegance, finish, lightness and practicality.

These proven solutions are now being incorporated into new breakfast ranges under development, and a similar initiative is underway for a cookware range due for launch in 2023. In this way, Groupe SEB is bringing the benefits of Good Design to other categories of the Group and to the greatest number of people.

Instructions leaflets that are easy to read and understand

The Group is working to improve all of the instructions leaflets that come with products, based on the European Easy to Read and Understand rules 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.

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.

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 launched in 1994, can be opened with a single hand. Similarly, Supor designed a rice cooker 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.

A HEALTHY HOME

GROUPE SEB TARGET	RESULTS FOR 2022
Create an awareness program around healthy homes in the main countries[(1)]	76% of main countries covered by Pure-air by Rowenta application

Programs to raise awareness around healthy homes take the form of applications associated with air purification products. These applications allow the consumers to visualize the quality of indoor and outdoor air, and support them with information on the different sources of indoor pollution. As of end 2022, 76% of the Group's main countries[(1)] had deployed an application linked to air purification products.

Beyond these applications, some markets have launched communication campaigns around the healthy homes topic: France, for example, launched in a campaign on the sanitizing power of steam in 2021. In 2022, Groupe SEB Spain launched the #Eco&Proud by Rowenta campaign to help consumers take up more sustainable habits at home. The campaign included tips to answer to consumer's three main pain points (water saving, energy saving and waste reduction) and was broadcasted on the Rowenta social networks as well as through its influencers. The program will be extended in 2023.

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. Since 2015, the Group has been meeting this need for air purification with the Intense Pure Air range and its high-tech filtration system. Consequently, all Rowenta and Tefal air purifiers comply with demanding testing protocols and guarantee the effective capture of 100% of the allergens and 99.9% of the viruses in the air across all ranges, thanks to their 3-tier filtering technology: pre-filtration, active charcoal filtration, particle filtration (Allergy+).

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 the Pure Air by Rowenta app that lets users view the indoor and outdoor air quality in real time and manage the appliance remotely, providing more information on air pollutants.

In 2022, the Group continued to innovative with the launch of Pure Home, an ultra-innovative, high-performance purifier. It has a portable air quality sensor to detect pollution easily in any room in the home, as well as an allergen mode for the most sensitive. Finally, it also connects to the Pure Air by Rowenta app for easy monitoring of changes in air quality.

In 2022, the Group also broke new ground in the field of multipurpose purifiers with the Eclipse 3in1. This new product combines efficient air purification all year round with comfort options to suit the season, when it can be used as a fan or a heater. Its automatic modes can save energy by self-regulating in line with the ambient temperature.

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 (including the new model Intense Pure Home) 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 and 2022 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 for both appliances and on the SARS-CoV-2 (Covid-19) strain for Pure Home, using the full device at maximum speed). In France, the Auvergne Rhône-Alpes region bought more than 1,000 Intense Pure Air XL purifiers at the end of 2020 as part of a campaign to equip schools and high schools, particularly their canteens, during the Covid-19 pandemic.

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 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, two major new products were launched. Cube is a mobile steam solution with superior power to clean curtains, sofas and other furniture, as well as clothing. As for Care For You, this automatic garment steamer offers a home cleaning solution which uses steam to de-wrinkle and sanitize all types of clothing without the use of chemicals and without damaging even the most fragile fabrics.

(1) 25 largest subsidiaries, representing around 80% of the Group's sales (Germany, Belgium, Brazil, China, Colombia, South Korea, Denmark, Egypt, Spain, United States, Finland, France, India, Italy, Japan, Mexico, Norway, Netherlands, Poland, United Kingdom, Russia, Sweden, Switzerland, Turkey and Vietnam).

3.9 Circular revolution

CIRCULAR REVOLUTION

MAKE OUR PRODUCTS AND SERVICES PART OF THE CIRCULAR ECONOMY

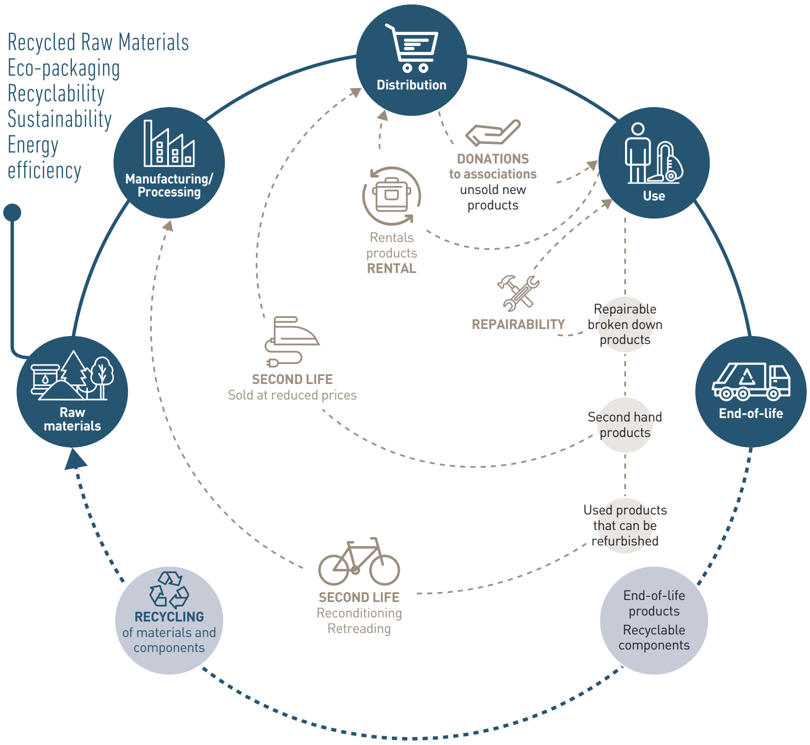
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Faced with the depletion of natural resources and the constant increase in waste, for many years Groupe SEB has been committed to a circular business model by rethinking its production and marketing processes. The Group operates on several levels at all stages of the circular economy and supports consumers in the drive toward more responsible consumption:

- extending product life, particularly by means of repairability (see 3.9.1: Designing long-lasting products);
- promoting recycling and the use of recycled materials (see 3.9.2: Incorporating products into the recycling loop);
- giving products several lives by encouraging the use of second hand and shared items (see 3.9.3: Giving products several lives).

CIRCULAR ECONOMY LOOP



As a pioneer in the field of circular economy, the Group is 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. In 2022, it helped set up the AFEP’s Ambition4circularity platform, which brings together major companies’ concrete commitments and projects in favor of the circular economy. The platform, which aims to stimulate constructive dialog between companies and their stakeholders by offering internet users detailed factsheets and a direct means of contacting each company leading a project, will be online at the beginning of 2023.

3.9.1 DESIGNING LONG-LASTING PRODUCTS

With its strong industrial expertise, the Group is a pioneer in product sustainability, particularly through its repairability policy, which began more than 15 years ago. It has received regular recognition for its commitment in this area, particularly from its clients: in 2022, the Group's products were once again at the top of the rankings in the 5th After-sales Service Barometer run by French brands Fnac-Darty.

FNAC DARTY

This barometer enables consumers to make a sustainable and informed choice out of more than 80 high-tech and household electrical goods product families, by calculating a sustainability score based on reliability and repairability, which is measured through feedback from Fnac-Darty after-sales service experts. Out of the 29 product families corresponding to the Group's offering, 27 of the Group's brands were in the top 3, with 24 of them taking the top spot.

REPARABILITY

GROUPE SEB TARGET	2022 RESULTS
Over 90% of electrical appliances with the "repairable for 15 years at a fair price" commitment (for Tefal, Moulinex, Rowenta, Krups, Seb and Calor products)	90.2%

100% of products repairable, with more than 90% "repairable for 15 years at a fair price"

Product reparability is a vital aspect of the circular economy, as increasing the lifetime of products makes it possible to reduce both the resources consumed and waste, and helps to limit the carbon footprint by avoiding the emissions associated with the production of new products. It is also beneficial for consumers who find it economically more efficient (in particular thanks to the all-inclusive repair packages offered by the Group) and it keeps users loyal by extending the use of their products for as long as possible.

The Group is a pioneer in this field. Its aim is to offer high-quality products that the user can repair at affordable prices. Its reparability policy, initiated in 2008, reached maturity in 2015 with its "repairable for 10 years" commitment. It began taking its commitment to repair a step further in 2021, extending it to 15 years with more work on the cost of repairs to offer very affordable rates (see below). This further progress is expressed through the "repairable for 15 years at a fair price" commitment, which ensures that:

- a product can be readily disassembled and reassembled;
- spare parts are reasonably priced and readily available for at least 15 years after the product was last on the market;
- 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 repair of products for many years.

Although 100% of the Group's products can be repaired, in 2022 more than 90% of the Group's electrical appliances met the most stringent criteria of the "repairable for 15 years at a fair price" commitment and display the logo on their packaging (Tefal, Rowenta, Moulinex, Krups and WMF brand products in Europe, Asia, the Middle East and Africa, as well as Seb and Calor products in France and Belgium). This was down slightly compared to 2021 (-2 pts), due to a less favorable product mix in the sales.

Since the end of 2022, the majority of the products manufactured at the Group's factory in Colombia and marketed under the Imusa brand have also been covered by a "repairable for 15 years" commitment. Brazilian brand Arno also launched the same initiative in mid-2021 on an initial range of products.

The "repairable for 15 years at a fair price" 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 they have stopped being sold.

RÉPARABLE AU JUSTE PRIX 15 ANS • 6200 RÉPARATEURS AGRÉÉS MONDIAUX •

Demanding criteria

Product reparability starts from product design and is one of the priority areas in the Group's eco-design process (see page 3.10.5 Eco-Design p.221). 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.

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% in 2012 to more than 80% in 2022.

An attractive repair package rolling out in Europe

Repair rather than replace, for non-warranty products, too. Groupe SEB is passionate about encouraging consumers to prioritize this key component of the circular economy and launched a **flat-rate repair package** in 2020, with a single, fixed price 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. The Group once again demonstrated its pioneering approach by becoming the first player in the Small Household Appliances market to offer a repair package, and remains to date the only one to offer an all-inclusive package at an affordable price.

Building on the expertise in product repair the Group has been developing since mid-2020, this repair package is available for all brands covered by the "repairable for 15 years at a fair price" commitment in France. 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, and has been available in the main countries of Eastern Europe since 2022 (for Tefal, Moulinex, Rowenta and Krups).

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 ten 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. This network will be expanded in 2023, with the addition of repair centers in North Africa.

The Group guarantees the repair centers that around 50,000 listed spare parts will be available at the cheapest possible price for up to 15 years after products cease to be manufactured, including products from subcontractors. 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 m^2 of storage). 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.

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. Now, more than 150 3D-printed functional and technical parts have been supplied to all repairers worldwide with the note "3D-printed part certified by the manufacturer".

Finally, consumers can order accessories, consumables and spare parts directly from 67 brand websites all over the world. In addition, these sites also offer some simple parts for 3D printing (e.g. a vacuum cleaner bag mount 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 215);
- 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.

In 2022, RépareSeb repaired or reconditioned 10,000 products, avoiding 40 tons of waste.

RépareSeb ultimately aims to help around thirty people per year to find employment, a target that should be achieved in 2023. Furthermore, a particular focus of attention within this project is helping women get back into work, as they represent a significant proportion of the population that is excluded from the world of work, often have dependent children and are not well represented among those looking for training as repair technicians. At the end of 2022, 30% of employees helped were women and the aim is to increase this figure by taking specific actions to identify their applications.

This project has won multiple awards: The Sopra Steria "Prix de l'entreprise éthique", in the "Customer Relations" category and the Easybourse "Prix de l'entreprise citoyenne" in 2022, 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 finally the LSA "La conso s'engage" award in the "Charity Collaboration" category.

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 "repairable for 15 years at a fair price" commitment is widely publicized on its products and on its brands' websites and social networks. 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. (…). In 2022, the Group's reparability scheme won the Circular Economy Gold Award at the Sustainable Transformation Summit, a conference held in Paris by "Décideurs" magazine.

3.9.2 INCORPORATING PRODUCTS INTO THE RECYCLING LOOP

For Groupe SEB, incorporating its products in the recycling loop means:

- Designing recyclable products, that is to say easily disassembled and designed using recyclable materials
- Using recycled materials to manufacture its products and packaging
- Encouraging effective product recycling by promoting the collection of end-of-life products and the development of specialist recycling facilities

DESIGNING RECYCLABLE PRODUCTS

Product recyclability is a priority of the Group's eco-design process (see page 221) 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 polybutylene terephthalate (PBT), rather than non-recyclable bulk molding compound (BMC), which was the case for previous ranges. Thanks to this change made in 2016, the recyclability rate rose from 76% for an equivalent iron with a BMC shield to 82%. 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. 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

GROUPE SEB 2023 TARGETS	2022 RESULTS
50% of recycled materials in Group products (including packaging)	42%
Double the 100% recycled plastic in our products in France in 2025 (base year 2017)	X 6

Groupe SEB uses more and more recycled materials in its products. In 2013, it had set itself the target of incorporating 20% recycled materials in new products manufactured in-house and their packaging by 2020, which was exceeded in 2018. The Group is now aiming for a target of 50% recycled materials in its products and packaging by the end of 2023. At the end of 2022, the manufacture of the Group's products and packaging incorporates 42% recycled materials (raw materials and components): the use of recycled materials is a key criterion of the Group's eco-design process, and is taken into account from the early stages of product development.

This excellent result, up 8 points compared to 2021, is due to the joint efforts of the purchasing, manufacturing and product development teams, which have made progress on all types of materials.

Material	% recycled in 2022	Comments
Metals	20%	Very good performance for stainless steel. Aluminium is also in progress (+5% in 2022 compared to 2021). The existence of recycling facilities in Europe provides the Group's European production sites with local supplies. Supply chains in Asia are not so common.
Plastics	4%	This percentage is growing despite few supply chains offering high quality materials, particularly in Asia, and strong technical constraints for Group products, mainly related to contact with food and the absence of heavy metals, as well as major constraints regarding esthetics (recycled plastic is very often black). Recycled plastic is supplied to 22% of our French plants, compared with 14% in 2021.
Components	41%	The components market is extremely diversified and the percentage of recycled material depends heavily on the maturity of the sectors. The Group's ability to change the organization of the sectors is limited, but work on raising awareness among suppliers has been underway for several years, in order to influence the setting up of recycling facilities. In addition, some facilities offer opportunities such as smelters that are highly advanced in this area due to the production technologies they use.
Packaging	84%	As far as total packaging is concerned (packaging box, transportation box, cushioning materials and literature), the results worldwide were 84%, i.e. an increase of 2% compared to last year. This increase is mainly due to replacing our expanded polystyrene supports with cardboard or molded pulp cushioning.

Metals: more recycled stainless steel and aluminum in cookware

Across all products, in 2022, the stainless steel used by the Group was on average 60% recycled and this figure represents more than 80% of the stainless steel goods manufactured in Europe (utensils, frying pans, saucepans, stockpots, pressure cookers, etc.). The use of recycled stainless steel generates up to 75% less greenhouse gas emissions than stainless-steel from virgin materials[1].

For aluminum, which is mainly used for Cookware, the proportion of recycled material is lower, but it is increasing year-on-year, thanks to the involvement and collaboration of the Purchasing and Marketing and Development teams, in particular: it was 12% in 2022, up 5 points compared to 2021. Using recycled aluminum produces 90% less greenhouse gases than primary aluminum[2]. 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 (see "End-of-life recycling" below).

Recycled plastic: significant progress

Incorporating recycled plastic into products poses several challenges. Some are linked to the recycled plastics sector, which is not very well-developed outside Europe: this explains the gaps in performance between the products manufactured by the Group in France (22% of recycled plastic in 2022) and the Group's overall average (4% of recycled plastic in 2022). Other challenges are more directly linked to Group products, and particularly to technical and regulatory constraints concerning plastic that comes in contact with food. In addition, certain marketing challenges also need to be taken into account: consumers in the various countries in which the Group markets its products perceive the use of recycled materials as more or less positive. Lastly, the use of recycled materials has so far involved strong esthetic constraints with very dark colors: the Group is currently working in collaboration with the ADEME[3] to start testing recycled plastics in lighter colors.

A PIONEERING ROLE

The Group's recycled plastics strategy began ten 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 Innovation 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 fossil fuels, using recycled plastics allows for up to a 70% decrease in greenhouse gas emissions[4].

(1) 85% recycled stainless steel made in Europe emits up to 75% less CO_2 compared to stainless steel made in China based on a material study on 304 alloy by an independent agency

(2) Environmental evaluation of recycling in France based on the life cycle analysis methodology, ADEME (French Environment and Energy Management Agency), April 2017

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

(4) Environmental evaluation of recycling in France based on the life cycle analysis methodology, ADEME (French Environment and Energy Management Agency) 2017

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 in 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). The Group then extended the use of this material to vacuum cleaner bases, particularly the Silence Force Compact launched in 2018 (Rowenta) 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.

In addition to its long-standing partnership with Veolia in France, the Group is gradually expanding its portfolio of recyclers on all continents. In Brazil, SEB has strengthened its relationship with its supplier WISE, a nationwide recycling specialist, in order to use recycled materials for its products. In total, 40% of the polypropylene used in Brazil comes from recycling facilities.

A SPECIFIC COMMITMENT ON PLASTIC IN FRANCE

In addition to its objective of achieving 50% recycled materials across all materials and components, the Group has made a specific commitment to recycled plastics in France. This voluntary commitment is part of the circular economy roadmap (FREC) set out by the French government **and aims to double the annual use of recycled plastic in France by 2025** (base year 2017). 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. Thanks to the work of the eco-organizations and recycling facilities that have made the materials available, as well as high levels of engagement by the in-house teams, the annual quantity of plastic recycled in France or processed in France (using a constant manufacturing scope) that is used in the Group's products was **multiplied by 6 between 2017 and 2022.**

MORE AND MORE PRODUCTS WITH RECYCLED PLASTIC

The list of products using recycled plastic continues to grow, and includes the following products launched in 2022:

- the Evidence eco-design coffee maker with grinder (Krups), which contains a total of 62% recycled plastic. This means that 31% of the machine's total weight is recycled, resulting in a 12% drop in Greenhouse gas emissions[1];
- the Green Force Effitech vacuum cleaner (Rowenta), manufactured with up to 70% recycled plastic;
- the Eco Crêpe Party appliance (Tefal), manufactured from 84% recycled plastic;
- the Aprecia Bio Based Control kettle (Tefal), with polypropylene made from recycled cooking oil making up 60% of its weight, will be launched on the Japanese market in 2023.

All these products will also bear the ECODesign label, the proprietary label launched by the Group in 2021 to promote its products with the strictest eco-design specifications.

- In the Cookware category, the Masterseal Eco and Clip&Close Eco storage box ranges (EMSA/Tefal), containing 85% bio-sourced plastic (cooking oil, wood and paper waste, etc.), as well as the Drink2go Eco bottles from the same brands, which are manufactured using 50% recycled Tritan. Both types of plastic have been ISCC certified[2].

The Group's products designed in South America and Asia are also using increasing amounts of recycled plastic. In Brazil, an Arno fan and a non-automatic washing machine are manufactured using 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.

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.

In France, the arrangement with Auchan and Carrefour was renewed in 2022. In France, these actions have helped to collect and recycle more than 1,000 tons of cookware – equivalent to 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. This took place for the first time in Australia in 2022, while other countries like Turkey, Netherlands, Belgium, Italy or Spain, among others, renewed their initiatives.

(1) Compared to a brand-new classic Evidence.
(2) International sustainability & carbon certification - mass balance approach.

3.9.3 GIVING PRODUCTS SEVERAL LIVES

A SECOND LIFE FOR OUR PRODUCTS

GROUPE SEB TARGET	2022 RESULT
Trial business models that give a new life to Group products	Several trials in progress, including RépareSeb

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 only have a single fault:

- most of them are repaired at the Parisian organization RépareSeb to be resold as second-hand products with warranties. In 2022, RépareSeb renovated more than 10,000 products (see page 211);
- 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 2022, the organization refurbished more than 7,500 appliances that would have otherwise been destroyed. Since the beginning, this partnership with Groupe SEB has enabled 28 people to rejoin the world of work.

In addition, several repair projects are underway or under consideration in other countries, and the group is working on developing a global policy for second-hand products, and set up a dedicated working group in 2022, which is led by the innovation division and includes representatives from the sales, after-sales service, logistics and sustainable development business lines.

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. Called **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. Launched in Paris in 2018, the premise is simple: consumers reserve their Seb, Tefal or Moulinex devices on the www.eurecook.fr website. They choose the length of the rental (from a weekend to two months) 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 people working at RépareSeb (see page 211).

This service took on a new dimension at the end of 2022 when it was rolled out throughout France, with rented products being picked up from local collection points and returned via the same network.

In addition, the Group has been working with Les Biens en Commun, a start-up in Lyon that provides equipment rental services via digital lockers in various living spaces: student housing, residential buildings and businesses, since 2020. In addition to supplying products free of charge, the Group helps the young company to define and adjust its business model, with a view to rolling it out on a larger scale. Through this partnership, the Group aims to explore the relevance and economic viability of a product-sharing solution and enhance its understanding of consumers as they move toward more sustainable habits.

(1) Agence de l'environnement et de la maîtrise de l'énergie.

3.10 Climate action

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

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

The Group acts to minimize its environmental footprint and contribute to combating climate change at every stage of a product's lifecycle from design through to the end of its life. Since 2017, it has conducted its greenhouse gas (GHG) assessment across its entire value chain (see 3.10.1 Analysis of the Group's greenhouse gas emissions). In 2016, it joined the Science Based Targets (SBT) initiative and in 2018 it defined its own SBTi short-term and medium-term targets (see 3.10.2 Contribute to carbon neutrality in 2025: Science Based Targets). Mindful of the importance of biodiversity, the Group joined the Act4Nature International Alliance in December 2021 and set itself ambitious, quantified and short- and medium-term sequential objectives, based around four priorities (see 3.10.4. Biodiversity). Furthermore, the Sustainable Development department was strengthened with a dedicated climate and biodiversity analyst position in 2022.

To achieve these climate and biodiversity objectives, the Group leverages eco-design (see 3.10.5 Eco-Design), eco-production (see 3.10.6. Eco-production) and eco-logistics (see 3.10.7 Eco-logistics) approaches which have been used and implemented for many years by its teams.

Finally, the Group is also committed to reducing the environmental footprint associated with the use of its IT equipment (see 3.10.8 Reduce the environmental footprint of an information system).

The Climate and Biodiversity strategy is defined by the Sustainable Development department in collaboration with the relevant business lines: Manufacturing, Purchasing, Supply Chain, Quality Standards and Environment, and the Small Household Appliances and Cookware divisions. In addition to this global warming mitigation strategy, the Group is implementing a policy of adapting to climate change (see 3.10.3. Risks and opportunities associated with climate change).

The data shown below is worldwide and data relating to new acquisitions will be included progressively, as and when they are integrated into the various Group processes.

3.10.1 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 217). 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). Raw materials and bought-in components as well as use of products sold are the most significant emission items in Scope 3.

Scope 1 and 2 emissions and emissions from the transport of components and products have been evaluated every year since 2017. In 2021, Groupe SEB set up a working group to define the annual calculation methods for emissions from the purchase of raw materials and components and product use. This work was extended in 2022 to continue to secure and refine the results obtained and to adjust the measures to be taken to reduce our emissions. This will continue in 2023 so as to strengthen the analysis and continually improve the tool.

In 2021, total GHG emissions for Groupe SEB represented 21.2 million tons of CO_2 equivalent.

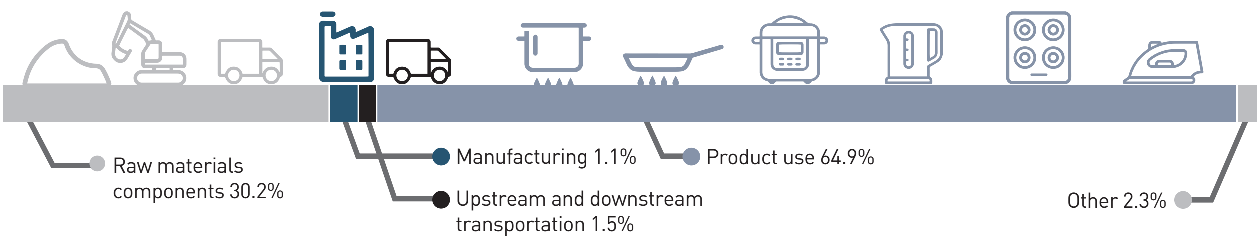
These break down as follows:

Scope 1 (absolute) = 84,062 tCO_2eq.

Scope 2 (absolute) = 157,929 tCO_2eq.

Scope 3 (absolute) = 20,937,942 tCO_2eq.

BREAKDOWN OF GROUPE SEB'S ANNUAL GREENHOUSE GAS EMISSIONS IN 2021



Greenhouse gas emissions assessment

(Further details on the scope of consolidation are provided in the methodological note on page 217)

Greenhouse gas emissions *(in tons CO_2 equivalent)*	2022	2021	2020
Scope 1	64,773	84,062	71,532
Scope 2	139,590	157,929	144,982
SCOPE 3 - TOTAL	Partial assessment [2]	20,937,942	19,259,271
Scope 3 - Raw materials and components	5,629,600	6,404,100	4,409,930
Scope 3 - Use of products sold	Not available [2]	13,739,424	13,111,334
Scope 3 - Transport	256,123	316,238	259,826
Scope 3 - Other items [1]	478,180	478,180	478,180
TOTAL (SCOPES 1, 2, 3)	**Partial assessment[2]**	**21,179,934**	**19,475,785** [3]

(1) The section 'Other items' includes: Capitalized assets, activities associated with energy and fuels (not included in Scope 1 and 2), waste generated by operations, business travel, employee commuting, upstream leased assets, processing products sold, processing of end of life of products sold, downstream leased assets, franchises, investments.

(2) The 2022 data are not available at the time of publication of this document because the two processes are out of phase with each other by a few months. Work is under way to enable emissions caused by use of the products to be communicated at the same time as the other items that make up the carbon footprint.

(3) Reminder of Scope-3 data published in the 2021 URD for 2020: 15,301,744 tCO_2eq. The change made to this figure is due to methodological corrections, scope enhancements and data accuracy improvements for the Raw materials and components and Use of products sold items.

In 2021, the sharp upturn in activity following a 2020 defined by the Covid-19 pandemic caused an increase in greenhouse gas emissions (+9%). In 2022, the global drop in quantities sold led to a reduction in greenhouse gas emissions across all items compared to 2021.

For more details on the changes in data from the GHG assessment for the above years, refer to the eco-production, eco-design, eco-production and eco-logistics sections.

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. Also includes process emissions from processes excluding energy and direct fugitive emissions.

Scope 2: emissions caused by the consumption of electricity or heating 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 225).

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 and upstream transport of materials and components purchased by Groupe SEB (transport before Tier 1 suppliers). This corresponds to the purchase of products and services item in the GHG Protocol.

Production: energy consumption emissions (fossil fuel combustion and electricity purchase) and direct emissions from cooling installations and the Group's manufacturing and logistics sites. This corresponds to the total of scopes 1 and 2.

Transport: emissions related to transport subcontracted by Groupe SEB (including transport of sold products). Includes emissions related to transport of items purchased by Groupe SEB from the tier 1 supplier, and deliveries to Groupe SEB customers. Downstream transport managed by customers or consumer transport to the place of purchase, is not covered here.

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 and the gas and electricity required for operation 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 related to the end of life of products and waste generated by the direct activities of Groupe SEB.

METHODOLOGICAL NOTE

Clarifications on methodology

Scopes 1 and 2: The calculations are made on the basis of primary data from energy invoices from sites (eco-production reporting) and standardized emission factors such as emission factors from the ADEME carbon database and emission factors from the International Energy Agency for electricity purchases (2020 publication of energy mix from 2018 and previous years). Data from the eco-production reporting is available on page 225.

Scope 3: Scope 3 emissions are estimated in accordance with the GHG Protocol methodology. Three main emissions items are recalculated annually: the use of products sold, raw materials and components, and transport. Their calculations are based on life cycle analysis data, laboratory measurements or a dedicated transport reporting system (page 230).

Emissions are calculated by applying the emission factors from the ADEME carbon database and the International Energy Agency to the activity data.

The methodologies used to calculate greenhouse gas emissions may be limited due in particular to the estimates required, the representativeness of available data, or the limited availability of data.

This implies that, contrary to Scopes 1 and 2, changes in Scope 3 emissions from one year to the next may relate more to the quality of the data collected and the calculation methods used than to a real measure of performance trends. Inland Import & Export" data taken into account in the calculation of the indicator "Greenhouse gas emissions related to transport" are estimated and represent 7% of the overall figure.

Improvement of input data, methodologies, scopes and emission factors for Scope 3 is ongoing to improve reliability. Nevertheless Scope 3 estimates provide 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.

Scope of consolidation

The data collected covers the period from 1 January to 31 December each year. The scope of consolidation relates to all entities over which Groupe SEB exercises operational control. However, some recent acquisitions do not report all environmental indicators. Action plans are implemented to ensure the availability and reliability of data.

Groupe SEB measures changes in environmental indicators on a current basis, except for the carbon intensity indicators for the SBT objectives, for which the scope is constant.

The scope of hedging varies according to the categories of indicators, as detailed in the following paragraphs:

Eco-production (environment and greenhouse gas emissions – Scopes 1 and 2): Once they are ISO 14001 certified, industrial and logistics sites are gradually integrated into the scope of consolidation. Groupe SEB's headquarters in Ecully is included in the scope of consolidation. In 2022, 47 sites were included in this scope. Four new sites have been added (Borg El Arab in Egypt, SUPOR Shaoxing LKA, SUPOR Yuhuan WMF and EMSA Taicang in China) while one site was removed from the scope due to its closure (Rowenta Werke Erbach in Germany).

Greenhouse gas emissions – Scope 3: The scope of emissions related to the use of products sold and the purchase of raw materials and components includes all products marketed in the reporting year by the controlled companies, as defined in the Group's financial consolidation principles. For the transport section, see the eco-logistics section page 230.

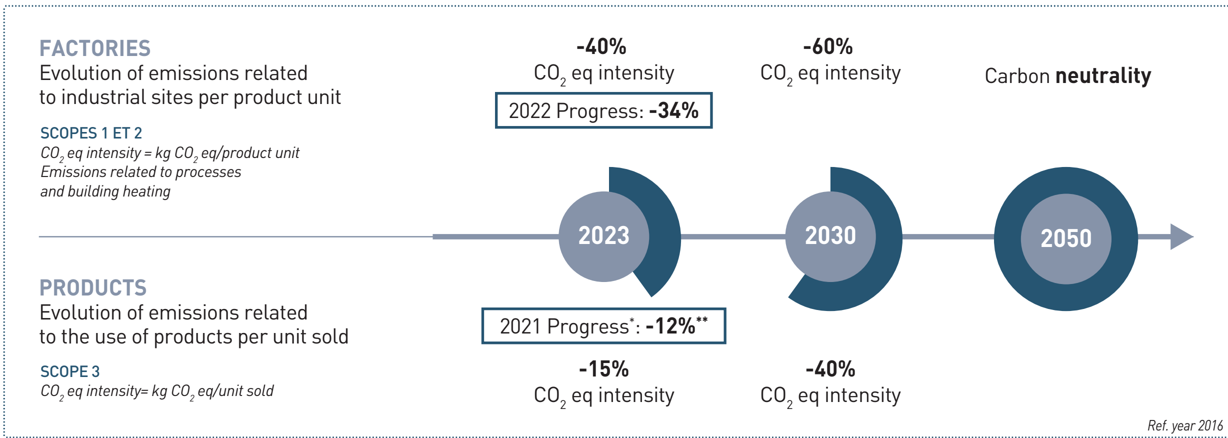
Science Based Targets – Scopes 1 and 2: Like-for-like scope of ISO 14001 certified entities in 2016. i.e. 30 sites in 2016 and 27 sites in 2022 (closure of three sites).

Science Based Targets – Scope 3: Like-for-like scope of finished products sold included in the consolidated financial statements for 2016. In particular, products from the brands WMF, EMSA, KAISER, OBH NORDICA, SILIT, ZAHRAN and new acquisitions since 2016 are excluded.

3.10.2 CONTRIBUTION 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 one of the 100 leading companies worldwide to have brought their low-carbon strategy into line with the Paris Agreement.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



Further details on the scope of consolidation are provided in the methodological note.

* *The 2022 data are not available at the time of publication of this document because the two processes are out of phase with each other by a few months. Work is under way to enable emissions caused by use of the products to be communicated at the same time as the other items that make up the carbon footprint.*

** *Reminder of data 2020 published last year for the evolution of emissions related to Product Use: -24%. Since the last publication, work to improve the scope 3 reporting has continued as part of the SBT commitments. This work led to methodological corrections and to the improvement of product energy consumption data. This work will continue in 2023. On a like-for-like basis, the 2020 figure is -9%.*

For more details on the result s of the SBT targets for the above years, refer to the eco-production and eco-design sections.

The Group established special governance to achieve these goals and define the pathway to be taken:

- **the "product manufacturing" low carbon strategy (Scopes 1 & 2)** is defined and controlled by a low carbon Steering Committee coordinated by the Sustainable Development and Manufacturing departments. It includes representatives from the Cookware and Small Electrical Appliance Industry departments, the Quality Standards and Environment department and the Purchasing 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/unit produced) 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, or renewable energy certificates.
  - as a last resort: sequestration of residual greenhouse gas emissions by supporting ecosystem restoration projects, primarily in forestry, that have received a biodiversity conservation label. See details about these actions on page 225 ("Eco-production");
- **the "use of products" low-carbon strategy (scope 3)** is coordinated via the eco-design road map.

  Under this road map, in-depth reviews in 2019 were carried out in 2019 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 the energy consumption of products (eco-design and new technologies). See details about these actions on page 209 ("Circular revolution") and page 221 ("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 223).

3.10.3 RISKS AND OPPORTUNITIES ASSOCIATED WITH CLIMATE CHANGE

Mindful of the present and future reality of climate change, Groupe SEB assesses the vulnerability of its activities to these changes in order to anticipate their effects and ensure its resilience.

GOVERNANCE

Led by the Sustainable Development department, the assessment of the risks and opportunities associated with climate change is included in the overall risk mapping of Groupe SEB, reviewed and consolidated by the Audit and Internal Control department. The overall risk mapping of Groupe SEB is reviewed at least annually with the organizations concerned, in order to assess in depth the main risks and the associated risk management plans. This map is then approved by the General Management Committee.

METHODOLOGY

Recommended by the TCFD (Task Force on Climate-related Financial Disclosure), the climate scenario analysis (CSA) consists of two phases:

- a risk identification and mapping phase, and
- a phase of assessment and quantification of main risks, leading to recommendations to improve the management of climate-related risks.

Two types of risks are studied:

- physical **risks** due to an increase in the frequency and intensity of extreme weather events,
- transition **risks,** linked to political, regulatory and market changes.

In the first phase, 18 significant climate-related risks were identified on the basis of a critical review of internal documentation and a series of interviews conducted with experts from Groupe SEB. The materiality of the 18 risks is evaluated on the basis of their potential financial and strategic impact (limited, moderate or extreme), their time horizon (short, medium or long term), their probability (highly unlikely, unlikely or moderate) and their management capacity (optimal control, partial control, insufficient risk management, risk discovery).

RISKS

Three main risks have been identified: the halting of production due to water stress, the volatility in the cost of raw materials and shipping due to carbon tax.

Physical risk

Although the majority of Groupe SEB's industrial sites are located in areas where water stress is moderate, some of them could be exposed to significant risks of disruption in water supply in the coming years, and thus cause production to stop. Groupe SEB's strategy to prevent this risk is to invest in water-efficient processes.

Transition risks

Regulations on carbon pricing mechanisms are a major issue for the Group and its suppliers. The increase in the price of fossil fuels could have a significant impact on the sale prices of their products and services, both on raw materials and on transport, and potentially have a significant impact on the operating costs of Groupe SEB. To mitigate this risk, an action plan is in progress to commit suppliers to implementing plans to reduce their own emissions.

Opportunity

One of the consequences of global warming is the increase in the need to cool the air by those people located in the regions of the world which are most exposed to this warming. An opportunity for Groupe SEB would be to change its existing air conditioners and fans offering in order to improve their energy efficiency, study new technologies, or limit the use of refrigerants and use alternative fluids that have less impact on the environment.

3.10.4 BIODIVERSITY

For several years, the Group has been committed to reducing as much as possible the pressures that its business activity exerts on the environment and promoting biodiversity through specific actions (conservation gardens, shelter for wildlife, maintenance of wetlands, etc.). In 2021, it strengthened and formalized its commitments in this area by joining the Act4nature International initiative (voluntary commitment to biodiversity intended for French international companies).

The Group has set itself ambitious, quantified and sequential objectives for the near future, based around four priorities:

- Pollution prevention: In its fight against various forms of pollution (water, air, soil), the Group is committed to limiting waste production (see 3.10.6 Eco production) and removing all plastic packaging from its products in order to limit the impact on ecosystems (see 3.10.5 Eco-design);
- Preserving natural resources: Groupe SEB is committed to a circular economy by reducing the pressure on resources by incorporating more recycled and recyclable materials, designing sustainable and repairable products and incorporating the impact study on biodiversity as from the product design stage (see 3.10.6 Eco production and 3.9 Circular Revolution);
- Reducing greenhouse gas emissions: Groupe SEB is committed to contributing to carbon neutrality worldwide by 2050 through its commitments validated by the Science Based Targets initiative (see 3.10.2 Contribute to carbon neutrality)
- Development of projects supporting biodiversity: the Group plans to support ecosystem preservation projects or reforestation projects

This last commitment has materialized since 2022, as Groupe SEB has made a local commitment to its region of origin, Burgundy, with the Coopérative Forestière Bourgogne Limousin (CFBL) by planting more than 19,000 trees in order to contribute to the reforesting of a spruce forest destroyed by bark beetles, insects which destroy spruce. Several species have been planted to create this forest: Douglas fir, sessile oak, larch, fir, Atlas cedar and Sycamore maple. Numerous melliferous species are also planted in order to increase the diversity of woodland areas.

In addition, this forest is certified as “Low Carbon Label”, thus contributing to the reduction of the Group’s greenhouse gases. Used since 2019 to achieve the climate objectives of the National Low Carbon Strategy (SNBC), the low-carbon label is the first voluntary climate certification framework in France. It guarantees that carbon reduction or sequestration projects carried out on French territory contribute properly and transparently to achieving objectives using credible, verified methods for accounting for greenhouse gas emissions.

In order to develop this further, a biodiversity diagnosis will be conducted in 2023. It will allow the mapping of impacts and dependencies on identified ecosystem service along the value chain, in order to draw up a list of priority issues. This work will enable the Group to set targets for reducing its impact, and then to define operational action plans.

BEST PRACTICES ON SITES

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 interesting 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: Campus SEB banned such products some years ago. In 2020, biodiversity has been integrated into the “country” roadmaps.

Campus SEB also houses a 300 m^2 **conservation garden**, established in 2016 with the **Vavilov** Institute (Saint Petersburg), the oldest plant gene bank in the world. The Vavilov Institute has more than 300,000 samples of seeds, roots, cuttings and fruits collected around the world since 1894. This biological diversity represents a whole range of opportunities to meet our future needs: How can we adapt our current vegetables to the effects of climate change? How do we combat new diseases decimating grain or potato harvests? Can we produce fruit during droughts?

All plant samples held by the Vavilov Institute are living. This means multiplying them, reproducing them systematically, by sowing, cutting or grafting. This type of conservation allows specimens to be kept identical to their original form. Therefore, the creation of a Vavilov conservation garden network makes absolute sense. Groupe SEB joined this network of Vavilov gardens in order to maintain biodiversity and develop healthy and responsible food production. This garden brings together varieties created in Rhône-Alps in the 19th and 20th centuries, old Russian varieties and a collection of wild species. Information panels mean the garden can be visited without a guide.

In order to raise awareness of conservation and, at the same time, allow Campus employees to hone their gardening skills, employees can register for thematic workshops on gardening, from March to November. In order to meet the influx of demand, the number of workshops was doubled in 2020 and, since 2018, 64 workshops have been offered to employees on Campus, with topics such as bio-indicator plants, compost, permaculture and even gardening without water.

Other Groupe SEB sites are also encouraged to take initiatives to promote biodiversity. Several of them have created flower meadows such as at Emsdetten in Germany or Is-sur-Tille in France. The latter installed a swallow tower which led to the birth of a flock of swallows which has now set up home in an area where they were not previously present. Between 50 and 150 hatchlings take flight from there each year. Another such tower was also installed at Campus SEB. Other initiatives include: the Rumilly site (France) has hives; at Canonsburg (United States) an aquatic biodiversity area was developed using rainwater harvesting, just like at Campus SEB. Many sites also planted trees, usually fruit trees (Egypt, India, Colombia, China, etc.).

3.10.5 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 which must meet the following 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 and validation of Ernst & Young to ensure that they were relevant and robust. They act as operating guidelines for the teams.

The Group has made strong commitments to the eco-design of its products for 2023:

GROUPE SEB 2023 TARGETS	2022 RESULTS
• 50% of recycled materials in our products/packaging	42% (see p.213)
• 90% of small domestic appliances repairable for 15 years for Moulinex/Rowenta/Tefal/Seb/Calor/Krups	90.2% (see p.210)
• -15% in greenhouse gas emissions related to product usage by product sold (in kg CO_2 eq / unit sold, base year 2016)	-12% (2021 result)(1)
• Eco-packaging:	
• 100% of pack with 0 expanded polystyrene	92%
• 90% recycled fibers in the box	91%
• 100% pack with 0 plastic bag	43%

(1) 2022 data is not available at the date of the publication of this document. A project is ongoing to enable a communication of the emissions linked to product usage at the same time as the other items of the global greenhouse gas analysis.

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 entire spectrum of the Group's brands' products, from small domestic appliances to cookware.

The first ECOdesign certified range was launched in Europe in autumn 2021: Eco Respect is a full range of food preparation products (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).

The range of ECOdesign branded products continued to expand in 2022 with:

- in the Small Electrical Appliances category, the Green Force Effitech vacuum cleaner built in Vernon contains up to 70% recycled plastic and is equipped with an ultra-low-consumption motor, which, with only 400 Watts, can be used to obtain very high suction efficiency. Another example, the Evidence Eco (Krups) bean coffee machine, launched at the beginning of 2022, contains a total of 62% recycled plastic;
- in the Cookware division, the Lov (Seb/Tefal) Dutch oven, manufactured from 97% cast iron (55% recycled material and 42% manufacturing cast offs), Ecorespect and Ecorespect+ (Seb/Tefal) pressure cookers and the Renew (Tefal) range of ceramic frying pans were launched in 2022. Other new products: The Masterseal Eco and Clip&Close Eco storage boxes (EMSA/Tefal) and the Drink2Go flasks (EMSA/Tefal).

Since the launch of the proprietary label in November 2021 and its integration into the product development process, there have been:

- 4 small electrical appliances and 1 cookware range launched in 2021;
- 9 small electrical appliances and 15 cookware ranges in 2022;
- and numerous launches planned for the coming years.

In addition to eco-design, reducing the environmental impact of products also depends significantly on consumers' optimum use of them. As a result, Groupe SEB is making efforts to inform and raise awareness among users. On the Tefal and Moulinex websites, for instance, new dedicated pages highligh 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 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 the product development and 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 module 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. These sessions were attended by approximately 60 employees in 2022.

LIFE CYCLE STUDIES AND ENVIRONMENTAL PROFILES

The Group carries out product life cycle analysis (LCA). These significant studies[1], which measure the various impacts of products on the environment, enable it to focus its research on reducing their ecological footprint. In 2022, around 70% of families of products defined as the most significant were covered by a life cycle analysis. A new LCA was also carried out in 2022 for the ECOdesign Renew range of frying pans.

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 answer 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.

For 2025, as part of its commitment to the Act4Nature International initiative (see 3.10.4 Biodiversity p. 220) 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

GROUPE SEB 2023 TARGETS	2021 RESULT[1]
-15% reduction in greenhouse gas emissions related to product usage by product sold (in kg CO_2 eq./unit sold, base year 2016)	-12%

Over the whole product life cycle analysis, close to three quarters of the carbon impact comes from their energy consumption during the use phase (64.9%), which far outstrips the figure for the manufacturing phase (1.1%). 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 greatest 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.

As part of its sustainable development ambition and the Science Based Targets initiative, the Group has set itself a target of reducing the carbon intensity associated with the energy consumption of its products by 15% at the end of 2023 (base year 2016).

In 2021, these emissions have fallen by -12% compared to base year 2016. This reduction is mostly explained by the improvement in the energy efficiency of products, as well as the reduction of electricity emission factors in the countries where Group's products are sold.

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. Launched in 2022, the Green Force Effitech vacuum cleaner is a good example of this with this with its ultra-low consumption motor.
- **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 enabled Effiwatts hair dryers to obtain the Solar Impulse Efficient Solution label awarded by the Solar Impulse Foundation.
- **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 higher than they need. The solution has been replicated in other products, and since 2022, the new Easygliss Eco enables an **energy saving of 30%** with its "eco" mode.

In addition, the Group offers alternative cooking solutions, some of which save energy for consumers: this is the case for oil-free fryers and, more specifically, the Easy Fry Essential 3.5 L model which uses **70% less energy** than a traditional oven with an A energy efficiency classification[2].

ECO-PACKAGING

GROUPE SEB TARGETS	2022 RESULTS
• Eco-packaging:	
• 100% of pack with 0 expanded polystyrene	92%[3]
• 90% recycled fibers in the box	91%[4]
• 100% of pack with 0 plastic packaging	43%[5]

The Group's eco-design policy includes product 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 (or eco-packaging policy) in 2018 with the support of the WWF (WorldWide Fund). Co-authored by the Sustainable Development department and the Purchasing department, it comprises 10 objectives and applies to all products, manufactured or outsourced, launched since January 2019, excluding WMF and Professional products. In 2020, to further support project prioritization and monitoring, the Group created an eco-packaging Steering Committee comprising the Product Development, Marketing, Purchasing and Sustainable Development teams.

Among the 10 objectives of the eco-packaging policy, the three priority objectives for the end of 2023 are:

- eliminate expanded polystyrene
- 90% use of recycled fibers in cardboard
- eliminate internal plastic packaging

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.

(1) 2022 data is not available at the date of the publication of this document. A project is ongoing to enable a communication of the emissions linked to product usage at the same time as the other items of the global greenhouse gas analysis.
(2) Internal tests conducted in 2022 on frozen French fries.
(3) excluding WMF products and professional products. Excluding products designed and manufactured outside Europe and sold outside Europe
(4) Excluding sourced products
(5) excluding WMF products and professional products. Excluding products designed and manufactured outside Europe and sold outside Europe

	% of 2022 sales without expanded polystyrene*	% of 2022 sales without plastic bag**
Cookware	97%	56%
Small Electrical Appliances	79%	13%
TOTAL	**92%**	**43%**

* *excluding WMF products and professional products. Excluding products designed and manufactured outside Europe and sold outside Europe*

** *excluding WMF products and professional products. Excluding products designed and manufactured outside Europe and sold outside Europe*

With regard to the **removal of expanded polystyrene**, more than 90% of products sold since 1 January 2019 no longer have polystyrene in their packaging. Some product families, such as vacuum cleaners and frying pans and saucepans with fixed handles, have completely removed it. The process is slower for other heavy products or products that need a lot of protection during transport, such as pressure cookers or fully automatic coffee machines.

The **internal plastic packaging** covered by Groupe SEB's Eco-Packaging Policy are transparent windows, blister packs, and plastic protective bags. The priority is to eliminate the plastic bags, that are most widely used. Their removal is more difficult than for expanded polystyrene, due in particular to technical constraints and acceptance by some countries, such as Japan, that are still hesitant to see the protective bags for products disappear, both for hygiene and quality reasons. In 2022, 43% of products sold since 1 January 2019 had removed plastic bags from their packaging. A number of projects are underway to identify new alternatives to bags made from plastics from fossil fuels, while meeting the quality requirements of the Group and its customers.

In addition to these three priority objectives, packaging should also be designed to minimize empty space (see 3.10.7 Eco-logistics) and the amount of materials needed for its manufacture. It must limit any elements that could complicate its recycling and avoid unnecessary outer packaging. 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 on the packaging.

Practical testing to achieve the targets

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 and molded pulp. 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. In the last two years the list of products that have made the changes has continued to grow: 5 second mini-mincer (Tefal), Evidence Eco (Krups), 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.

Since 2021, the range of Eco Respect food processors and the Eco Respect Clipso Minut' pressure cooker (see ECOdesign Label page 222) met all the eco-packaging criteria. They were followed in 2022 by the fun meal appliances Eco Crepe Party and Raclette Eco Design, the Green Force Effitech vacuum cleaner and the fully automatic Evidence Eco Design coffee machine. All have packaging containing a minimum of 90% recycled fibers, zero expanded polystyrene, zero internal plastic packaging and use plant-based inks.

Eco-designed e-commerce packaging to reduce outer packaging

The explosion in online sales led to a sharp increase in e-commerce retailers using outer packaging to sent products to consumers from their logistics platforms. In 2020, in order to reduce this use of outer packaging, the Group developed specific e-commerce packaging for cookware produced at the Tefal site in Rumilly: thanks to the installation of four specially adapted automatic lines, these products no longer require any re-packaging between leaving the factory and delivery to the consumer. 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 innovation was recognized in the Brand Social Responsibility category (organized by Produrable and LinkUp Factory) by the Coup de Cœur award.

Furthermore, in 2021, the Group's mail order service replaced all 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.

3.10.6 ECO-PRODUCTION

In factories, offices, laboratories and warehouses, all Group employees and contractors are made aware of the importance of respecting the environment. Groupe SEB's environmental approach is defined by the Sustainable Development department in close collaboration with Manufacturing and the Quality Standards and Environment department, with the assistance of environmental health and safety coordinators at the Group's various sites.

In this context, the Group aims to control the environmental risks inherent in its operational activities. All sites are certified in accordance with ISO 14001 'Environmental Management', which provides guarantees of control of the company's environmental impacts, with monitoring of action plans to reduce any potential impacts. Specific programs are implemented with the purpose of reducing carbon footprint, consumption of water, direct raw materials (metals, plastics, etc.) and waste produced, and preventing pollution. Furthermore, in order to disseminate best practice, the Group has initiated the regular sharing of innovative eco-projects between sites.

Information on Groupe SEB's environmental expenditure is available on page 316.

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**[(1)] of sites based on compliance with applicable laws and regulations, and the principle of ongoing improvement in environmental performance and prevention of pollution.

GROUPE SEB TARGET – 2023	2022 RESULT
100% of plants ISO 14001 certified	100%

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

(World data)

	2022	2021	2020
Number of certifiable entities	46	46	44
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)..*

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. This change involves upskilling the teams through training and increased involvement of the international network of 35 **Health, Safety and Environment coordinators.**

At the end of 2022, **100% of the Group's entities are covered by an ISO 14001 certificate.**

REDUCING SITES' CARBON FOOTPRINT

GROUPE SEB TARGET – 2023	2022 RESULTS
-40% reduction in greenhouse gas emissions from plants (scopes 1 & 2) per manufactured products (in kg of CO_2 eq./unit, base year 2018)[(2)]	-34%

The Group has set itself targets for reducing the carbon intensity of its plants by the end of 2023, 2030 and 2050 (see 3.10.2 Contributing to carbon neutrality in 2050 2050: Science Based Targets p. 218). To achieve its low carbon objective, the Group acts on the two main drivers: reduction in energy consumption and use of renewable energy.

(1) Certificates obtained by sites prior to their acquisition by Groupe SEB were not taken into consideration.
(2) The scope of consolidation for this objective is detailed in the methodological note on page 217.

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: Rumilly and Tournus (France), most of WMF's European sites and the EMSA site in Emsdetten.

Since 2020, the Group has operated 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. Now deployed throughout France, it will be gradually expanded internationally in 2023, along with the introduction of a new version of the tool. 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.

The Group's French production sites are in a good position to tackle the energy efficiency plan introduced nationally in 2022, through short- and medium-term action plans in many areas: real-time management of site consumption, temperature guidelines, support for sites from energy experts and awareness in the field, etc. Logically, the Group also joined the "Les entreprises s'engagent" initiative, which was launched by the French government in 2018 and which is directly involved in this process.

Moreover, the search for energy efficiency at the Group's sites worldwide has led to a multitude of actions that can be shared as best 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 energy consumption of close to 50% less when operating as a result;
- 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. 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 and numerous Group sites are also working in this direction.
- In Omegna (Italy), the site has taken advantage of two existing 80 m 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 goes around the site premises, the water cools the buildings in summer and can heat them in winter.

Generally speaking, all 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.

Change in energy consumption

	2022	2021	2020
Total consumption of natural gas (in GWh)	244.5	305.5	260.8
Total consumption of liquefied gas (in GWh)(1)	46.7	69.1	62.4
Total consumption of electricity (in GWh)	342.7	396.6	362.8
Total consumption of heating oil excluding fuel (in GWh)(1)	1.9	3.1	1.6

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

The drop in activity at our sites, in particular with energy-intensive processes such as Tefal Rumilly and SUPOR Wuhan, has caused a significant reduction in process-related energy consumption across the entire scope. The fall in consumption of natural gas (-20%) and heating oil excluding fuel (-39%), which are also used to heat buildings, is also linked to efforts to be more energy efficient in Europe, against a backdrop of pressure on supply.

Developing renewable energy

In 2019, solar panels were installed at Campus SEB 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.

The Group is committed to implementing new renewable energy projects at its sites. 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 (Wilber Curtis is not yet included in Group reporting).

Greenhouse gas emissions (Scopes 1 and 2) *(in tons CO_2 equivalent)*	2022 (3)	2021 (2) (4)	2020 (1)
EMEA	48.113	61.066	52.578
Americas	15.515	16.192	13.289
Asia	140.736	164.734	150.647
WORLD	204.363	241.991	216.515

(1) Entities certified in 2019 and earlier.
(2) Entities certified in 2020 and earlier (one newly certified site compared to 2019).
(3) Entities certified in 2021 and earlier (three newly certified sites compared to 2020).
(4) Ex-post correction of the figure

The overall fall in energy consumption at our sites driven by production changes has resulted in a 15% reduction in greenhouse gas emissions. This drop is more pronounced (-21%) in EMEA thanks to efforts to curb the use of gas and liquid fuels. This was also reflected in a more significant fall in direct Scope 1 greenhouse gas emissions (-23%).

With regard to volatile organic compounds (VOCs), Groupe SEB regularly tests its emissions in order to treat and control these emissions. Significant investments totaling several million euros have been spent on the most affected sites (e.g. Rumilly). These investments aimed to treat emissions as well as to overhaul processes in order to very substantially reduce VOCs.

REDUCING WATER CONSUMPTION

GROUPE SEB TARGETS – 2023 & 2025 – ACT4NATURE	2022 RESULTS
-20% reduction of water consumption by product manufactured by 2023 and -25% reduction by 2025 (base year 2016)	-16%

The Group is mindful of conserving water resources and is implementing action plans to reduce water consumption and recycle wastewater on industrial sites. As part of its partnership with the Act4Nature International initiative (see 3.10.4 Biodiversity p. 220), it made a new commitment in 2022 and now aims to reduce water consumption by 20% per item produced by 2023 and by 25% by 2025 (base year 2016). At the end of 2022, water consumption per item product manufactured decreased by -16% compared to 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 restrooms. 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.

Change in water consumption

	2022	2021	2020
Total water consumption *(in thousands of m^3)*	2,846.0	3,318.7	3,027.1

The decrease in water consumption between 2021 and 2022 (-14%) is linked to the slowdown in activity for products with high water consumption in their processes, especially at SUPOR plants in China.

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, 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 also conducted a study of the vulnerability of its activities to climate change (see 3.10.3 Risks and opportunities associated with climate change). There is a specific focus on assessing the Group's exposure to water stress over the next ten years.

DIRECT RAW MATERIALS CONSUMPTION

(ISO 14001 certified entities scope)

Direct raw materials

(in tons)	2022	2021	2020
Total consumption of metals[(1)]	203,454	225,388	176,309
Total consumption of plastics[(2)]	85,348	98,570	92,628
Total consumption of packaging	170,216	162,644	106,119

(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 223 (Eco-packaging).

REDUCE WASTE

GROUPE SEB TARGET – 2022 – ACT4NATURE	2022 RESULTS
-15% reduction in waste produced at its industrial sites by 2022 (base year 2019)	-25%

Progress is being made in the reduction of industrial waste, capitalizing on practical initiatives. In 2022, the Group launched a taskforce dedicated to waste to coordinate and strengthen best practice at sites and build an ambitious "3R" roadmap (*reduce, reuse, recycle*). This working group will focus specifically on waste from component packaging.

In addition, several industrial sites have already taken initiatives to reduce waste. At many of the Group's plants, the largest volume of non-hazardous waste comes from the **packaging of components** received. In order to reduce it, some packaging is now sent back to suppliers, who reuse it for subsequent deliveries: this is the case in Selongey for containers of modules and handles for pressure cookers, but also in Is-sur-Tille, Vernon, Shanghai, etc. In Vietnam, the Binh Duong (Asia Fan) site removed the plastic wrapping around 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. 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.

Finally, the group has committed to reducing waste produced at its industrial sites by 15% between 2019 and 2022 as part of its commitment to the act4nature international initiative: this objective was achieved at the end of 2022 with a reduction of -25%.

Evolution of the quantity of waste produced

(ISO 14001 certified entities scope)

	2022	2021	2020
Non-hazardous waste (NHW)(1) (in tons)	22,890	29,680	25,866
Percentage of NHW recycled (in %)	66.8	59.7	59.6
Percentage of NHW used for energy(1) (in %)	15.0	18.3	19.3
Production of Hazardous Waste – excluding waste oil, effluent and sludges (in tons)	2,285	3,016	5,033
Sludges produced by internal wastewater treatment plants (in tons)	3,165	4,198	3,949

(1) *Excluding Oils, Metals and Sludges.*

The changes in manufacturing activity on sites that are big waste producers have significantly impacted the 2022 data. In 2022, 82% of the non-hazardous waste was treated through recycling or used to produced energy.

The Group also records its metal waste: 18,947 tons.

POLLUTION PREVENTION

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

The Group's sites implement control methods for the treatment of water discharge. 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 2022, Groupe SEB emitted 108 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.

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.

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.

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 environmental impact. This 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, primarily 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 considered and three were selected for the period 2020-2022: conservation of natural gas through the use of biogas for heating the Is-sur-Tille site (France), the recovery of heat produced by refrigeration units and air compressors in Rumilly (France) and the reduction of industrial water consumption in Yu Huan (China) and Binh Duong (Vietnam).

3.10.7 ECO-LOGISTICS

GROUPE SEB 2023 TARGET	2022 RESULT
-10% reduction in greenhouse gas emissions related to the transportation of products and components per product sold (in kg of CO_2 eq./unit sold, base year 2016)	-11%

The transport of products, as well as the raw materials and components used to manufacture them, is one source of Groupe SEB's greenhouse gas emissions.

Groupe SEB's Supply Chain department oversees the Group's eco-logistics policy and strategy which has been defined in coordination with the Sustainable Development department. Its eco-logistics unit coordinates all actions, both in France and internationally, and consolidates data from factories and commercial subsidiaries with the support of a network of local logistics managers.

An initial assessment of greenhouse gas emissions related to logistics transport was conducted by the Group in 2009. The Group has committed to reducing the carbon intensity associated with the transportation of products by 10% by 2023 (reference basis 2016): the results to date are detailed below in the section on "Greenhouse gas emissions related to transport".

To reduce its emissions, **the Group is focusing on five areas (detailed below):**

- increasing the loading rate of transport units (trucks or containers);
- reducing empty space in packaging;
- 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).

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 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 forum for sharing reflection and experiences, the aim of this club is to promote environmentally friendly logistics and to implement operational solutions designed to reduce environmental impacts.

TRANSPORT-RELATED GREENHOUSE GAS EMISSIONS

Worldwide (excluding Krampouz)

	2022 [(3)]	2021 [(2)]	2020 [(1)]
Average value of transport-related greenhouse gas emissions (in tons of CO_2 equivalent)	252,985	316,238	259,826

(1) Integration of EMSA entities into the 2020 reporting.
(2) Integration of WMF entities into the 2021 reporting.
(3) The data of the GS COLOMBIA entity, relating to the flow of goods not passing through a seaport and coming from a service provider outside Groupe SEB, are not available.

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 CO_2 emissions to cover new countries. The share of extrapolated emissions is therefore steadily declining.

In 2022, Groupe SEB emitted 252,985 tons of CO_2 equivalent: 20.1% from maritime transport, 77.2% from road transport, 3.5% from air transport and 0.4% from rail and river transport.

(1) Freight Transport Users Association.

The carbon intensity of the transportation of products and components decreased by -11% in 20221 compared to the base year 2016.

The Covid and Post-Covid crises had a significant impact on supply chains worldwide, which led to significant variations in volume, restrictions on available transport capacity and means of transport, and significant decreases and increases in stock movements. This reduced the Group's ability to implement some of its logistical CO_2 reduction initiatives on schedule.

As part of efforts to continually improve, the greenhouse gas emissions of Brazil, Supor (China) and EMSA are no longer extrapolated. WMF production sites have been incorporated into the annual carbon footprint.

LOADING OF TRANSPORT UNITS

To reduce CO_2 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 EFFiciencyY") 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 market subsidiaries while ensuring the container is as full as possible. The implementation of this system continued to progress internationally in 2022 with the integration of shipments from Supor's international plants in China and Vietnam.

	2022	2021	2020
Container loading rate	85.7%	84.6%	83.7%
Truck loading rate (intergroup shipments)*	63.2%	63.4%	63.1%

* *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 85.5% (+1 point compared to 2021). Containers departing from europe have a loading rate of 88% (+ 1 point compared to 2021).

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 packaging concerned. 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.

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 CO_2 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 CO_2 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 CO_2 in emissions (the equivalent of traveling around the earth 72 times by car) and save 200,000 m^2 of cardboard (or 1,680 trees).

SELECTING AND ORGANIZING MODES OF TRANSPORT

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.

Alternatives to road 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 CO_2 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 CO_2 emissions per ton transported by half.

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. Finally, a western European central warehouse for SDA will open its doors in Bully in 2023. It will greatly increase the use of inland waterways, particularly the Scheldt canals linking Antwerp and Dunkirk to Lille, to transport containers imported from ports along the English Channel.

In case of urgent supply of components, the Group also favors rail over air, especially between China and Europe. However, since February 2022, the armed conflict in Ukraine has forced it to suspend this solution.

RESPONSIBLE PURCHASING: SELECTION OF CARRIERS

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 CO_2 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.

3.10.8 REDUCE THE ENVIRONMENTAL FOOTPRINT OF INFORMATION SYSTEMS

Groupe SEB implements an eco-friendly IT policy based on the guidelines of 72 best practices drawn up by the Green IT Club (a group of French-speaking Green IT and digital responsibility project leaders from private and public organizations). In order to accelerate the convergence between ecological and digital transition, the priority is now to disseminate these key actions as quickly as possible and to as many people as possible, and several areas of work have been identified for this purpose:

GOVERNANCE AND STEERING

A Green IT community was created in 2022 within the IT department with advisors from different fields (infrastructure, networks, data, industry) to coordinate the various actions and expand the approach. Accordingly, a framework of internal Green IT indicators has been defined that will allow the effectiveness of optimization actions to be monitored, particularly in the end-of-life management of equipment, the use of workstations, telephones or printers and data center management. The aim is to increase the awareness and skills of all IT employees so that they integrate a policy of digital frugality into projects and incorporate it within the business lines.

COMMUNICATION OF BEST PRACTICES

Users are the critical link in implementing Green IT best practices within an organization and it is therefore important to incorporate them as much as possible into the process. In 2022, an awareness communication and a statement from the Head of IT Systems were shared with all Group employees in a video. To raise awareness amongst the largest number of people, the focus was on good email management practices for the 18,000 employees who were able to take part in a challenge to clean email boxes (approximately 1,000 registered for a gain in storage of 1.8 T of data). Additionally, a platform for sharing key messages was implemented to record and share daily best practices, such as switching off individual electronic equipment during periods of inactivity).

Training is also a key tool for acquiring these best practices to ensure the transition to responsible digitization. In 2022, 829 employees received training on how to optimize the use of Office365, available in French and English in more than 100 countries. Its objective was to encourage the use of shared workspaces and thus avoid large email flows and the multiplication of document storage in multiple versions.

NEW WAYS OF COLLABORATION FOR LESS TRAVEL

The remote collaboration solution Teams deployed within the Group significantly reduces the amount of travel, not only for inter-site meetings, but also in the case of remote working. In 2022, its use has continued the significant increase initiated during the Covid-19 pandemic. This solution enabled approximately 70,000 meetings on average per month (+10% compared to 2021) and 91,700 one-to-one connections (+30%).

TELEPHONE

Although landline telephones have a long lifespan and a small environmental footprint compared to other IT system equipment, they often outnumber users, as they are often redundant with mobiles or digital communication solutions (Teams). The IT department has therefore taken the first actions to reduce the number of telephone handsets, starting in 2022 through opportunities at the Rumilly and Ecully sites.

At the same time, the Group has set up “BYOD” (Bring Your Own Device) agreements to reduce the number of devices delivered by the IT department to its employees. BYOD enables certain employees to use their own equipment within the secure framework of Groupe SEB. The environmental footprint of these employees is greatly reduced: less equipment manufactured, less energy consumption.

ECO-FRIENDLY PRINTING POLICY

All of the Group's multi-functional printers were upgraded in Europe (812 machines in 2022) 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. The volume of printing remained stable in 2022 (+1.5%) in Europe, despite the greater number of employees in the office compared to 2020 and 2021.

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. At the same time, in 2022, the air conditioning instructions for server rooms and technical premises were optimized, while guaranteeing operational safety (from 21 degrees to 24 degrees with a significant saving in electricity consumption).

Moreover, 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 partial shutdowns at night or at weekends.

RESPONSIBLE IT PURCHASING

Environmental clauses are becoming commonplace in calls for tender for IT equipment and services and are becoming a selection criterion in their own right. Any supplier approved by the Group must commit to comply with environmental laws and regulations in accordance with the Group's Responsible Purchasing Charter (see page 171). It must have IS0 14001 certification and be vigilant about the prevention of risks, the impact on the environment of its activity, waste and hazardous substances.

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 which works with the protected sector company Triade Avenir to dismantle the products. In ten years, 13,800 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 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 2022, the Group launched an initial experiment with a new partner, Recyclea, which also employs people in reintegration schemes, to recycle a batch of laptops.

In order to go further in its Green IT approach, the Group has identified several avenues for implementation in the coming years. It intends to roll out the energy optimization measures undertaken at all its international sites and to continue to raise user awareness by developing advanced training modules. Good eco-design practices will be integrated into the creation of new IT solutions, while efforts will be made to maintain and extend the life of existing equipment.

3.11 Report by one of the independent third-party organization on the verification of the consolidated non-financial statement included in the Group management report

For the year ended December 31, 2022

This is a free translation into English of the independent third-party organization'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 independent third-party organization, member of Mazars Group and accredited by COFRAC Inspection under number 3-1058 (scope of accreditation available on www.cofrac.fr), we have performed work to provide a reasoned opinion that expresses a limited level of assurance on the historical information (observed and extrapolated) of the consolidated extra-financial performance statement, prepared in accordance with the entity's procedures (hereinafter the "Statement") for the financial year ended December 31, 2022 (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 and in accordance with article A. 225-3 of the French Commercial Code, we have the following comments:

- As mentioned in the methodological note of the non-financial performance statement, the data "Inland Import & Export" included in the calculation of the indicator "Transport-related greenhouse gas emissions" is estimated. It represents 7% of the consolidated data.
- Furthermore, the scope of this indicator does not include a part of the transport flows of GS COLOMBIA, whose activities represent 7.5% of the group's production.

PREPARATION OF THE NON-FINANCIAL PERFORMANCE STATEMENT

The lack of a commonly used framework or established practice on which to base the assessment and evaluation of information allows for the use of alternative accepted methodologies that may affect comparability between entities and over time.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement.

RESTRICTIONS DUE TO THE PREPARATION OF THE INFORMATION

The information may contain inherent uncertainty about the state of scientific or economic knowledge and the quality of external data used. Some of the Information is dependent on the methodological choices, assumptions and/or estimates made in preparing the information 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.

RESPONSIBILITY OF THE INDEPENDENT THIRD-PARTY ORGANIZATION

Based on 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").

As it is our responsibility to express an independent conclusion on the Information prepared by management, we are not authorized to be involved in the preparation of such Information, as this could compromise our independence.

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 truthfulness of the Information provided for in Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- 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 2022 and April 2023 and during 6 weeks.

We conducted around forty interviews with the people responsible for preparing the Statement, 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 estimate 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 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 1; concerning risks related to "Human Rights" and "Corruption" 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 1, 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 18% 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., GS COLOMBIA Rionegro, GS COLOMBIA Cajicá, TEFAL Rumilly Articles Culinaires, CALOR Pont-Evêque, WMF GmbH, SUPOR CHINA*

We are convinced that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

The Independent third party,

Mazars SAS

Paris La Défense, the 6 april 2023

French original signed by

Edwige Rey

CSR Partner

APPENDIX: INFORMATION CONSIDERED AS MOST SIGNIFICANT AND SELECTED ENTITIES TESTED IN DETAIL

The qualitative information (actions and results) that we considered to be the most important is that relating to the main risks:

- Human Rights;
- Corruption;
- Health and safety of staff;
- Product quality and consumer safety;
- Talent attraction and retention;
- Climate chang;e
- Resource depletion.

The key performance indicators and other quantitative results that we considered the most important:

- Total workforce as of December 31st, 2022;
- Intertek audit of Group sites: percentage of sites with an overall compliance score greater that 80% and average audit score;
- Rate of roll-out of Code of Ethics e-learning training;
- Rate of ISO 45001 certified entities;
- LTIR (Lost Time Injury Rate);
- Rate of ISO 9001 certified entities;
- Lost Time Injury Rate;
- Average employee turnover rate:
- Rate of ISO 14001 certified entities;
- Electricity consumption;
- Gas consumption;
- SBT: Reduce greenhouse gas emissions of plants (scopes 1 and 2) per manufactured products;
- Greenhouse gas emissions related to transporting products and components per product sold;
- Evolution of the quantity of waste produced on industrial sites;
- Financial and product donations for philanthropic actions (SUPOR China).

4 Commentary on the financial year

4.1 Highlights

GENERAL ENVIRONMENT

The year 2022 was marked by a generally volatile backdrop – the health and energy crises, geopolitical tensions – with the war in Ukraine adding to the world's concerns since February.

The sharp rise in the prices of energy and certain raw materials, and ongoing major disruptions to supply chains were the source of global inflationary shock from the beginning of the year.

This inflationary shock fueled consumers' fears about changes to their purchasing power, and the increased weighting of spending constraints began to impact consumption (gasoline, natural gas, electricity, transportation, etc.). It led to a tradeoff of consumer spendings, particularly to services (travel, leisure, etc.) and to consumer goods such as clothing and cosmetics.

It had an adverse impact on Small Domestic Equipment – mainly the cooking categories – which had benefited strongly from the stay-at-home requirements in 2020 and 2021, but the restrictions removal was positive for the hospitality and catering sector.

CURRENCIES

The eurozone is particularly exposed to the consequences of the Russia-Ukraine war, especially as a result of the tensions over energy supplies, which led to an explosion in gas and oil prices, fueled inflation, and clouded the economic outlook for the region.

As a result, the euro depreciated sharply, falling below parity with the dollar in the summer of 2022, and also weakening against the Chinese yuan.

Compared with 2021, both the dollar and the yuan appreciated by an average of around respectively 12% and 8% against the euro.

It should be remembered that the US dollar and the Chinese yuan are currencies for which the Group is "short", i.e., the weight of its purchases denominated in these currencies is greater than that of its sales. Thus, the weakening of these currencies against the euro has an unfavorable impact on the Group's Operating Income.

Because of its presence in around 150 countries, the Group is also exposed to many currencies, the vast majority of which are "long" (sales exceed costs).

For these currencies, movements were relatively mixed compared with 2021, with some of them nosediving (Turkish lira -66%) and others strengthening (Brazilian real +15%, Mexican peso +12%).

In response to constant exchange rate volatility the Group has hedged certain currencies to limit sudden effects on its performance or to smooth out its impact over time. At the same time, it implements an agile pricing policy, passing on higher prices to compensate for the adverse effects of weakened currencies on local profitability (such as Turkey).

Over the year, exchange rate fluctuations had a total positive impact of €269 million on the Group's sales (compared with a negative impact of -€22 million in 2021) and -€41 million on the Operating Result from Activity (-€25 million in 2021).

RAW MATERIALS, COMPONENTS, AND FREIGHT

In its line of business, the Group is exposed to fluctuations in the prices of certain materials, such as metals like aluminum, nickel, which is used to make stainless steel, and copper. It is also exposed to changes in the plastics used in the manufacture of small electrical appliances, and the paper/cardboard for packaging. These exposures are direct (for in-house production), or indirect if the manufacturing of the product is outsourced to subcontractors.

In order to spread over time the effects of sometimes abrupt fluctuations in metal prices, the Group partially hedges its requirements (aluminum indexed to the LME (London Metal Exchange) and SHFE (Shanghai Futures Exchange), nickel, copper, and some ingredients related to the manufacture of plastic materials), which protects it in the event of a sharp rise in prices, but which results in some inertia in the event of decline.

In 2021, the prices of raw materials increased in response to supply chain challenges, industrial recovery then global consumption in a climate where the health situation was gradually improving They reached an annual high in December.

The year 2022 was marked by a certain easing but from a very high starting point. However, the pressure on gas and electricity prices supported energy-intensive metals, particularly aluminum. Similarly, nickel, of which Russia is the world's largest producer, remained at a high level.

Compared to 2021, the price of aluminum rose by 9%, while the price of copper fell by an average of 6% over the year. Nickel, of which Russia is the world's largest producer, rose sharply (+40%). Due to the Russian-Ukrainian conflict, the LME nickel market was closed for 10 days in March 2022.

RAW MATERIAL PRICE EVOLUTION

Source: Bloomberg

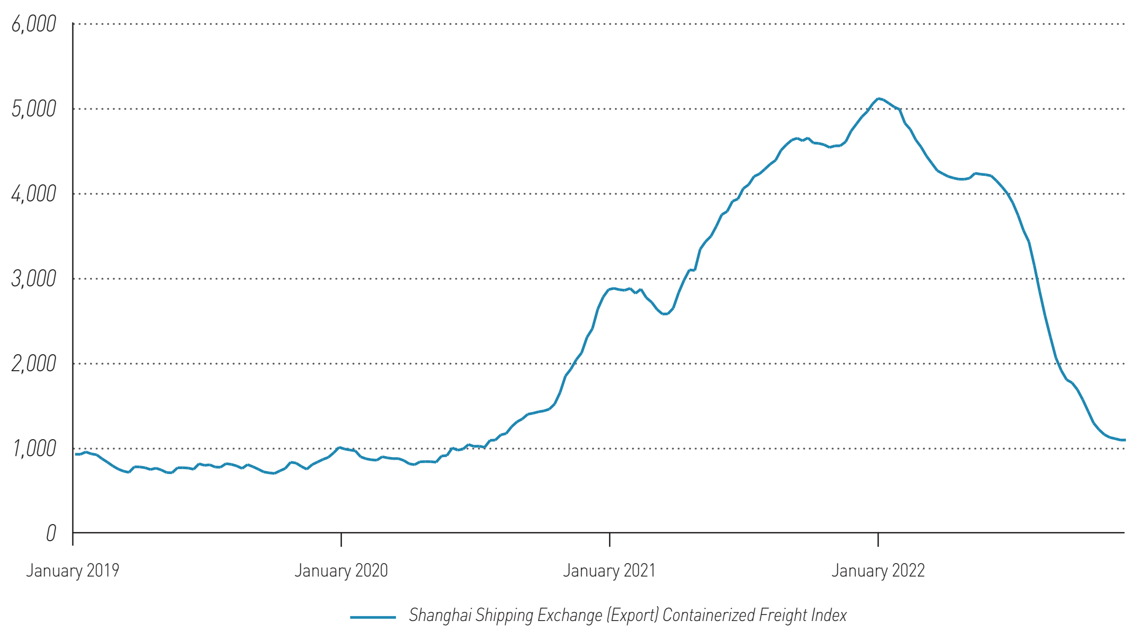
The availability of electronic components, particularly semiconductors that power a significant portion of our small electrical appliances, remained a serious issue over the year. Although a certain normalization of demand in the second half of the year led to an easing of prices and supply times, significant supply difficulties remained depending on the product and the manufacturer.

With regard to sea freight, the strong recovery in trade in 2021 had led to under-capacity in sea freight globally. This under-capacity resulted in soaring rates and longer delivery times, and the SCFI (Shanghai Containerized Freight Index) Composite Index had increased nearly fivefold between early 2020 and early 2022.

In 2022, inflationary pressures led to a slowdown in household consumption, while inventory levels remained high around the world, leading to a moderation of demand for transportation. The drop in freight prices, although significant, remained moderate in the first part of the year due to the surge in oil prices following the start of the Russian-Ukrainian crisis.

Overall for the year, the fall in freight prices did not compensate for past increases and did not prevent an unfavorable comparison with 2021 – particularly in the first semester.

SEA FREIGHT PRICE EVOLUTION SINCE END-2019 (IN DOLLARS)



Source: Bloomberg

Finally, with regard to energy, the outbreak of war in Ukraine led to an explosion in energy prices – gas and electricity – particularly in Europe. Although wholesale gas and electricity prices eased at the end of the year thanks to a very mild winter and slowdowns in global activity, energy prices remain well above historical levels.

Over the year, the price of a barrel rose by an average of 40% compared to 2021.

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS

The Annual General Meeting of SEB S.A. of 19 May 2022 voted in favor of the:

- reappointment of Delphine Bertrand as a director;
- appointment of BPIFRANCE INVESTISSEMENT as an independent director to replace Jean-Noël Labroue, whose term of office expired at the end of the Annual General Meeting.

As of 31 December 2022, the Board of Directors had 16 members:

- the Chairman;
- seven directors representing the Founder Group:
  - four directors from VENELLE INVESTISSEMENT,
  - two directors from GÉNÉRACTION,
  - one director from FÉDÉRACTIVE,
- five independent directors;
- two directors representing employees;
- one director representing employee shareholders.

CHANGE IN THE GROUP'S GOVERNANCE




Following the proposal of its Chairman and the recommendations of the Governance and Remuneration Committee, at its meeting of 10 February 2022, the Board of Directors decided to separate the functions of Chairman and Chief Executive Officer.

The Board decided to retain Thierry de La Tour d'Artaise as Chairman of the Board of Directors, a position he has held since 2000, and appoint Stanislas de Gramont as Chief Executive Officer from 1 July 2022.

This evolution will ensure the sustainability of the Group's performance, values and commitments, as well as the quality of its governance. This dual governance, based on the relationship of trust established between Thierry de La Tour d'Artaise and Stanislas de Gramont, will allow the Group to combine forward-looking prospects with operational excellence.

Stanislas de Gramont, who has regularly taken on additional responsibilities as part of the active pairing formed with Thierry de La Tour d'Artaise since joining the Group, will be able to achieve his full potential by becoming the Group's Chief Executive Officer.

The separation of the functions of Chairman and Chief Executive Officer was implemented on July 1, 2022.

JULIETTE SICOT-CREVET APPOINTED DIRECTOR OF SUSTAINABLE DEVELOPMENT OF GROUPE SEB

Juliette Sicot-Crevet began her professional career holding several positions in marketing at Procter & Gamble in France, the UK and Mexico. She then moved to Cadbury-Schweppes, where she was Marketing Director of Orangina-Schweppes France. Juliette later joined Ipsos, where she was CEO & Managing Director of Ipsos Suisse, before moving to Firmenich in the fragrances and flavor industry. At Firmenich, she held the position of Vice-president of Global Marketing, Consumer Intelligence and Prospectives. Juliette Sicot-Crevet was appointed to the newly created role of Director of sustainable development for the Group's Fragrance division, tasked with setting out and implementing a responsible and sustainable fragrances strategy.

GROUPE SEB ACQUIRES ZUMMO, WORLD LEADER IN AUTOMATIC JUICE EXTRACTION MACHINES

On 27 July 2022, Groupe SEB has announced the acquisition of Zummo, the Spanish world leading maker of automatic fruit juice extraction machines. **The professional offering of Groupe SEB is being expanded to better meet the needs of its customers (hotels, large restaurant chains, retail chains, local shops, etc.) in France and around the world. This will enable the company to develop numerous synergies.**

Founded in Valencia, Zummo began operations in 1992 and is now the world leader in the design, manufacture and distribution of automatic juicing machines for fresh fruit and vegetables. The technologies it has developed over time have given Zummo has a significant competitive advantage in an extremely dynamic market. The Group will capitalize on Zummo's recognized expertise, its management team and its 130 skilled employees.

LAC1 SLP FUND REPRESENTED BY BPIFRANCE INVESTISSEMENT ACQUIRES STAKE IN SEB

On 23 March 2022, the LAC1 SLP fund, managed by BPIFRANCE INVESTISSEMENT on behalf of French and international investors, announced that it had acquired a stake in SEB. This investment (its fifth investment since the creation of the fund in 2020) in a family-owned, industrial, French company is fully in line with the LAC1 SLP fund's investment strategy: to support French listed world leaders that offer strong value creation potential while addressing today's environmental and societal challenges. With this investment, LAC1 SLP affirmed its commitment to the Group's strategy and its desire to be closely involved with the Group over the long term.

The Board of Directors of Groupe SEB decided to propose the appointment of LAC1 SLP's representative BPIFRANCE INVESTISSEMENT as a director of SEB. On the proposal of the Governance and Remuneration Committee, the Board nominated Anne Guérin, Executive Director, Funding and Network Management at BPIFRANCE INVESTISSEMENT . The General Assembly of 22 May 2022 approved the appointment of BPIFRANCE INVESTISSEMENT, represented by Anne Guérin.

GROUPE SEB INVESTS IN BLISCE, THE FIRST CERTIFIED B CORPORATION TRANSATLANTIC *VENTURE CAPITAL* FUND*

On 12 May 2022, Groupe SEB announced its investment in the Blisce fund, run by Alexandre Mars (a French entrepreneur), via its investment company SEB Alliance. This new investment allows SEB Alliance to continue its development with a positioning that complements its indirect investment strategy.

SEB Alliance continues its sustainable growth strategy as the Blisce fund is the first transatlantic B Corp certified Venture Capital fund. Groupe SEB was particularly impressed with the fund's investments in companies making a positive impact, tying in with its main areas of focus for development: digital, health/wellness, and societal and environmental transitions.

With this investment in the Blisce fund, which is complementary in terms of positioning with SEB Alliance's current partner funds, Groupe SEB has opened itself up to more U.S. start-ups specializing in direct-to-consumer (D2C).

Beyond the financial aspect, SEB Alliance's teams are committed to a real win-win partnership and will work closely with the fund's teams to develop start-ups, bringing in particular their expertise on consumers and the markets.

GROUPE SEB INVESTS IN ITEN, FRENCH SPECIALIST IN MICRO-BATTERIES

On 4 October 2022, Groupe SEB announced through its investment company, SEB Alliance, that it had participated in the new fund-raising round of ITEN, France's leading specialist in ceramic Li-ion technology, alongside Bpifrance, among others. Passionate about innovation and convinced that new technologies can improve the daily lives of our consumers, SEB Alliance supports ITEN in this phase of industrialization of its products.

Based on a fully ceramic electrode architecture, these micro-batteries offer both high energy storage density and high power, all in a miniaturized product. They are compatible with automated manufacturing processes used in the electronics industry and meet the miniaturization needs of connected and communicating objects (IoT sensors, smartcards, backups, etc.). As well as their technical performance, ITEN's ceramic Li-ion micro-batteries have characteristics that are vital in addressing environmental challenges. They contain no heavy metals, are fully recyclable and rechargeable, and they stood out for their long service life.

EXPANDING THE KRAMPOUZ PRODUCTION SITE IN PLUGUFFAN (FRANCE)

To support the brand's growth in France and internationally, on 17 May 2022 Groupe SEB announced an investment of more than €5 million in 2022 for extension work at its Pluguffan plant.

The investment aims to increase the plant's production capacity for the complete Krampouz cooking appliance range, including both those aimed at professionals and the general public.

The expansion of the site will allow it to accommodate new machinery and a modernized machining tool, as well as to extend the research and testing laboratory. The site will also create new spaces that will contribute to staff well-being, an essential component of this project. This work will increase the surface area of the site to around 10,000 m^2, nearly double the size of the current premises. Initiated in March 2022 and contracted to local businesses, the project is set for completion in summer 2023.

* *B Corp is an internationally recognized label, considered the most comprehensive in terms of social, environmental and societal impact.*

LAUNCH OF THE NEW FULLY AUTOMATIC COFFEE MACHINE: WMF PERFECTION

Capitalizing on both its professional expertise and its legitimacy in coffee preparation, WMF launched its first automatic espresso machine for the consumer market in spring 2022.

This new machine sets itself apart with a design that is both beautifully sleek and minimal. Users have a number of choices available in terms of grind size, the intensity of the coffee and the amount of milk added. In addition, it is fitted with WMF Double Thermoblock technology, which provides high-precision control of temperatures during preparation. It automatically cleans the milk system after use to ensure that perfect hygiene is maintained.

The Group has chosen actress Diane Kruger as its muse to represent the WMF brand.

25 YEARS OF TEFAL IN KOREA: AN UNPRECEDENTED VIRTUAL EVENT

To strengthen the brand image and to thank consumers for their commitment and loyalty throughout these 25 years, last October, Groupe SEB Korea opened a Tefal pop-up house on “ZEP”, one of the largest platforms in the metaverse (virtual environment network).

The aim was to reach a younger generation through immersion in a virtual world and offering experiences and benefits in the form of entertainment. This excellent campaign in the metaverse exceeded all expectations, with more than 60,000 people visited the house. It was a very successful showcase for Tefal on the social networks, particularly Instagram.

RECOGNITION FOR GROUPE SEB

RICH REWARDS FOR RÉPARESEB!

On 5 and 6 December 2022, the Répareseb workshop won two CSR awards in the Ethical Company one created by Sopra Steria Next and French TV channel Public Sénat, as well as the Corporate Citizen Award one from Easybourse and La Banque Postale. Launched in 2021, Répareseb aims to combine action for the circular economy – repair, re-use or rental of the Group's products – with helping people previously excluded from the world of work to find employment. These two awards bestowed upon this Groupe SEB initiative, developed in partnership with the Ares Group (Association pour la Réinsertion Économique et Sociale, the Association for Economic and Social Reinsertion), attest to its sustainable, community-minded and responsible characteristics. Reconditioned products are also available online from their website.

THE GROUP'S COLOMBIAN SUBSIDIARY WINS TWO AWARDS.

At the end of the year, Groupe SEB subsidiary based in Colombia was awarded two very interesting prizes:

- the Mercado Ads Award, awarded by consumers and which recognizes the best advertising campaigns. This prize is all the more rewarding since Groupe SEB ANDEAN is the leading online sales operator in Latin America and was in competition with other major global companies;
- the Supplier of the Year prize from Colombia's leading retailer, Exito (Casino Group), was also up against a large number of competitors.

GROUPE SEB AWARDED THE HAPPYINDEX®TRAINEES LABEL FOR THE NINTH CONSECUTIVE TIME!

The HappyIndex®Trainees label aims to highlight companies in which interns and work-study trainees are happy to work. In 2022 and for the ninth consecutive year, the Group was rewarded for its policy of integrating and training its interns and work-study trainees. They anonymously reviewed six aspects of their experience: professional growth, stimulating environment, management, motivation, pride and pleasure. This result demonstrates the teams' commitment to a new generation of passionate individuals who want to blossom within Groupe SEB.

GREAT PLACE TO WORK®: GROUPE SEB RANKED AMONG THE BEST COMPANIES TO WORK FOR IN EUROPE.

Groupe SEB ranked 20th on the Best Workplaces Europe™ 2022 list in the multinationals category. This recognition evaluates employee experiences of trust, innovation, company values and leadership in several Group countries.

4.2 Commentary on consolidated sales

BREAKDOWN OF REVENUE BY REGION

Revenue *(in €m)*	2021	2022	Change 2022/2021	
			As reported	Like-for-like*
EMEA	**3,892**	**3,444**	**-11.5%**	**-11.1%**
Western Europe	2,770	2,416	-12.8%	-12.9%
Other countries	1,121	1,028	-8.4%	-6.7%
AMERICAS	**1,082**	**1,130**	**+4.5%**	**-5.5%**
North America	788	797	+1.1%	-9.7%
South America	293	333	+13.5%	+5.9%
ASIA	**2,458**	**2,660**	**+8.2%**	**+2.3%**
China	1,860	2,101	+13.0%	+5.0%
Other countries	598	559	-6.5%	-6.4%
TOTAL CONSUMER	**7,431**	**7,234**	**-2.6%**	**-5.9%**
Professional	628	725	+15.6%	+9.2%
GROUPE SEB	**8,059**	**7,960**	**-1.2%**	**-4.7%**

REVENUE BY REGION – FOURTH QUARTER

Revenue *(in €m)*	Q4 2021	Q4 2022	Change 2022/2021	
			As reported	Like-for-like*
EMEA	**1,294**	**1,142**	**-11.8%**	**-12.1%**
Western Europe	928	791	-14.7%	-14.6%
Other countries	367	350	-4.5%	-5.7%
AMERICAS	**309**	**326**	**+5.7%**	**-3.9%**
North America	238	240	+0.8%	-10.2%
South America	71	86	+22.2%	+17.6%
ASIA	**713**	**711**	**-0.4%**	**-0.2%**
China	532	557	+4.6%	+3.8%
Other countries	181	154	-15.1%	-11.9%
TOTAL CONSUMER	**2,316**	**2,179**	**-5.9%**	**-7.3%**
Professional Business	**172**	**221**	**+28.4%**	**+17.6%**
GROUPE SEB	**2,488**	**2,400**	**-3.6%**	**-5.6%**

* *Like-for-like : at constrant exchange rates and scope of consolidation.*

Rounded figures in € millions.

% calculated on non-rounded figures.

Groupe SEB generated 2022 **sales of €7,960 million, almost stable (-1.2%) vs. 2021 on a reported basis and down 4.7% LFL.** The difference between these two figures can be attributed to a strong positive currency effect (+3.3%), stemming very largely from the appreciation of the US dollar and the Chinese yuan. The consolidation impact, in the fourth quarter of Zummo, acquired last summer, amounted to €10 million*.

These performances confirm the sound resilience of the Group in a tense geopolitical environment compared with the record performance reported in 2021. **Compared with 2019,** the most recent normal year, **2022 revenue was up 8.2% and confirms the Group's positive trajectory over time.**

After a record 2021 (organic growth of 16% vs 2020), **the Consumer business generated sales of €7,234 million, contracting 5.9% LFL** compared with 2021. This decline was attributable to four countries, which represent one-third of Consumer revenue:

- France (down 22% vs. 2021) and in Germany (-13%) owing to the rebalancing of household consumption towards other sectors to the detriment of Small Domestic Equipment, an unfavorable category mix effect (cooking categories overweighted and oversold during the Covid period) and the non-recurrence in 2022 of major loyalty programs;
- Russia and Ukraine, where sales collapsed more than 30% vs. 2021 LFL.
- On the other hand, China confirmed its positive momentum with sales showing organic growth of 5% and crossing the two-billion-euro mark.

In other regions, business was mixed, with organic growth in Eurasia (excluding Russia and Ukraine) and in South America, resilience in other European countries, and sales down in North America as well as in Asia excluding China.

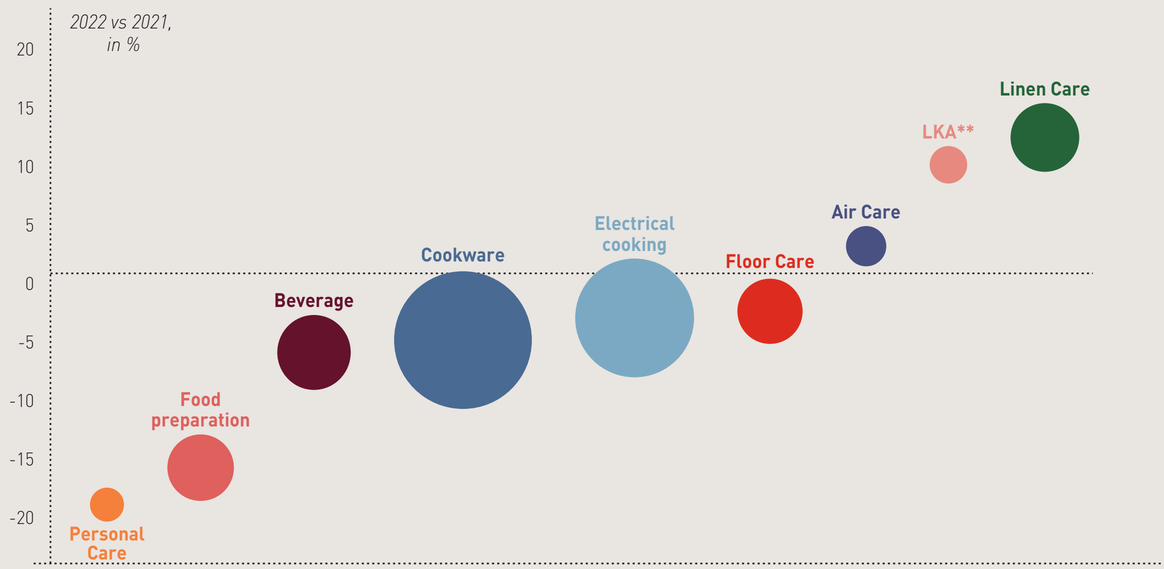
Full-year sales in the Professional business came out at €725 million, up 15.6% including 9.2% organic growth compared with 2021. This performance reflects the solid recovery of Professional Coffee (90% of professional turnover), driven by both machine deliveries and by services. Hotel equipment also turned in a very good year in 2022, benefiting from a strong catch-up effect compared with 2021.

PRODUCT PERFORMANCE

Total consumer revenue was €7,234 million, down 2.6% on a reported basis and 5.9% like for like. It should be remembered that in 2021, small household appliances – mainly the cookware categories – benefited from a strong momentum associated with the requirement to stay at home during the Covid-19 pandemic. Incentives for consumption in some countries had further accentuated this trend.

Furthermore, in 2021, the Group conducted some major loyalty programs that had strongly boosted sales of certain product lines and these were not renewed in 2022.

CHANGE IN CONSUMER SALES BY PRODUCT LINES, LFL*



* Like-for-like: at constant exchange rates and scope.
** Large Kitchen Appliances.

* 5 months consolidation.

COOKWARE

Accounting for around 30% of consumer revenue, **cookware** covers a wide range of products from pressure cookers to thermal mugs, not to mention frying pans and saucepans – made from a range of materials, coated and non-coated, with fixed and detachable handles –, woks, food storage containers, kitchen utensils or bakeware.

In 2022, in a climate of highly inflation – particularly in the second half of the year – the global cookware market was down, which penalized the Group due to its high exposure to this market. Our cookware revenue was down by more than 5% on a like-for-like basis against a high basis for comparison in 2021, which had benefitted from the dynamic of this market during the pandemic period, and including loyalty programs conducted with a few major distributors that were not repeated in 2022.

The downturn was fairly widespread across all regions:

- in France and Germany, massive inventory drawdowns of the distribution;
- in the United States, a market environment penalized by both inflation and a very high base effect (post-Covid recovery and consumer stimulus measures in 2021, etc.);
- lockdowns in April and May in China.

Compared with 2019, the last “normal” year, our sales of cookware are up by more than 5%.

ELECTRICAL COOKING APPLIANCES

- **Electric cooking,** remained resilient in 2022 after very strong growth in 2021. Compared with 2019, the category remains very buoyant, up by nearly 40%.

  Among the products fueling growth, which have therefore made this resilience possible, were “oil-free” fryers, sales of which were up 50% and still growing rapidly in most regions, particularly in China and Latin America. Sales of rice cookers also continued to grow over the period, driven by in Asia.

  In our other product categories, including grills, electrical pressure cookers and informal meal appliances, revenue was down compared to the record highs of 2021 (overselling during the Covid pandemic).
- **In food preparation,** revenue declined in both small food processors (mixers, slicers, whisks, etc.) and large appliances (food processors, including smart food processors), as well as blenders.

  In Europe, in a shrinking market, business activity suffered from a high basis for comparison linked to both a record high for this category – which was oversold during the Covid period – and a significant number of loyalty programs in 2021.

  In contrast, business is growing in China thanks in particular to the momentum in blenders (the major category in the segment), which are available in a wide range of versions adapted to the Chinese market: classic models, high-speed blenders, vacuum blenders, and juice extractors.
- Revenue from **beverage preparation** was down compared to 2021. In coffee preparation, although portioned coffee (Nespresso, Dolce Gusto) was down, fully automatic espresso machines were resilient, driven by the geographical expansion of this category.

  With regard to kettles, sales were penalized by difficult markets in Japan and France. However, they were stable in China – the largest market – with a sharp increase in health tea pots.

LINEN AND HOME CARE

- **In linen care**, the market has continued its gradual recovery, after several consecutive quarters of decline in recent years. Compared to 2021, which continued to be dominated by Covid-19, the return to a freer social life and face-to-face working has contributed to the recovery in activity.

  Our figures are therefore up 10% year-on-year compared to 2021, exceeding 2019 levels. Nearly all categories were very positive, particularly irons and garment steamers. Momentum is strong in almost all our geographic regions (Europe, America, Asia).
- **Home care** ended the year with a slight decrease in sales compared to record highs in 2021. Compared with 2019, the category's growth was more than 20%.

  Some families are still on the rise – upright, cylinder and robot vacuum cleaners – in all geographic areas: Western Europe, Eurasia, China, etc.
- Sales in **home comfort** were up compared to 2021, thanks to:
  - a very strong dynamic of ancillary heating appliances in Europe, driven by the energy crisis in the second half of the year.
  - fans – the main contributor in this category – whose favorable development in South American countries continued to the end of the year.

PERSONAL CARE

The Group's sales were down compared with 2021. Some of the decline is attributable to the conflict between Russia and Ukraine, as these countries are particularly dynamic in our hair care products. Performance was also down in France, where a loyalty program on kitchen scales had significantly boosted activity in 2021.

PROFESSIONAL

2022 Professional sales came out at €725 million, up 16% and 9.2% LFL compared with a year earlier.

This strong sales performance confirms the recovery that began in the second half of 2021, following the reopening of the hotel and restaurant sector. Growth was driven by all activities: professional coffee, hotel equipment and Krampouz. Zummo, acquired in July 2022 and world leader in automatic juice extraction machines, was consolidated from the fourth quarter (over five months).

In Professional Coffee, sales dynamics was fueled both by machines and services. This was underpinned by the extended and more diversified customer portfolio as well as a policy of continuous development in services, which enhance the recurring proportion of sales.

Among the highlights of the year, three are particularly noteworthy:

- the marked acceleration in Germany;
- the strong ramp-up in commercial synergies between Schaerer and Wilbur Curtis in the United States, which translated to sales growth of more than 20% in the fourth quarter;
- the vigorous roll-out of the business with Luckin Coffee, which continues its fast expansion in China, with the opening of several hundreds of points of sale.

This impressive resumed vitality in 2022 confirms our confidence in the steady expansion of the global Professional Coffee market and the Group's ability to continue to make further progress in this industry.

Hotel equipment also turned in an excellent performance, both quarterly and for the year as a whole, benefiting from a strong catch-up effect after a moderate 2021.

COMMENTS ON CONSUMER SALES BY REGION

Revenue *(in €m)*	2021	2022	Change 2022/2021	
			As reported	Like-for-like*
EMEA	**3,892**	**3,444**	**-11.5%**	**-11.1%**
Western Europe	2,770	2,416	-12.8%	-12.9%
Other countries	1,121	1,028	-8.4%	-6.7%

* *Like-for-like: at constant exchange rates and scope of consolidation.*

WESTERN EUROPE

In Western Europe, **fourth quarter sales were down 14.6% LFL**. While the Group's performance remained negative in France and Germany – confirming the trend at end-September – the situation was mixed elsewhere:

- with an improvement in Italy, the UK, Portugal and the Netherlands;
- and more difficult business trends in Spain, Belgium and the Nordic countries.

Over the year, the decline in revenue came to 12.9% LFL.

This underperformance can mainly be attributed to **France and Germany** (which together represent more than half of sales in the region), two markets suffering negative trends in which the Group was penalized by:

- destocking in retail and market share gains by tradebrands, particularly in France;
- the demanding comparables in cooking categories – overweighted and oversold during the Covid period;
- the non-repeat of major 2021 loyalty programs (impact of circa -€80 million, i.e. 4.6 points of growth in these two countries).

In the other Western European countries, sales were resilient throughout the year, thanks notably to:

- the recovery in linen care;
- growing categories such as oil-less fryers and versatile vacuum cleaners;
- the continued development of our direct-to-consumer sales through our retail network, e-commerce sites and market places.

OTHER EMEA COUNTRIES

In the region, the fourth quarter remained impacted by the effects of the Russia-Ukraine war. Apart from these two countries, LFL performance was positive but contrasted:

- in Central Europe, against a backdrop of slowing markets, Group sales were down, except in Poland where performance was solid;
- in other countries, where markets were more resilient, Group sales enjoyed growth, driven by Turkey, Egypt and the United Arab Emirates.

For the year as a whole, sales were down 8.4% compared with 2021 but up 16% versus 2019. Excluding Russia and Ukraine, sales were up 6% LFL vs 2021 driven by the same countries (Turkey, Egypt).

The Group's direct-to-consumer development strategy accelerated and delivered strong growth both online and offline.

From a product perspective, the main highlights were the recovery in linen care and the successful roll-out of our flagship products to new territories (notably oil-less fryers, Cookeo/Cook4me and our kitchen knife ranges).

Revenue *(in €m)*	2021	2022	Change 2022/2021 As reported	Like-for-like*
AMERICAS	**1,082**	**1,130**	**+4.5%**	**-5.5%**
North America	788	797	+1.1%	-9.7%
South America	293	333	+13.5%	+5.9%

* *Like-for-like: at constant exchange rates and scope of consolidation.*

NORTH AMERICA

Sales in North America were down around 10% LFL in the fourth quarter.

Extremely demanding comparables in 2021, the inflationary environment and high levels of inventories in retail weighed on the market and on Group's activity throughout the year.

Annual Group revenue was up 1.1% on the back of currency appreciation, in particular the US dollar. On a like-for-like basis, annual sales were down 9.7%, on a particularly high 2021 comparable base (+18% LFL). Compared with 2019, excluding StoreBound acquired mid-2020, annual revenue rose by over 18%.

In the United States, the slowdown in sales was mainly due to electrical cooking appliances. The Group managed to maintain its **leading positions in cookware** in a sharply downtrending market, thanks to well-known brands such as T-fal, All-Clad and Imusa. The linen care activity reported significant growth, reflecting a year of recovery after the pandemic.

Sales in Canada were down, hit by the intense competitive environment.

The Group maintained a **strong momentum in Mexico**, in a buoyant market despite a slowdown in the closing quarter. The Group continues to gain market share both in cookware and small electrical appliances, and to extend its product offering for customers (product launches, listings).

SOUTH AMERICA

LFL revenue was up 18% in the fourth quarter thanks to a recovery in Brazil. Against a turbulent macroeconomic backdrop (currencies, inflation, interest rates), annual revenue posted 5.9% organic growth.

Colombia was the main driver of this performance and delivered LFL revenue growth of 14%. The Group continued to gain market share in all small electrical appliance categories (fans, blenders, linen care, oil-less fryers notably), rapidly catching up with the market leader.

In cookware, the Group consolidated its unchallenged leadership position.

In Brazil, against heavy destocking in the trade and intense competition, sales remained stable over the year.

Local currency appreciation (mostly the Brazilian real) led to **total Group sales growth in the region of 14% as reported**.

Revenue *(in €m)*	2021	2022	Change 2022/2021 As reported	Like-for-like*
ASIA	**2,458**	**2,660**	**+8.2%**	**+2.3%**
China	1,860	2,101	+13.0%	+5.0%
Other countries	598	559	-6.5%	-6.4%

* *Like-for-like: at constant exchange rates and scope of consolidation.*

CHINA

Sales in China were up 3.8% on a LFL basis in the fourth quarter of 2022 despite a challenging market environment impacted by significant lockdowns in October and November and a surge in covid cases in December.

For the full year, Supor passed for **the first time the landmark of 2 billion euros in its domestic sales and delivered 5.0% organic growth**, which was fuelled by the electrical appliance categories. These included electrical cooking (rice cookers, high-speed blenders, oil-less fryers, etc.), large kitchen appliances (extractor hoods and built-in stoves) and home care products (linen and floor care). Sales held up firm in cookware thanks to a good momentum in woks. Overall, Supor's revenue growth was driven by the online channel, which represented close to 70% of total sales in China.

In 2022, Supor continued to **gain market share** across all the categories, both online and offline. Such market outperformance is a testament to our constant innovation, the dynamic pace of new product launches and the ability to expand our product offering in China.

We confirm our **clear leadership** in cookware and currently hold the **number 1 position online in kitchen electrics**.

OTHER ASIAN COUNTRIES

In Asia outside China, sales declined by 12% in the fourth quarter due to a high comparison base and a heavy destocking in the trade across most of the region's key markets. **For the full year, sales were down 6.4% LFL.** The best performing categories in terms of sales across the region were kitchenware, linen care and floor care.

In Japan, the Group held up in a market where the intensity of competition was fueled by the sharp depreciation of the Yen. The Group was able to rely throughout the year on its strong market positions, particularly in cookware and kettles. This performance was also driven by good momentum in its network of directly owned stores. At the end of 2022, the Group had 56 stores in Japan which represented close to 30% of the Group's sales in the country.

South Korea delivered a more mixed performance in 2022, mainly due to a high comparison base and significant destocking in distribution.

On the other hand, the South-East Asia region experienced stable sales over the whole year thanks to a good commercial dynamic, driven by multiple launches of new products as well as an extension of its distribution network, particularly in Australia.

4.3 Commentary on consolidated results

INCOME STATEMENT

OPERATING RESULT FROM ACTIVITY (ORFA)

The Group's 2022 **Operating Result from Activity (ORFA) came out at €620 million,** down 24% on the historic high reached in 2021 (€813 million). **The operating margin stood at 7.8%** of sales, versus 10.1% in 2021.

At €620 million, the 2022 ORFA includes a negative currency impact of €41 million. Like-for-like, the ORFA for the year stood at **€661 million,** down 19% vs. 2021, which is mainly due to:

- **a negative volume effect of €359 million,** linked directly to the contraction in Consumer sales particularly in France, Germany, Ukraine and Russia;
- **a very positive price-mix effect, of close to €600 million, driven** for the vast majority by price increases implemented to offset inflation and compensate for the depreciation of some emerging market currencies, but also by the continued enrichment of the product mix;
- **a sharp increase in the cost of sales (-€367 million)**, which includes, as anticipated:
  - massive increases in the cost of procurement of raw materials and components, transport (maritime freight in particular) and storage, further inflated by the strengthening of the US dollar and the Chinese yuan,
  - significant under-absorption of fixed industrial costs (versus very strong over-absorption in 2021) due to the unfavorable impact on the plants' load of the decline in sales volumes and the voluntary reduction in inventories. Our productivity gains which continued at all of our sites were not sufficient to compensate for this reduced activity;
- **stable spending in growth drivers** (innovation, marketing, advertising, etc.) over the year, with a very different sequencing between the first half (with a strongly engaged policy) and the second, marked by a slowdown in investments in order to adjust to market trends;
- **an increase of around twenty million euros in sales and marketing expenses** (versus an increase of €45 million in the first half) covering mainly long-term investments (IT systems, D2C offline and online, etc.). Thus, the Group significantly trimmed its sails during the second half and ended the year showing a solid control of its costs.

The actions implemented by the Group generated an ORFA of €421 million in the second half, i.e. **a margin of 9.8%** vs. 5.4% in the first half.

More generally, the Group had to face significant additional costs or headwinds in 2021 and 2022 (materials, components, freight, currency effects) which amounted to €300 million and €269 million respectively. The Group estimates that these headwinds should not be significant in 2023 because it anticipates that the negative impact on currencies (due to less advantageous hedgings) should be offset by positive effects on materials and freight.

OPERATING PROFIT AND NET PROFIT

At €547 million, Operating profit was down 24%, compared with €715 million reported in 2021.

This includes a discretionary profit-sharing expense of €18 million, reflecting the contraction in the performance of French entities in 2022. Furthermore, it includes other income and expenses, amounting to -€56 million, of which close to half is linked to the reorganization plan in Germany, the other components being miscellaneous and with a more moderate impact.

The 2022 net financial expense came out at -€81 million, compared with -€65 million in 2021. As during the first half, the deterioration compared with 2021 stems almost exclusively from increased intragroup refinancing costs borne by certain subsidiaries.

Net profit attributable to owners of the parent came to €316 million (down 30% compared with the record level of €454 million in 2021), factoring in:

- a tax expense of €98 million, corresponding to an effective tax rate of 21% in 2022 (21.9% in 2021);
- minority interests (mainly related to Supor) of €52 million.

Adjusted EBITDA amounted to €875 million, compared with €1,041 million in 2021.

BALANCE SHEET

At 31 December 2022, consolidated shareholders equity totaled €3,449 million. The increase of €158 million compared with end-2021 is linked to the integration of 2022's net profit, of €316 million, minus dividends paid and some other items (notably translation differences, financial instruments and share buybacks) which cancel each other out.

Net debt at 31 December 2022 was €1,973 million, (including €371 million in IFRS 16 debt), an increase of €449 million compared with end-2021. This change stems mainly from the increase in Working capital requirement (WCR), which stood at €1,393 million at end-December 2022 (17.5% of sales), versus €1,115 million at end-2021 (13.8% of sales). This increase breaks down as follows:

- inventories, which declined significantly compared with end-December 2021 and end-June 2022 thanks to the implementation of strong actions. At end-December 2022, they reached 21% of sales, which compares to 22.8% a year earlier;
- the decline in customer receivables – linked to the contraction in sales – which represented 8.1% of revenue compared with 9.8% a year earlier;
- a decline of close to 38% in trade payables (11.7% of sales, compared with 18.8% end-December 2021), attributable to the significant decline in our procurement and our production during the second part of the year.

The acquisition of Zummo, investments carried out by SEB Alliance, treasury share buybacks (SEB and Supor) and the payment of restructuring costs in Germany also contributed to the increase in net financial debt.

Against this backdrop, **the Group consumed €20 million in free cash flow** (vs €306 million generated in 2021) after a contrasted year, with consumption of €683 million in the first half, followed by a very sharp correction in the second half during which the Group generated an operating cash flow of €663 million, illustrating once again its solid ability to adapt and to generate strong free cash flow.

At 31 December 2022, **the ratio of net financial debt/Adjusted EBITDA stood at 2.26x** (1.46x at end-2021) and at **2.06x excluding IFRS 16** (1.26x at end-2021). The **Group's net debt/consolidated equity ratio** was **57%** (compared with 46% at end-2021) and 46% excluding IFRS 16.

INVESTISSEMENTS

CAPEX [(1)] amounted to €233 million , representing approximately 2.9% of revenues, compared with 213 million euro in 2021.

Capital expenditures in 2022 mainly concern:

- our logistics platform in Bully-les-Mines: a distribution center of more than 100,000m2 for European markets. The site was handed over in 2022, with capital expenditure amounting to €36m over the year;
- investments for the development of new products and equipment at our WMF sites in Germany (with professional coffee machines in particular), at our Pont Evêque, Rumilly, and Mayenne sites, as well as the increase in production capacity at the Rumilly and Mayenne sites;
- projects in China: acquisition of tooling for new products in the small domestic equipment sector; and, as in previous years, investments in capacity production equipment.

Finally, there were investments in production software, capitalized development costs and the redevelopment of the Group's own stores.

Including asset disposals and the impact of IFRS 16, capital expenditure amounted to 345 million euro (284 million euro in 2021).

(1) Cash outflows for purchase of PP&E intangible investments.

4.4 Commentary on SEB S.A.'s results

PRESENTATION OF SEB S.A.'S RESULTS

SEB S.A., the parent company of groupe seb, is a holding company. It therefore defines and implements the group's development strategy. It holds financial interests that give it direct and indirect control over group companies. SEB S.A. Also manages the group's cash, implements the financing policy and centralizes the management of the market risks to which the subsidiaries and the group are exposed.

The financial statements of SEB S.A. At 31 december 2022 are characterized by the following amounts and transactions:

Operating income and expenses resulted in a loss of €24.4 Million in 2022, compared with a loss of €20.8 million in 2021.

Net financial income increased, standing at €175.7 million in 2022, compared with €139.1 million in 2021.

This net financial income mainly comprises:

- dividends received, which increased to €240 million, compared with €173.9 million in 2021;
- provisions for impairment of financial items for a net amount of €85.6 million (including €109.3 million in provisions for equity investments and €23.7 million in reversals of provisions for current accounts);
- unfavorable currency effects of €6.5 million in 2022, compared with an expense of €26.5 million in 2021.

Profit from ordinary activities before tax was therefore €151.3 million in 2022, compared with €118.4 million in 2021. An exceptional profit of €2.8 million was recorded, compared with €13.2 million in 2021.

As SEB S.A. is the lead company of the tax consolidation group, it posted tax income of €27.9 million in 2022 (compared to €31.1 million in 2021), corresponding primarily to the tax savings related to the deduction of the losses of the loss-making subsidiaries from the total group's tax result of €22.3 million in 2022.

SEB S.A.'s net profit for 2022 was €182 million, compared with €162.6 million for 2021.

At 31 december 2022, total assets amounted to €5,129.6 million, compared with €5,826.7 million at the end of 2021, representing a decrease of €697 million.

Non-current assets amounted to €4,478.8 million, up €325 million compared to 31 december 2021. They were primarily composed of equity investments for a net amount of 1,702.5 million, compared with €1,658.8 million in 2021, and long- and medium-term loans granted for €2,776.1 million, versus €2,494.9 million in 2021.

In terms of liabilities, the company's equity stood at €1,388.1 million at 31 december 2022, compared with €1,346.2 million in 2021. SEB S.A.'s total borrowings and financial debt amounted to €3,335.5 million at 31 december 2022, compared with €4,162.3 million in 2021.

ACQUISITIONS OF EQUITY INVESTMENTS

The company did not acquire any significant direct holdings during the year.

DIVIDENDS PAID OUT IN THE LAST THREE FISCAL YEARS

	Dividends	Share premium
2020	71,704,976	2,898,150
2021	117,770,092	4,327,109
2022	134,984,771	4,998,691

BREAKDOWN OF ACCOUNTS RECEIVABLE BY DUE DATE*

	Article D. 441 I.-2: Invoices issued and not settled at the closing date of the fiscal year period that are in arrears					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
(A) Late payment tranches						
Number of invoices concerned						20
Total amount of invoices concerned incl. VAT		3,8	0	0	9,4	13,1
Percentage of total amount of purchases incl. VAT for the year						
(B) Invoices excluded from (A) relating to debts and receivables that are disputed or not reported						
Number of invoices excluded	0					
Total amount of invoices excluded	0					
(C) Payment deadlines for references used (contractual or statutory deadline – Article L. 441-6 or Article L. 443-1 of the French Commercial Code)						
Payment deadlines used to calculate late payments	Legal deadlines: for French customers, payment deadlines range from 0 to 60 days. Contractual deadlines: for foreign customers, payment deadlines range from 0 to 180 days.					

** Trade receivables on the assets side.*

BREAKDOWN OF TRADE PAYABLES BY DUE DATE

	Article D. 441 I.-1: Invoices received and not settled at the closing date of the fiscal year period that are in arrears					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
(A) Late payment tranches						
Number of invoices concerned						21
Total amount of invoices concerned incl. VAT		0	0	0	0	0
Percentage of total amount of purchases incl. VAT for the year						
(B) Invoices excluded from (A) relating to debts and receivables that are disputed or not reported						
Number of invoices excluded	5					
Total amount of invoices excluded	0					
(C) Payment deadlines for references used (contractual or statutory deadline – Article L. 441-6 or Article L. 443-1 of the French Commercial Code)						
Payment deadlines used to calculate late payments	Legal deadlines: for French suppliers, payment deadlines range from 15 days to 60 days. Contractual deadlines: for foreign suppliers, payment deadlines range from 0 to 120 days.					

SUMPTUARY EXPENSES AND NON-TAX DEDUCTIBLE EXPENSES

Pursuant to the provisions of article 223 quater of the french general tax code, it is specified that the financial statements for the previous fiscal year contain sumptuary expenses of €17,093 corresponding to the depreciation of passenger vehicles. This expense is not deductible from the tax result under article 39-4 of the french general tax code.

4.5 Outlook

Despite the current uncertainties, Groupe SEB remains confident in the future and optimistic about the structural growth outlook for the Small Domestic Equipment and professional coffee markets worldwide.

For the year 2023, after a first quarter which will see a decline in revenue and Operating Result from Activity (ORFA) compared to a strong first quarter of 2022, the Group anticipates a gradual recovery in its Consumer sales, strong growth in its Professional revenue and an improvement in its Operating margin or the year as a whole.

4.6 Post-balance sheet events

GROUPE SEB ANNOUNCES THE ACQUISITION OF LA SAN MARCO, LEADING ITALIAN MANUFACTURER OF PROFESSIONAL COFFEE MACHINES

On 16 february 2023, groupe seb announced the acquisition of la san marco, a family business belonging to the massimo zanetti beverage group (mzbg), specializing in the production and distribution of professional coffee machines.

Groupe seb continues to grow in the professional coffee market, adding a new range to meet its strong development ambitions in this segment.

An italian company founded in 1920, la san marco manufactures, markets, and distributes professional coffee machines and grinders. A recognized leader in the espresso machine segment with the traditional lever system, the company offers a wide range of products, mostly manufactured in italy, in gradisca d'isonzo (gorizia).

The inventor and pioneer of leva technology, a device that ensures controlled lever speed in order to guarantee maximum safety for traditional machines, la san marco holds numerous patents that give it a significant competitive advantage. Prior to its acquisition by groupe seb, la san marco was 85.3% Owned by the massimo zanetti beverage group (mzbg), 9.6% By minority shareholders and held 5.1% Of its own shares.

INVESTIGATION BY THE FRENCH ANTITRUST AUTHORITY

On 23 February 2023, Groupe SEB received a notification of objections from the French Competition Authority, which also involved several other stakeholders in the household appliances sector.

This notification was the outcome of an investigation conducted by the Competition Authority in October 2013. It alleges that resale price maintenance practices were imposed on certain distributors and that statistical information was exchanged through a professional association in the small domestic appliances sector.

Groupe SEB has referred to this investigation in its Universal Registration Documents since 2013 (notes to the consolidated financial statements).

This notification presents the position of the Competition Authority's investigation services and does not prejudge the final decision of the Competition Authority at the end of the adversarial phase. Groupe SEB is carefully examining these objections and will respond to them in the appropriate timeframe.

5 Consolidated Financial Statements

5.1 Financial statements

CONSOLIDATED INCOME STATEMENT

Year ended 31 December

(in € millions)	31/12/2022	31/12/2021
Revenue (Note 5)	7,959.7	8,058.8
Operating expenses (Note 6.1)	(7,339.4)	(7,245.5)
OPERATING RESULT FROM ACTIVITY	**620.3**	**813.3**
Statutory and discretionary employee profit-sharing (Note 6.2)	(17.6)	(39.4)
RECURRING OPERATING PROFIT	**602.7**	**773.9**
Other operating income and expense (Note 7.1)	(55.7)	(59.1)
OPERATING PROFIT	**547.0**	**714.8**
Finance costs (Note 8)	(35.1)	(43.1)
Other financial income and expense (Note 8)	(45.6)	(21.4)
PROFIT BEFORE TAX	**466.3**	**650.3**
Income tax (Note 9)	(98.0)	(142.7)
PROFIT FOR THE PERIOD	**368.3**	**507.6**
Non-controlling interests (Note 20)	(52.1)	(53.8)
PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT	**316.2**	**453.8**
PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT PER SHARE *(IN UNITS)*		
Basic earnings per share (Note 10)	5.74	8.42
Diluted earnings per share (Note 10)	5.71	8.36

The accompanying Notes 1 to 35 are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € millions)	31/12/2022	31/12/2021
PROFIT BEFORE MINORITY INTERESTS	**368.3**	**507.6**
Foreign currency translation adjustments	(50.6)	163.9
Gains (losses) on cash flow hedges	(33.7)	79.6
Change in fair value of financial assets*	26.3	34.1
Revaluation of employee benefits*	77.5	28.5
Tax effect	(17.2)	(28.2)
OTHER COMPREHENSIVE INCOME	**2.3**	**277.9**
COMPREHENSIVE INCOME	**370.6**	**785.5**
Non-controlling interests	(43.8)	(71.9)
COMPREHENSIVE INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	**326.8**	**713.6**

* *Items that will not be reclassified to profit or loss.*

CONSOLIDATED BALANCE SHEET

Year ended 31 December

ASSETS *(in € millions)*	31/12/2022	31/12/2021
Goodwill (Note 11)	1,767.9	1,707.8
Other intangible assets (Note 11)	1,305.1	1,289.9
Property plant and equipment (Note 12)	1,338.8	1,265.6
Other investments (Note 14.1)	218.3	162.0
Other non-current financial assets (Note 14.2)	18.2	16.3
Deferred taxes (Note 9)	135.2	129.8
Other non-current assets (Note 17)	58.3	52.9
Long-term derivative instruments – assets (Note 24)	26.3	11.6
NON-CURRENT ASSETS	**4,868.1**	**4,635.9**
Inventories (Note 15)	1,682.1	1,839.6
Trade receivables (Note 16)	891.5	934.6
Other receivables (Note 17)	217.1	232.4
Current tax assets (Note 9)	53.2	38.9
Short-term derivative instruments – assets (Note 24)	76.8	115.7
Financial investments and other current financial assets (Note 14)	102.0	60.6
Cash and cash equivalents (Note 18)	1,237.0	2,266.5
CURRENT ASSETS	**4,259.7**	**5,488.3**
TOTAL ASSETS	**9,127.8**	**10,124.2**

LIABILITIES *(in € millions)*	31/12/2022	31/12/2021
Share capital (Note 19.1)	55.3	55.3
Reserves and retained earnings (Note 19.3)	3,146.8	2,969.1
Treasury stock (Note 19.4)	(33.3)	(34.3)
Equity attributable to owners of the parent	**3,168.8**	**2,990.1**
Non-controlling interests (Note 20)	280.1	300.6
CONSOLIDATED SHAREHOLDERS' EQUITY	**3,448.9**	**3,290.7**
Deferred taxes (Note 9)	212.6	234.0
Employee benefits and other non-current provisions (Note 21 and Note 22)	213.4	298.9
Long-term borrowings (Note 23)	1,922.6	2,230.8
Other non-current liabilities (Note 26)	53.8	54.1
Long-term derivative instruments – liabilities (Note 24)	32.9	15.3
NON-CURRENT LIABILITIES	**2,435.3**	**2,833.1**
Employee benefits and other current provisions (Note 21 and Note 22)	138.4	132.0
Trade payables (Note 26)	1,027.1	1,614.7
Other current liabilities (Note 26)	583.8	546.7
Current tax liabilities	52.6	51.8
Short-term derivative instruments – liabilities (Note 24)	52.2	50.0
Short-term borrowings (Note 23)	1,389.5	1,605.2
CURRENT LIABILITIES	**3,243.6**	**4,000.4**
TOTAL EQUITY AND LIABILITIES	**9,127.8**	**10,124.2**

The accompanying Notes 1 to 35 are an integral part of these Consolidated Financial Statements.

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December

(in € millions)	31/12/2022	31/12/2021
PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT	**316.2**	**453.8**
Depreciation, amortization and impairment losses	274.3	272.0
Change in provisions	(1.6)	7.0
Unrealized gains and losses on financial instruments	(3.9)	12.7
Income and expenses related to stock options and bonus shares	29.2	27.1
Gains and losses on disposals of assets	(3.7)	4.7
Other	(5.2)	5.7
Non-controlling interests	52.1	53.8
Current and deferred taxes	98.0	142.7
Finance costs	34.4	40.5
CASH FLOW (1) (2)	**789.8**	**1,020.0**
Change in inventories and work in progress	172.7	(574.1)
Change in trade receivables	160.8	49.3
Change in trade payables	(618.1)	242.6
Change in other receivables and payables	(41.0)	9.6
Income tax paid	(153.8)	(133.5)
Net interest paid	(34.4)	(40.5)
NET CASH FROM OPERATING ACTIVITIES	**276.0**	**573.4**
Proceeds from disposals of assets	13.6	3.2
Purchases of property, plant and equipment (2)	(199.8)	(183.2)
Purchases of software and other intangible assets (2)	(33.0)	(29.7)
Purchases of financial assets (3)	(75.3)	580.8
Acquisitions of subsidiaries, net of cash acquired	(71.9)	(13.3)
NET CASH USED BY INVESTING ACTIVITIES	**(366.4)**	**357.8**
Increase in borrowings (2)	976.4	1,507.4
Decrease in borrowings	(1,614.0)	(1,743.0)
Issue of share capital		
Transactions between owners (4)	(33.6)	(62.3)
Change in treasury stock	(34.6)	(39.1)
Dividends paid, including to non-controlling interests	(203.7)	(151.5)
NET CASH USED BY FINANCING ACTIVITIES	**(909.5)**	**(488.5)**
Effect of changes in foreign exchange rates	(29.6)	54.5
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(1,029.5)**	**497.1**
Cash and cash equivalents at beginning of period	2,266.5	1,769.4
Cash and cash equivalents at end of period (+)	1,237.0	2,266.5

(1) Before net finance costs and income taxes paid.
(2) Excluding IFRS 16, the effects of which are presented in Note 13.
(3) Note 14. Investments in other financial assets.
(4) Including the purchase of Supor shares for €23.0 million in 2022 (€63.5 million in 2021).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in € millions)	Share capital	Share premiums [1]	Reserves and retained earnings [1]	Translation Differences [1]	Treasury shares	Equity attributable to owners of the parent	Non-controlling interests	Consolidated shareholders' equity
AT 31 DECEMBER 2020	**50.3**	**103.7**	**2,381.1**	**(48.0)**	**(19.6)**	**2,467.5**	**267.3**	**2,734.8**
Profit for the period			453.8			453.8	53.8	507.6
Other comprehensive income			114.1	145.7		259.8	18.1	277.9
COMPREHENSIVE INCOME			**567.9**	**145.7**		**713.6**	**71.9**	**785.5**
Dividends paid			(121.0)			(121.0)	(30.5)	(151.5)
Issue of share capital	5.0					5.0		5.0
Reduction of share capital								
Changes in treasury stock					(14.7)	(14.7)		(14.7)
Gains (losses) on sales of treasury stock, after tax			(23.8)			(23.8)		(23.8)
Exercise of stock options			26.8			26.8	0.3	27.1
Change in put options granted to minority shareholders			(28.5)			(28.5)		(28.5)
Other movements [2]			(34.8)			(34.8)	(8.4)	(43.2)
AT 31 DECEMBER 2021	**55.3**	**103.7**	**2,767.7**	**97.7**	**(34.3)**	**2,990.1**	**300.6**	**3,290.7**
Profit for the period			316.2			316.2	52.1	368.3
Other comprehensive income			52.9	(42.3)		10.6	(8.3)	2.3
COMPREHENSIVE INCOME			**369.1**	**(42.3)**		**326.8**	**43.8**	**370.6**
Dividends paid			(139.7)			(139.7)	(64.0)	(203.7)
Issue of share capital								
Reduction of share capital								
Changes in treasury stock					1.0	1.0		1.0
Gains (losses) on sales of treasury stock, after tax			(34.3)			(34.3)		(34.3)
Exercise of stock options			27.9			27.9	1.3	29.2
Change in put options granted to minority shareholders			27.2			27.2		27.2
Other movements [3]			(27.1)	(3.1)		(30.2)	(1.6)	(31.8)
AT 31 DECEMBER 2022	**55.3**	**103.7**	**2,990.8**	**52.3**	**(33.3)**	**3,168.8**	**280.1**	**3,448.9**
Dividends proposed for 2022 [4]			(140.6)			(140.6)		(140.6)
BALANCE AFTER APPROPRIATION AT 31 DECEMBER 2022	**55.3**	**103.7**	**2,850.2**	**52.3**	**(33.3)**	**3,028.2**	**280.1**	**3,308.3**

(1) Reserves and retained earnings in the balance sheet.
(2) Including buybacks and cancellations of Supor shares for €63.5 million 2021 and impact of the IFRIC decision on post-employment benefits for €33.2m.
(3) Including the purchase of Supor shares for €(23) million in 2022 and the impact of the IFRIC decision relating to SaaS contracts (€(6.5) million).
(4) Dividend per share €2.45.

SUMMARY OF NOTES

5.2 Notes to the Consolidated Financial Statements

Groupe SEB, composed of SEB S.A., a French company, and its subsidiaries, is the world leader in the design, manufacture and marketing of cookware and small electrical appliances: non-stick frying pans and saucepans, pressure cookers, irons and steam generators, coffee machines, kettles and food processors in particular. The Group is also world leader of the professional automatic coffee machine market.

SEB S.A.'s registered office is at Chemin du Moulin Carron, 69130 Écully, France and it is listed on the Euronext-Paris Eurolist market (ISIN code: FR0000121709).

5.2.1 GENERAL PRINCIPLES

The financial statements of Group companies are prepared in accordance with local generally accepted accounting principles. They are restated to comply with Group accounting policies.

The notes to the Financial Statements include analyses of assets and liabilities by maturity where disclosure of this information is required.

NOTE 1. ACCOUNTING PRINCIPLES

Note 1.1. Applicable accounting principles

The Financial Statements were authorized for publication by the Board of Directors on 22 February 2023 and will be approved by the Annual General Meeting on 17 May 2023.

As a company listed in a European Union member State and pursuant to regulation (EC) no. 1606/2002 of 19 July 2002, the Group's published Consolidated Financial Statements for FY 2022 and the comparative financial statements for FY 2021 were prepared in accordance with the IFRS (International Financial Reporting Standards) as adopted by the European Union at 31 December 2022.

These guidelines can be downloaded from the European Commission's website. This includes the standards published by the IASB (International Accounting Standards Board), namely the IFRS, IAS (International Accounting Standards) and the interpretations from the International Financial Reporting Interpretations Committee (IFRIC) and the former Standard Interpretations Committee (SIC).

MANDATORY NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

The Group adopted the following amendments applicable as of 1 January 2022. This date of application matches that of the IASB:

- amendment to IAS 16 Property, plant and equipment, regarding the handling of proceeds generated during operational tests on fixed assets prior to their commissioning;
- amendment to IAS 37 regarding the costs of fulfilling a contract in the case of loss-making contracts;
- amendment linked to the IFRS 2018-2020 cycle of improvements, specifically:
  - amendment to IFRS 16 relating to rental incentives,
  - amendment to IFRS 9 relating to charges and fees to be included in the 10% test for the derecognition of a financial liability,
  - amendment to IFRS 3 with reference to the conceptual framework.

These new standards and amendments had no material impact on the Group's financial statements.

The IFRIC decision of March 2021 relating to the costs of implementing Cloud computing applications was applied on 1 January 2022, resulting in the derecognition of certain costs capitalized during previous fiscal years for a total net value of €8.9 million.

NEW EARLY-ADOPTED STANDARDS AND INTERPRETATIONS

The following standards and interpretations optional at 31 December 2022 have not been applied early:

- amendment to IAS 1 relating to information to be provided on significant accounting policies;
- amendment to IAS 8 relating to the definition of accounting estimates;
- amendment to IAS 12 relating to deferred taxes related to assets and liabilities arising from a single transaction.

The Group does not, however, anticipate any material impact related to the application of these new standards.

Note 1.2. Use of estimates

The preparation of Consolidated Financial Statements in accordance with IFRS requires the use of estimates and assumptions that have an impact on the reported amounts of assets and liabilities – such as accumulated depreciation, amortization and impairment losses – and contingent assets and liabilities on the date of the Consolidated Financial Statements, as well as on income and expenses for the year. These estimates are made on a going concern basis and reflect amounts and assumptions that management considers relevant and reasonable given the Group's operating environment and past experience. The Group has taken into account the issues related to climate change but has not identified, to date, any specific risk that would have a material impact on its estimates. The Group has also taken into account the volatile economic context in its estimates and assumptions used to calculate pension liabilities (Note 22), deferred taxes (Note 9), property, plant and equipment (Note 12), intangible assets (Note 11), investments in associates and other investments (Note 14), impairment of current assets (Notes 15 and 16), short and long-term provisions (Note 21), certain financial instruments (Note 24).

The Consolidated Financial Statements for the period are prepared on the basis of financial parameters for the market available at the end of the period. The value of certain assets, such as goodwill and trademarks, is estimated at each year-end based on the long-term economic outlook and management's best estimates. In accordance with IAS 36, the Group presented in Note 11.4 "Procedures for conducting impairment tests", the assumptions used and results obtained by calculating the sensitivity to fluctuations in these estimates. These estimates can be adjusted to any change in the circumstances on which they were based or when any new information comes to light. Actual results may differ from these estimates and assumptions.

RUSSIA-UKRAINE CONFLICT

Reminder of the context:

Since 2021 results publication on 24 February 2022, the geopolitical landscape has deteriorated considerably with Russia's invasion of Ukraine. As in 2021, these two countries accounted for less than 5% of consolidated revenues and approx. 2% of the Group's total assets at the end of December 2022.

The Group has a presence in Ukraine through a commercial subsidiary with 123 employees. It is fully committed to ensuring the health and safety of its employees in the country, and every effort is being made to provide day-to-day assistance and financial support for them and their families.

In Russia, the Group has a historical presence with both a sales subsidiary in Moscow, and a small cookware assembly workshop in Saint Petersburg, with a total of 404 employees.

The Group is complying strictly with the sanctions imposed by the French and European authorities.

Business situation in these two countries at 31 December 2022

Ukraine: After a break of several weeks, commercial activity has partially resumed in areas not directly exposed to the conflict.

Russia: the Group has significantly reduced its activities in Russia and has suspended all new investments.

Impact on the 2022 financial statements

This conflict generates new uncertainties as to currency volatility, supply chain, the prices of raw materials and energy in particular. The Group is constantly monitoring developments in the situation and their potential direct and/or indirect effects on its business and financial situation.

In a context of high currency volatility, the Group has decided to classify the intra-Group financing of these subsidiaries as net investments within the meaning of IAS 21. Exchange gains and losses on intra-Group financing are therefore now recorded in "Other comprehensive income".

The credit risk of these subsidiaries is monitored in real time but to date has not had a significant impact on the Group's accounts.

The Ukrainian and Russian subsidiaries are an integral part of the Consumer EMEA CGU. The risk associated with the situation of these countries was assessed by conducting specific sensitivity tests as part of the impairment test for the Consumer EMEA CGU (Note 11.4). The Group feels that, in accordance with IFRS 10, there is no proven loss of control over its Russian and Ukrainian subsidiaries.

The Group has responded strongly and decided to contribute to humanitarian efforts to provide aid and support to Ukrainian refugees. In particular, Groupe SEB made a cash donation of €500,000, as well as donations of small domestic equipment, and health and medical supplies in the field.

Note 1.3. Translation of foreign financial statements and currency transactions

1.3.1 Translation of the financial statements of foreign operations

The financial statements of foreign entities are prepared in their functional currency, corresponding to the currency of the primary economic environment in which the entity operates. The functional currency of most foreign entities is their local currency.

The Group's reporting currency is the euro.

The financial statements of the Group's subsidiaries are translated into euros by the closing rate method, as follows:

- assets and liabilities in a functional currency other than the euro are translated at the closing rate at the balance sheet date and income statement items are translated at the weighted average rate for the year;
- the resulting exchange differences are recognized as a separate component of equity, under "Translation differences".

The financial statements of subsidiaries whose functional currency is not the local accounting currency are initially translated into the functional currency using the historical rate method, as follows:

- non-monetary assets and liabilities: non-current assets, inventories and securities and the corresponding movements recorded in the income statement are translated at the historical exchange rate;
- monetary assets and liabilities: cash, short and long-term loans and borrowings, operating receivables and payables are translated at the closing rate at the balance sheet date;
- income statement items are translated at the weighted average exchange rate for the year, apart from amortization and impairment losses on non-monetary items;
- the resulting exchange differences are recognized in the income statement for the year. With the exception of foreign exchange gains or losses related to items recognized directly under other comprehensive income.

Financial statements prepared in the functional currency are then translated into euros using the closing rate method.

1.3.2 Translation of foreign currency transactions

Foreign currency transactions are recognized and measured in accordance with IAS 21 – Effects of Changes in Foreign Exchange Rates. Transactions in currencies other than the functional currency are recognized at the exchange rate prevailing on the transaction date.

Monetary assets and liabilities denominated in currencies other than the functional currency are translated at the closing exchange rate. The resulting exchange gains and losses are recognized in the income statement except where they are recognized directly under other comprehensive income or refer to eligible cash flow hedges or hedges of a net investment in a foreign entity.

Non-monetary foreign currency assets and liabilities carried at historical cost are translated using the exchange rate on the date of the transaction. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated at the exchange rate on the date on which this fair value was measured.

Where a profit or a loss on a non-monetary item is recognized under other comprehensive income, any exchange component of this profit or loss is recognized directly under other comprehensive income. In contrast, where a profit or a loss on a non-monetary item is recognized directly in the income statement, any exchange component of this profit or loss is recognized in the income statement.

The Group's exposure to certain currency risks is hedged using forward contracts and options (Note 24).

5.2.2 HIGHLIGHTS AND POST-BALANCE SHEET EVENTS

NOTE 2. CHANGES IN SCOPE OF CONSOLIDATION

Note 2.1. Transactions in 2022

ZUMMO

On 22 July 2022, Groupe SEB acquired 100% of the shares in Zummo Investments and its subsidiaries Zummo Innovaciones Mecanicas, a world-leading maker of automatic fruit juice extraction machines, and Zummo, Inc. A Spanish company founded in Valencia, Zummo began operations in 1992 with the objective of creating the perfect fresh fruit juice and is now the world leader in the design, manufacture, and distribution of automatic juicing machines for fresh fruit and vegetables. The technologies it has developed over time have given Zummo has a significant competitive advantage in an extremely dynamic market.

The professional offering of Groupe SEB is being expanded to meet its strong development ambitions in this segment. Numerous synergies will be created for all of Groupe SEB customers: hotels, major restaurant brands and local businesses, in France and throughout the world.

The provisional net fair value of the acquired assets and assumed liabilities at 22 July 2022 is as follows:

(in € millions)	22/07/2022
Non-current assets*	20.8
Inventories	6.6
Trade receivables	5.4
Net debt	(14.4)
Trade payables	(6.6)
Other net liabilities	(3.2)
TOTAL NET ASSETS	**8.6**
PERCENTAGE INTEREST	**100%**
TOTAL NET ASSETS ACQUIRED	**8.6**
Non-controlling interests	
Acquisition price	74.6
Provisional goodwill	66.0

* *Including the Zummo brand, estimated by an independent valuer to be worth €15.3 million.*

OTHER TRANSACTIONS

In addition, WMF GmbH's retail business has been transferred to a new entity of the Group, WMF Retail GmbH; the Brazilian company Lojas, which has not been active, has been merged with Seb Do Brasil; the Chinese company SSEAC has been liquidated; and Financière Billig has been merged with Seb International. These transactions had no significant impact on the Group's consolidated financial statements.

Note 2.2. Follow-up on significant transactions in 2021

The main transactions in 2021 were the following:

GROUPE SEB RÉ: THE GROUP'S CAPTIVE REINSURANCE COMPANY

The Group set up a captive reinsurance company to optimize the placement of its risks. This French-registered company, with share capital of €4.4 million, was approved by the French Prudential Supervisory and Resolution Authority (ACPR) on 18 June 2021.

COFFEE TECHNOLOGY

In May 2021, under a partnership with one of its subcontractors, the Group acquired a majority 60% stake in the newly created Coffee Technology company.

GROUPE SEB MAROC

In December 2021, the Group acquired a 55% majority stake in the newly created Groupe SEB Maroc in order to accelerate the growth of its sales in Morocco and make the most of the strong potential of this market.

As a reminder, the Group consolidated Feeligreen for the first time on 1 January 2021. Other noteworthy events in 2021 include: creation of Hainan Supor E-commerce Co. Ltd., liquidation of WMF Group Hong Kong Ltd. and Tefal India Household Appliances, merger of the Vietnamese entities of Groupe SEB Vietnam and EMSA Vietnam and merger of Prolog Brand GmbH into WMF GmbH. These transactions had no material impact on the Group's consolidated financial statements.

NOTE 3. HIGHLIGHTS AND LITIGATION

CHANGE IN THE GROUP'S GOVERNANCE

On 10 February 2022, the Board of Directors approved the proposal of its Chairman and Chief Executive Officer to change the governance of the Group by separating the functions of Chairman and Chief Executive Officer. This decision took effect on 1 July 2022.

CONSOLIDATION OF ACTIVITIES IN THE DACH REGION (GERMANY, AUSTRIA, SWITZERLAND)

To promote growth in this region, Groupe SEB decided to consolidate and realign its existing structures. This consolidation will enable the creation of a single company operating in the DACH region (Germany, Austria, Switzerland) through the merger of Groupe SEB DACH and WMF Consumer activities. In this way, support functions will be created for the region by developing synergies and eliminating redundant structures, a WMF Business Unit will be established, tasked with strategic marketing and product development for this brand on a global scale, and the company will become more competitive by improving talent attraction while securing long-term jobs.

Geislingen will become the headquarters of Groupe SEB's business in the DACH region. Some commercial activities will continue at the current sites in Frankfurt and Munich, which will become "satellite centers". Accounting activities will be integrated into Groupe SEB's international structures in Warsaw.

This consolidation could affect 180 jobs out of 5,000 and is expected to be implemented from January 2024. The Group will take appropriate measures to help the employees concerned cope with these changes. Furthermore, as several functions located in Frankfurt will be transferred to Geislingen, Groupe SEB will offer its employees an appropriate transition period as well as options and practical support in close collaboration with the local employee representation bodies and in line with the Group's standards and values. The cost of this restructuring is estimated to be approximately €35 million and a provision of €21.4 million was set aside at 31 December 2022.

ALL-CLAD CLASS ACTION

In April 2020, litigation was initiated in California by a class action based on nine legal grounds under federal regulations and regulations of the State of California. In July 2022, mediation resulted in an agreement for the entire territory of the United States of America. The approval hearing for this agreement was held on 26 January 2023. Consumers may submit their claims for compensation until 27 March 2023. A provision of €2.5 million was recognized at 31 December 2021. In view of the number of claims received and the various compensation options, the Group has decided to recognize an additional provision of €7.8 million.

With the exception of the above point and the impact of the conflict between Ukraine and Russia presented in Note 1.2, there were no new disputes or significant events.

The developments in litigation and highlights of 2021 are as follows:

CLOSURE OF THE ERBACH PLANT

On 17 March 2021, Rowenta Werke announced that it would cease its activities in Erbach in Germany with effect from 30 June 2022, in order to transfer the industrial ironing activity to the Pont-Évêque plant in France. This ongoing site closure had no material impact on the accounts for 31 December 2022.

INVESTIGATION BY THE FRENCH COMPETITION AUTHORITY

Since October 2013, the French Competition Authority has been conducting an inquiry into the pricing and listing practices of several domestic appliance manufacturers, including Groupe SEB France and Groupe SEB Retailing, with regard to certain online retailers.

There have been no significant developments in the case since the last report, and no provision was recognized at 31 December 2022 in view of the uncertain outcome of the proceedings.

RISK RELATING TO THE REDEMPTION OF WMF MINORITY INTERESTS IN 2015

Following the takeover of WMF by KKR and the procedure for compulsory redemption of minority shares, to reduce the holdings, in 2015 the minority shareholders of WMF took legal action to challenge the valuation of their shares. The purpose of this type of action, which is not unusual, is to obtain a higher price by challenging the valuation made during the procedure, although with no specification or justification of the quantum of the request, since the judge will be responsible for setting a higher price depending on their appraisal of the case. The initial appraisal, established for the procedure, had been confirmed by an initial legal expert in 2015 and was not challenged by the second expert appointed by the judge in 2017 and who delivered a report in July 2020. The judge issued an order on 9 November 2021 challenging one of the valuation criteria and certain assumptions in the business plan used for the 2015 valuation. The judge accordingly suggested that the parties should reach a transactional agreement.

On 21 January 2022, the Group agreed to compromise and the collection of approvals of the terms of the transaction from its minority shareholders was finalized in October 2022. A final agreement was published by the judge on 11 January 2023. The payment of earnouts and ancillary costs began on 3 February 2023. This risk was identified when WMF was acquired by Groupe SEB and recognized as contingent liabilities (see Note 21.4).

HANSEN LITIGATION

Following the change of control of WMF Osterreich GmbH in 2012, the lessor of a commercial premises located in Vienna (Austria) claims that the value of this property, which it sold in 2014, was impaired due to the non-disclosure of the change of control of the tenant, even though this information is required by local law. He claims that this information would have enabled him to reassess the rent of the commercial premises and, accordingly, to also increase the sale price of the property in 2014.

A decision of the court of first instance in Vienna in March 2022 recognized the validity of the lessor’s claim. This decision was confirmed on 10 January 2023, as the Group decided not to appeal against it.

When WMF was acquired by Groupe SEB, contingent liabilities were recorded in respect of various risks, including this one (see Note 21.4). With regard to the decisions of March 2022 and January 2023, the provision in the financial statements was adjusted by €6.1 million, reaching a total of €11.5 million.

In the past 12 months, other than the proceedings reflected in the financial statements and described in the accompanying notes, there have been no other government, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Group is aware) which may have or have had in the recent past significant effects on the Group and/or its financial position or profitability.

NOTE 4. SUBSEQUENT EVENTS

On 16 February 2023, Groupe SEB announced the acquisition of La San Marco, a family business specializing in the production and distribution of professional coffee machines. This acquisition will allow Groupe SEB to consolidate its activities in the professional coffee segment with a wealth of recognized expertise and genuine synergy with its existing offering.

On the date these financial statements were approved by the Board of Directors, on 22 February 2023, no other subsequent material event had occurred.

5.2.3 INCOME STATEMENT

NOTE 5. REVENUE

Revenue corresponds to the value, excluding tax, of goods and services sold by consolidated companies in the course of their ordinary activities, after eliminating intra-Group sales.

“CONSUMER” BUSINESS

This business encompasses the sales and marketing of cookware and small electrical appliances. The Group relies on a large, diversified network of distributors: mass food retailers, specialists, traditional stores/convenience stores or groups of independents, e-commerce (pure players – directly or via marketplaces – online sales platforms of bricks-and-mortar customers, Click & Mortar, etc.).

The Group also has a network of stores, operated either directly, under franchise, or via exclusive distribution, and is committed to a direct online sales strategy (online DTC), which combines brands’ own websites with marketplaces.

Revenue from this business is recognized upon transfer of control of the product and corresponds to the transaction price obtained in exchange for the products and services rendered, i.e. after taking into account the terms of the contract and usual commercial practices such as trade discounts or rebates.

Sales deductions are therefore booked for deferred rebates granted to customers on the basis of contractual or constructive commitments identified at the period-end. Advertising expense contributions billed by customers, the cost of consumer promotions, loyalty vouchers granted by retailers and some miscellaneous sales are also recognized as a deduction from Group revenue.

Freight and other costs billed to customers are treated as an integral part of revenue.

"PROFESSIONAL" BUSINESS

This activity includes the design, manufacture and marketing of professional automatic coffee machines and premium hotel equipment as well as crepe makers, waffle makers, planchas, grills and automatic fruit juice extraction machines for professionals.

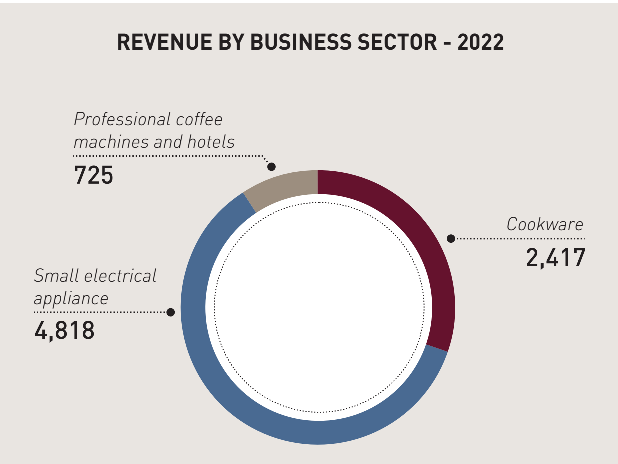
Revenue from the sale and marketing of machines is recognized upon transfer of control of the product and is assessed at the transaction price obtained in exchange for the products and services rendered, i.e. after deduction of trade discounts or rebates.

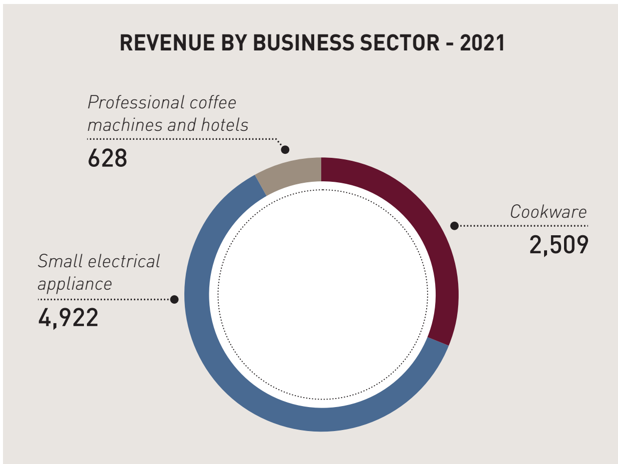
Revenue from the sales and marketing of annual or multi-year maintenance contracts is recognized, over time, as the service is provided.

Freight and other costs billed to customers are treated as an integral part of revenue.

REVENUE BY GEOGRAPHICAL LOCATION OF THE CUSTOMER AND BUSINESS SECTOR

(in € millions)	2022	2021
Western Europe	2,416.5	2,770.3
Other countries	1,027.5	1,121.3
TOTAL EMEA	**3,444.0**	**3,891.6**
North America	797.0	788.2
South America	333.1	293.3
TOTAL AMERICAS	**1,130.1**	**1,081.5**
China	2,101.4	1,860.3
Other countries	559.0	597.8
TOTAL ASIA	**2,660.4**	**2,458.1**
TOTAL CONSUMER	**7,234.5**	**7,431.2**
TOTAL PROFESSIONAL	**725.2**	**627.6**
TOTAL	**7,959.7**	**8,058.8**





NOTE 6. OPERATING RESULT FROM ACTIVITY AND RECURRING OPERATING PROFIT

(in € millions)	31/12/2022	31/12/2021
Revenue (Note 5)	7,959.7	8,058.8
Operating expenses (Note 6.1)	(7,339.4)	(7,245.5)
OPERATING RESULT FROM ACTIVITY	**620.3**	**813.3**
Statutory and discretionary employee profit-sharing (Note 6.2)	(17.6)	(39.4)
RECURRING OPERATING PROFIT	**602.7**	**773.9**

The Group's main performance indicator is the **Operating Result from Activity (ORfA).**

Operating Result from Activity corresponds to revenue less operating expenses.

Exchange gains and losses on manufacturing and sales transactions denominated in foreign currencies and their related hedging transactions are included in Operating Result from Activity.

Recurring Operating profit corresponds to Operating Result from Activity less statutory and discretionary employee profit sharing.

Note 6.1. Operating expenses

Operating expenses comprise the cost of sales, research and development costs (for the non-capitalized portion), advertising costs and distribution and administrative expenses.

ORfA does not include discretionary and non-discretionary profit-sharing or other non-recurring operating income and expense.

(in € millions)	2022	2021
COST OF SALES	**(4,946.1)**	**(4,952.5)**
Research and development costs (Note 11)	(164.6)	(150.4)
Advertising	(174.5)	(203.3)
Distribution and administrative expenses	(2,054.2)	(1,939.2)
OPERATING EXPENSES	**(7,339.4)**	**(7,245.5)**

Note 6.2. Employee benefits expenses

(in € millions)	2022	2021
Wages and salaries (excluding temporary staff costs)	(1,060.2)	(1,051.0)
Payroll taxes	(190.5)	(185.1)
Pension and other post-employment benefit plan costs	(75.4)	(71.3)
Service cost under defined benefit plans	(16.2)	(17.4)
EMPLOYEE BENEFITS EXPENSES INCLUDED IN OPERATING EXPENSES	**(1,342.3)**	**(1,324.8)**
Discretionary and non-discretionary profit-sharing	(17.6)	(39.4)
TOTAL EMPLOYEE BENEFITS EXPENSES	**(1,359.9)**	**(1,364.2)**

Breakdown by geographical segment 2022	EMEA	Americas	Asia	Total
Employee benefits expenses (excluding temporary staff costs)	(908.0)	(133.3)	(318.6)	**(1,359.9)**
Average number of employees (in units)	16,172	2,899	12,533	**31,604**

Breakdown by geographical segment 2021	EMEA	Americas	Asia	Total
Employee benefits expenses (excluding temporary staff costs)	(933.9)	(122.8)	(307.5)	**(1,364.2)**
Average number of employees (in units)	15,867	2,888	14,377	**33,132**

NOTE 7. OPERATING PROFIT

Operating profit is comprised of all the recurring and non-recurring income and expenses generated in the course of the Group's ordinary activities, including income and expenses resulting from one-off decisions or transactions that are unusual in terms of their amount.

Note 7.1. Other operating income and expenses

Other non-recurring operating income and expenses primarily include the following items:

- costs of significant restructuring plans as well as non-recurring and significant costs related to the consolidation of new entities within the Group;
- impairment losses on property, plant and equipment and intangible assets, including goodwill;
- costs related to business combinations (excluding the costs of issuing equity instruments or of new debt contracted for the purpose of the business combination) and remeasurement of any previously held investment on the date control was obtained;
- gains or losses recognized upon losing control of a subsidiary, including the remeasurement at fair value of any retained investment;
- gains and losses on unusual, abnormal and infrequent events (litigation, asset disposals, etc. involving unusually large amounts) and changes in provisions booked for these types of events.

(in € millions)	2022	2021
Restructuring costs	(29.8)	(39.6)
Impairment losses	(2.5)	(4.8)
Gains and losses on asset disposals and other	(23.4)	(14.7)
OTHER OPERATING INCOME AND EXPENSES	**(55.7)**	**(59.1)**

Note 7.2. Restructuring costs

2022

Restructuring costs in 2022 totaled €29.8 million and are mainly related to the project to consolidate the distribution activities of WMF GmbH and Groupe SEB Deutschland in Germany (€19.1 million) and additional costs related to the closure of the Erbach production site (€3.6 million) (see Note 3).

2021

In 2021, restructuring costs were mainly related to the closure of the Erbach production site in Germany (€25.7 million) and the closure of the Shanghai production site (€8.9 million).

Note 7.3. Impairment losses

In application of the principle described in Note 11.3, certain manufacturing CGUs are tested for impairment by comparing the carrying amount of the assets of each CGU with their recoverable amount. The impairment losses recognized mainly relate to those recognized in the context of the restructuring in Germany (€2.3 million).

In 2021, as part of the WMF restructuring plan, impairments of €1.7 million were recognized. Furthermore, as part of the closure of the production site, industrial assets at the Erbach site were written down for the amount of €3.2 million.

Note 7.4. Gains and losses on asset disposals and other

2022

The main elements of the "Gains and losses on asset disposals and other" section relate to:

- €7.8 million in claims related to a class action in the United States (see Note 3);
- an additional provision of €6.3 million for the Hansen litigation in Austria (see Note 3).

2021

In 2021, this item included in particular:

- the effects of the termination of the distribution contract in Morocco for €2.2 million;
- a €2.7 million estimate of the residual risk connected to the claim involving the Sesena logistics warehouse in Spain;
- €2.6 million for consumer complaints connected to the US product warranty policy.

NOTE 8. FINANCE RESULT

FINANCE COSTS

Finance costs are recognized in the income statement in the period in which they are incurred.

Interest income and expenses are recognized using the effective interest method.

Dividend income is recognized when the shareholder's right to receive payment is established.

Gains and losses on borrowings in foreign currencies and related hedges are reported under "Finance costs".

OTHER FINANCIAL INCOME AND EXPENSES

SEB S.A. is the main provider of financing for its subsidiaries. As resources (current accounts and long-term loans) are issued in the operating currency of the subsidiaries, SEB S.A. is exposed to currency risks on this financing. Gains and losses on these intra-Group borrowings in foreign currencies and related hedges are reported under "Other financial income and expenses".

The interest costs on long-term employee benefits set out below represents the difference between the annual discounting of commitments and the expected return on the corresponding financial assets held in a hedging contract for these commitments, as well as the discounting charges for other long-term liabilities and provisions.

(in € millions)	31/12/2022	31/12/2021
FINANCE COSTS	**(35.1)**	**(43.1)**
Exchange gains and losses and financial instruments	(29.2)	(15.9)
Interest cost on long-term employee benefit obligations	(0.2)	(0.8)
Put option on treasury shares	(7.7)	2.1
Other miscellaneous financial expenses	(8.4)	(6.8)
OTHER FINANCIAL INCOME AND EXPENSES	**(45.6)**	**(21.4)**

In both 2021 and 2022, the "Other miscellaneous financial expenses" line included various financial expenses that are not material when taken individually.

NOTE 9. INCOME TAX

The "Income tax" line in the income statement includes current tax for the period and changes in deferred taxes.

In accordance with IAS 12 – Income Taxes, deferred taxes are recognized, using the liability method, for temporary differences between the carrying amounts of assets and liabilities and their tax base. They are determined using tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Temporary differences include:

a) taxable temporary differences, which are temporary differences that will result in taxable amounts in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled; and

b) deductible temporary differences, which are temporary differences that will result in amounts that are deductible in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.

Deferred tax assets are recognized for deductible temporary differences and tax loss carryforwards to the extent that it is probable that future taxable profits will be available in the foreseeable future against which they can be utilized.

Deferred tax assets previously unrecognized at the date of a business combination or during the 12-month purchase price allocation period are subsequently recognized as an adjustment to profit or loss provided they meet the recognition criteria.

In accordance with IAS 12, deferred tax assets and liabilities are not discounted.

Note 9.1. Income tax expense

Profit (loss) before tax amounted to €466.3 million versus €650.3 million in 2021.

(in € millions)	2022	2021
Current tax assets and liabilities	137.4	159.9
Deferred tax assets and liabilities	(39.4)	(17.2)
INCOME TAX	**98.0**	**142.7**

Current income tax expense corresponds to taxes paid or payable in the short term on profit for the year, based on local tax rates and tax laws in the Group's host countries.

Group companies in France, Italy and the United States have elected for group relief. The agreements guarantee neutrality for each of the companies included in the scope and generate no significant tax savings apart from the immediate offset of the deficits on profits.

Note 9.2. Analysis of income tax expense

The difference between the effective tax rate of 21.0% (21.9% in 2021) and the statutory French tax rate of 25.8% in 2022 (including additional contribution) breaks down as follows:

(in %)	2022	2021
Statutory French tax rate	**25.8**	**28.4**
Effect of differences in tax rates (1)	(4.4)	(7.1)
Unrecognized and relieved tax loss carryforwards	4.7	1.9
Prior period tax loss carryforwards recognized and utilized during the period	(5.7)	(1.9)
Other (2)	0.6	0.6
EFFECTIVE TAX RATE	**21.0**	**21.9**

(1) The "Effect of differences in tax rates" line corresponds to the distribution of income in the geographic areas.

(2) The "Other" line mainly includes withholdings at source of 4.9%, offset by the effect of tax credits. In 2021, this line included withholdings at source of 2.3%, offset by the effect of the revaluation of the Lagostina brand in Italy.

Note 9.3. Deferred tax assets and liabilities on the balance sheet

(in € millions)	2022	2021
Intangible assets (brands)	(304.3)	(301.0)
Capitalized development costs	(10.0)	(10.3)
Property, plant and equipment	(30.3)	(33.3)
Net tax loss carryforwards	97.6	77.4
Provisions for pensions and other employee-related liabilities	26.4	48.8
Elimination of intra-Group gains	45.4	44.8
IFRS 16	2.5	2.4
Other temporary differences	95.3	67.0
TOTAL DEFERRED TAX ASSETS (LIABILITIES)	**(77.4)**	**(104.2)**
Of which:		
Deferred tax assets	135.2	129.8
Deferred tax liabilities	(212.6)	(234.0)

"Other liabilities" mainly correspond to the shareholding debt valued at approximately €3.2 million.

Deferred tax liabilities on "other temporary differences" are principally comprised of deferred taxes on non-deductible provisions.

The change in net deferred tax liabilities on the balance sheet is explained as follows:

(in € millions)	
NET DEFERRED TAXES AT 31/12/2021	**(104.2)**
Deferred taxes for the period recognized in profit or loss	39.4
Effect of deferred taxes recognized in equity	(8.2)
Effect of changes in foreign exchange rates	(1.5)
Effect of changes in the scope of consolidation	(3.6)
Other	0.7
NET DEFERRED TAXES AT 31/12/2022	**(77.4)**

Deferred taxes recognized in consolidated equity essentially correspond to deferred tax liabilities related to actuarial gains and losses on pension liabilities, derivative instruments, and gains or losses on treasury shares.

Note 9.4. Other information

At 31 December 2022, the Group had a number of unrecognized deductible temporary differences and tax loss carryforwards. These amounts are listed per category as well as per expiration date in the table below:

At 31/12/2022 (in € millions)	Deductible temporary differences	Tax losses	Total
2023		0.8	0.8
2024		0.4	0.4
2025		0.2	0.2
2026		0.8	0.8
2027 and beyond	1.9	6.6	8.5
Unlimited	4.9	79.4	84.3
TOTAL	**6.8**	**88.2**	**95.0**

Unrecognized tax loss carryforwards went from €90.7 million in 2021 to €88.2 million in 2022. The item mainly concerns Brazil (€57.8 million in 2022, €40.6 million in 2021), Germany (€16.2 million in 2022, €35.0 million in 2021), and India (€4.7 million in 2022, €5.4 million in 2021).

NOTE 10. EARNINGS PER SHARE

Basic earnings per share correspond to profit attributable to owners of the parent divided by the weighted average number of shares outstanding during the period, excluding treasury stock.

Diluted earnings per share are calculated by adjusting the weighted average number of shares outstanding to take into account the dilutive effect of stock options and other consolidated equity instruments issued by the company.

(in € millions)	2022	2021
Numerator		
Profit attributable to owners of the parent	316.2	453.8
After tax effect of dilutive potential shares		
Profit used to calculate diluted earnings per share	316.2	453.8
Denominator		
Weighted average number of ordinary shares used to calculate basic earnings per share	55,055,398	53,885,865
Effect of dilutive potential shares	330,832	385,770
Weighted average number of ordinary shares used to calculate diluted earnings per share	55,386,230	54,271,635
BASIC EARNINGS PER SHARE *(IN €)*	**5.74**	**8.42**
DILUTED EARNINGS PER SHARE *(IN €)*	**5.71**	**8.36**

The dilutive impact is mainly linked to performance share plans (see Note 19.2).

5.2.3 BALANCE SHEET

NOTE 11. INTANGIBLE ASSETS

GOODWILL

Goodwill arising from consolidated companies is booked as a balance sheet asset under “Goodwill”.

On the takeover date, any excess between the net fair value of the identifiable assets acquired and liabilities assumed of the company being taken over and the acquisition price is recorded as goodwill. The consideration transferred is measured as the fair value of assets transferred, equity instruments issued and liabilities incurred by the acquirer to the former owner on the acquisition date, plus any contingent consideration. In the case of an acquisition carried out in stages, the difference between the carrying amount of the previously held interest and its acquisition-date fair value is recorded directly in the income statement on the acquisition date under “Other operating income and expenses”.

For each business combination, any non-controlling interest (minority interest) in the acquired company may be measured either at fair value on the acquisition date (full goodwill method) or at the non-controlling interest’s proportionate share of the acquired company’s identifiable net assets (partial goodwill method).

The fair values provisionally attributed to identifiable assets acquired and liabilities assumed, non-controlling interests measured at fair value and the various components of the consideration transferred may be adjusted by the acquirer for a period of twelve months after the acquisition date. After that period, any adjustments are recognized prospectively in profit or loss with no adjustment to goodwill.

Goodwill is not amortized but is tested for impairment at least once a year. For the purpose of these tests, goodwill is allocated to cash generating units (CGU). These CGUs are uniform groups of assets the ongoing use of which generates cash inflows that are largely independent from the cash inflows generated by other groups of assets.

The method used to test cash generating units for impairment is described in Note 11.3.

When impairment is noted, the difference between the carrying amount of the asset and its recoverable amount is recognized in other operating expenses. This impairment loss is first allocated to goodwill. Impairment losses on goodwill are not reversible.

Badwill (negative goodwill) is recognized directly in the income statement under “Other operating income and expenses” and is attributed in full to the acquirer.

OTHER INTANGIBLE ASSETS

Software licenses and internal software development costs are recognized as intangible assets when it is probable that they will generate future economic benefits.

They are amortized by the straight-line method over useful lives ranging from three to five years.

Other software licenses and software development costs are expensed as incurred. Patents, licenses and trademarks with a finite useful life are amortized over the shorter of the period of legal protection and their expected useful life.

Trademarks considered in their entirety with an indefinite useful life are not amortized but are tested for impairment.

In business combinations, order books and customer relationships are recorded as recurring transactions with existing customers at the date of acquisition.

The Group also holds certain trademarks – such as the Tefal international trademark and the Seb and Calor regional trademarks – which are not recognized as a balance sheet asset.

DEVELOPMENT COSTS

Under IAS 38 – Intangible Assets, research costs are recognized as an expense and development costs must be recognized as an intangible asset when the Group can demonstrate (IAS 38, paragraph 57) (non-exhaustive list):

- its intention to complete the development project;
- that it is probable that the expected future economic benefits attributable to the intangible asset will flow to the Group;
- its ability to reliably measure the cost of the intangible asset.

Development costs that do not fulfill the criteria defined in the standard are recognized during the year in which they are incurred.

In Groupe SEB’s Consolidated Financial Statements, qualifying development costs incurred after the advance design phase and before the manufacturing phase are recognized as intangible assets.

Development costs are amortized on a straight-line basis over three to five years, corresponding to the same useful life as that applied to specific tooling.

Note 11.1. Product Development Costs

(in € millions)	2022	2021
RESEARCH AND DEVELOPMENT GROSS EXPENDITURE	**(179.8)**	**(165.0)**
Research tax credit	6.1	7.2
RESEARCH AND DEVELOPMENT NET EXPENDITURE	**(173.7)**	**(157.8)**
as a% of revenue	2.2%	2.0%
CAPITALIZED DEVELOPMENT COSTS	**9.1**	**7.5**
as a% of R&D expenditure	5.2%	4.7%
AMORTIZATION FOR THE PERIOD RECOGNIZED IN COST OF SALES	**(5.4)**	**(5.5)**
RESEARCH AND DEVELOPMENT COSTS RECOGNIZED IN THE INCOME STATEMENT (NOTE 6.1)	**(164.6)**	**(150.4)**
TOTAL COST RECOGNIZED IN THE INCOME STATEMENT	**(170.0)**	**(155.9)**
as a% of revenue	2.1%	1.9%

Note 11.2. Change in intangible assets

2022 *(in € millions)*	Patents and licenses	Trademarks	*Goodwill*	Software	Development costs	Intangible assets in progress and other	Total
Cost							
At 1 January	41.8	1,108.1	1,782.7	140.3	35.9	188.2	3,297.0
Acquisitions/additions	0.1			8.6	9.1	15.2	33.0
Disposals				(14.3)	(5.7)	(0.4)	(20.4)
Other movements*	1.5	15.3	66.0	(1.4)	0.4	(10.3)	71.5
Foreign currency translation adjustments	0.3	9.7	(3.5)	0.6	0.7		7.8
AT 31 DECEMBER	**43.7**	**1,133.1**	**1,845.2**	**133.8**	**40.4**	**192.7**	**3,388.9**
Depreciation and impairment losses							
At 1 January	38.2	9.6	74.9	92.1	16.3	68.2	299.3
Foreign currency translation adjustments	0.3	0.7	2.4	0.7	0.3	0.4	4.8
Depreciation and amortization expense	1.2			15.5	5.4	9.8	31.9
Net impairment losses				2.3			2.3
Depreciation and impairment written off on disposals				(14.1)	(5.3)	(0.4)	(19.8)
Other movements*	0.4			(3.1)	0.1		(2.6)
AT 31 DECEMBER	**40.1**	**10.3**	**77.3**	**93.4**	**16.8**	**78.0**	**315.9**
Carrying amount at 1 January	3.6	1,098.5	1,707.8	48.2	19.6	120.0	2,997.7
CARRYING AMOUNT AT 31 DECEMBER	**3.6**	**1,122.8**	**1,767.9**	**40.4**	**23.6**	**114.7**	**3,073.0**

* *Including changes in scope of consolidation.*

2021 *(in € millions)*	Patents and licenses	Trademarks	*Goodwill*	Software	Development costs	Intangible assets in progress and other	Total
Cost							
At 1 January	39.7	1,079.3	1,712.0	132.3	29.3	169.1	3,161.7
Acquisitions/additions	0.2			6.9	7.5	15.1	29.7
Disposals				(6.5)	(4.6)	(0.1)	(11.2)
Other movements*			9.8	5.8	3.3	(5.2)	13.7
Foreign currency translation adjustments	1.9	28.8	60.9	1.8	0.4	9.3	103.1
AT 31 DECEMBER	**41.8**	**1,108.1**	**1,782.7**	**140.3**	**35.9**	**188.2**	**3,297.0**
Depreciation and impairment losses							
At 1 January	32.9	8.9	69.6	80.0	10.1	56.2	257.7
Foreign currency translation adjustments	1.8	0.7	5.3	1.0	0.1	2.5	11.4
Depreciation and amortization expense	3.5			17.6	5.5	9.5	36.1
Net impairment losses							
Depreciation and impairment written off on disposals		(6.5)	(1.7)		(8.2)		
Other movements*					2.3		2.3
AT 31 DECEMBER	**38.2**	**9.6**	**74.9**	**92.1**	**16.3**	**68.2**	**299.3**
Carrying amount at 1 January	6.8	1,070.4	1,642.4	52.3	19.2	112.9	2,904.0
CARRYING AMOUNT AT 31 DECEMBER	**3.6**	**1,098.5**	**1,707.8**	**48.2**	**19.6**	**120.0**	**2,997.7**

* *Including changes in scope of consolidation.*

Note 11.3. Impairment rules for fixed assets and definition of CGUs

In accordance with IAS 38, intangible assets with an indefinite useful life – corresponding to trademarks and goodwill – are not amortized but are tested for impairment at each year end. Intangible assets with a finite useful life are amortized by the straight-line method over their estimated useful life. Amortization expenses are included in "Operating Result from Activity".

In accordance with IAS 36 – Impairment of Assets, the net carrying amount of property, plant and equipment and intangible assets (with a finite or indefinite useful life) is tested at the appearance of impairment. Assets with an indefinite useful life – corresponding in the case of the Group to goodwill and trademarks and intangible assets in progress – are tested for impairment at least once a year. Assets with a finite life are tested whenever events or circumstances indicate that their carrying amount may not be recovered.

Impairment tests are performed at the level of each Cash-Generating Unit (CGU). A CGU is defined as an identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other groups of assets. The value in use of these units is determined by reference to net discounted future cash flows. An impairment loss is recognized for any excess in an asset's carrying amount over the recoverable amount of the unit tested. Recoverable amount corresponds to the higher of the unit's fair value less costs to sell and its value in use, calculated using the discounted cash flows method. The impairment loss thus determined is first allocated against goodwill and then pro-rata to the other intangible and tangible assets based on their carrying amounts.

Losses on CGUs and on assets with an indefinite useful life is recorded in "Other operating income and expenses". Impairment losses recognized for non-financial assets other than goodwill are reviewed at each annual and interim period-end or adjusted as necessary.

The Group's long-term assets are allocated to the following CGUs:

- a "Professional Business" CGU comprising intangible assets and industrial assets (mainly tools, machinery and buildings) related to Professional activities to which a portion of the goodwill calculated at the time of the WMF acquisition was allocated in 2017. Since then, all goodwill resulting from acquisitions made in the Professional sector have been allocated to this CGU (Krampouz, Zummo);
- a CGU called "Consumer EMEA" covering all Consumer activities in the EMEA area. This CGU includes intangible assets and industrial assets (mainly tools, machinery and buildings) related to its "Consumer" activities in the EMEA region, to which a portion of the goodwill calculated at the time of the WMF acquisition has been allocated;
- a CGU called "Consumer North America" covering all Consumer activities in the North America area. This CGU includes intangible assets and industrial assets (mainly tools, machinery and buildings) related to its "Consumer" activities, including intangible assets (brands and Goodwill) resulting from the acquisition of StoreBound;
- independent CGUs for Group subsidiaries with both industrial and commercial activities and whose cash inflows remain highly independent.

Note 11.4. Procedures for conducting impairment tests

Intangible assets with indefinite useful lives (brands and goodwill) have been tested for impairment in accordance with the accounting method described above and their net book value is generally compared with their value in use.

The discount rates used were based on a weighted average cost of capital that factors in market borrowing rates, gearing ratio, beta and country risk using Damodaran methodology. The mature country risk premium used for 2022 was 5.45% (compared to 4.93% in 2021). Specific equity risk premiums ranging from 0% to 3.56% were applied to the Group's different CGUs, according to their size, region and other specific characteristics.

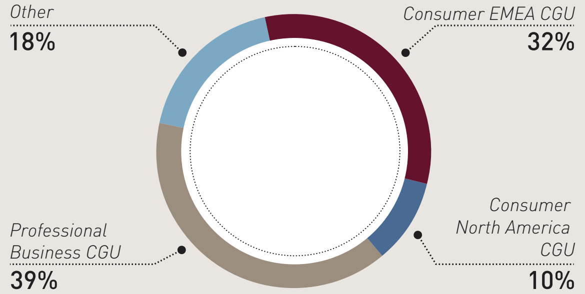
The 2022 tests were conducted on the basis of a medium-term sales and ORfA (Operating Result from Activity) forecast, with the first year being the Group's scope for 2023.

The long-term assets allocated to each CGU include the assets of distribution and production companies located in the geographical area of the CGU as well as a portion of the assets of sites located outside this geographical area but which have manufactured products marketed in this area. This portion is determined using an allocation key based on the cost of sales.

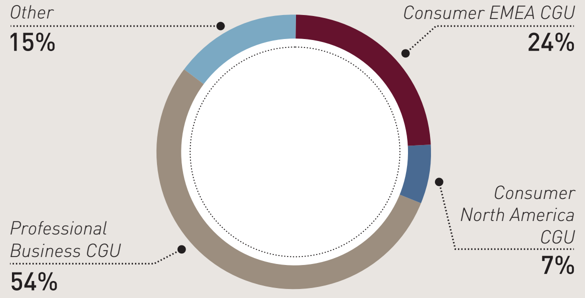
A portion of the goodwill and industrial assets located in China is therefore allocated to the "Consumer EMEA" and "Consumer North America" CGUs. Due to this allocation a portion of Supor assets are therefore tested twice. As a listed group, Supor assets are tested on the basis of their market valuation.

DISTRIBUTION OF LONG-TERM ASSETS ACROSS THE VARIOUS CGUS OF THE GROUP

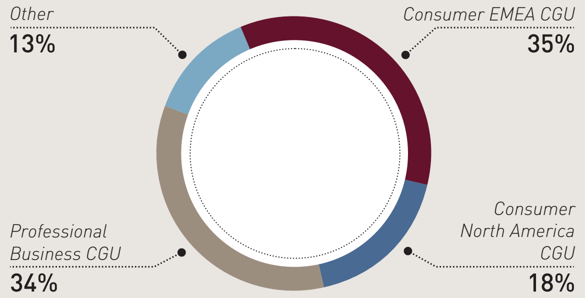
DISTRIBUTION OF INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES AT 31/12/2022



DISTRIBUTION OF GOODWILL AT 31/12/2022



DISTRIBUTION OF TRADEMARKS AT 31/12/2022



"PROFESSIONAL BUSINESS" CGU

The test of this CGU, which included trademarks with a net value of €383.8 million and goodwill for €947.8 million (including in particular intangible assets arising from the allocation of the WMF, Wilbur Curtis, Krampouz and Zummo purchase price), was carried out by comparing the carrying amount with its value in use.

The value in use is defined as the sum of discounted cash flows based on a five-year business plan and taking into account a terminal value based on the cash flow of the final year of the plan. The business plan used for the Professional Business CGU, whose activity was the most severely impacted by the Covid-19 pandemic, is based on the assumption that ORfA will return to pre-epidemic levels (in absolute terms) from 2023. The pre-pandemic operating margin level should be exceeded from 2024 (compared to 2025 in the test carried out in 2021).

The main actuarial assumptions used were as follows:

- a discount rate of 8.03% (compared with 7.76% in 2021);
- and a long-term growth rate of 2% in line with forecasts for the sector.

This test did not indicate any impairment risk for the assets allocated to this CGU. The test margin was significantly revised upward compared to 2021 (44% compared to 25% in 2021). The terminal value represents 81% of the value in use of the CGU (compared to 82% in 2021).

The sensitivity of the test to changes, taken in isolation, in the assumptions used to calculate the value in use of this CGU at the end of 2022 is as follows:

- a 1-point decrease in the growth rate would have reduced the test margin to 28%, compared to 11% in 2021;
- a 2-point increase in the WACC rate would have reduced the test margin to 6% (in 2021, just a 1-point increase in the WACC rate would have reduced the test margin to 6%);
- moreover, if the terminal value had been calculated on the assumption of an unchanged operating margin between 2023 and 2027, the test margin would have been 24%.

"CONSUMER EMEA" CGU

The test of this CGU, which included net trademarks values for €388.7 million and for goodwill for €424.1 million (of which €307 million in trademarks and €240 million in goodwill from the allocation of the WMF purchase price), was carried out by comparing the carrying amount with its value in use. The main brands allocated to this CGU are Rowenta, Lagostina, EMSA and OBH Nordica.

The carrying amount of this CGU also includes a share of the goodwill and industrial assets in our consumer business in China. The share of Supor goodwill incorporated into this CGU in 2022 amounts to €101.4 million (compared to €115.8 million in 2021). In accordance with IAS 36, the net carrying amount of this CGU was also revalued at €22 million, taking into account a portion of Supor's goodwill attributable to minority interests and not recognized at the time of the acquisition of this company due to the application of the partial goodwill method.

The value in use is defined as the sum of discounted cash flows based on a five-year business plan and taking into account a terminal value based on the cash flow of the final year of the plan.

The main actuarial assumptions used were as follows:

- a discount rate of 8.03% (compared with 7.76% in 2021);
- a long-term growth rate of 2% in line with forecasts for the household goods sector.

This test did not indicate any impairment risk for the assets allocated to this CGU. A one-point change in the discount rate or long-term growth rate, or significant changes in the assumptions in the business plan regarding revenue and profitability, would not affect the valuation of this CGU. Furthermore, the exclusion of flows from the Ukrainian and Russian markets would also have no impact on the valuation of this CGU.

"CONSUMER NORTH AMERICA" CGU

The test of this CGU, which included trademarks with a net value of €201.2 million and goodwill for €130.6 million (including in particular intangible assets arising from the allocation of the All-Clad and StoreBound purchase price), was carried out by comparing the net carrying amount with its value in us.

The carrying amount of this CGU also includes a share of the goodwill and industrial assets in our consumer business in China. The share of Supor goodwill incorporated into this CGU in 2022 amounts to €40 million (compared to €50 million in 2021). In accordance with IAS 36, the net carrying amount of this CGU was also revalued at €38 million, taking into account a portion of StoreBound's and Supor's goodwill attributable to minority interests and not recognized at the time of the acquisition of these companies due to the application of the partial goodwill method.

The value in use is defined as the sum of discounted cash flows based on a five-year business plan and taking into account a terminal value based on the cash flow of the final year of the plan.

The main actuarial assumptions used were as follows:

- a discount rate of 8.7% (compared with 9.4% in 2021). This discount rate takes into account a higher risk premium on part of the business plan considered to be more ambitious;
- a long-term growth rate of 2% in line with forecasts for the household goods sector.

This test did not indicate any impairment risk for the assets allocated to this CGU.

A one-point change in the discount rate or long-term growth rate, or significant changes in the assumptions in the business plan regarding revenue and profitability, would not affect the valuation of this CGU.

OTHER CGUS TESTED SEPARATELY

Groupe SEB Andean

This CGU previously called Imusa (including net trademark value and goodwill for €10.4 million and €16.3 million respectively at 31 December 2022) was tested by comparing the carrying amount to its value in use. The value in use is defined as the sum of discounted cash flows based on a five-year business plan and taking into account a terminal value based on the cash flow of the final year of the plan. The main actuarial assumptions used were as follows:

- a discount rate of 12.22% (compared with 11.3% in 2021); and
- and a long-term growth rate of 3% in line with forecasts for the sector.

The test did not lead to any impairment loss being recognized.

The sensitivity of the test to changes, taken in isolation, in the assumptions used to calculate the value in use of this CGU at the end of 2022 is as follows:

- the use of an 18% discount rate (i.e. +5 points) would not affect the valuation of this CGU;
- a one-point decrease in the growth rate to perpetuity would not result in any additional impairment loss being recognized;
- the use of an unchanged operating margin or an assumption of stagnant sales over the course of the business plan would not give rise to any additional impairment loss.

Supor

At 31 December 2022, the Supor CGU (including the trademark for €116.1 million and goodwill for €391.4 million) was compared to its market value. ZJ Supor is listed on the Shenzhen stock market and the share has enough liquidity to make this a good basis for comparison. At 31 December 2022, Supor shares were trading at CNY 49.46. The carrying amount at the same date was CNY 19.64 per share.

It should be noted that a portion of the goodwill and industrial assets of Supor is also integrated into the long-term assets of the Consumer EMEA and Consumer North America CGUs, as presented above.

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are initially recognized at their net acquisition cost and are depreciated by the straight-line method over their estimated useful lives.

Maintenance and repair costs are expensed as incurred.

The useful lives are as follows:

- buildings and components: 10-40 years;
- plants and machineries: 10 years;
- office equipments: 3-10 years;
- vehicles: 4-5 years;
- tooling: 1-5 years.

Each asset component with a useful life that is different from that of the asset to which it belongs is depreciated separately. Useful lives are reviewed at regular intervals and the effect of any adjustments are recognized prospectively.

No items of property, plant or equipment have been revalued.

Note 12.1. Change in property, plant and equipment

2022 (in € millions)	Land	Buildings	Machinery and equipment	Other property, plant and equipment	Fixed assets in progress	Total
Cost						
At 1 January	89.0	1,260.8	1,387.2	431.5	83.9	3,252.4
Acquisitions/additions	1.5	185.5	56.9	41.9	69.0	354.8
Disposals	(4.6)	(74.5)	(84.7)	(30.3)	(0.9)	(195.0)
Other movements (1)	2.5	34.0	32.7	8.4	(72.1)	5.5
Foreign currency translation adjustments	0.9	(6.5)	(1.5)	(2.0)	(0.1)	(9.2)
AT 31 DECEMBER	**89.3**	**1,399.3**	**1,390.6**	**449.5**	**79.8**	**3,408.5**
Depreciation and impairment losses						
At 1 January	10.2	575.3	1,095.7	305.6		1,986.8
Foreign currency translation adjustments		(1.9)	(0.3)	(0.5)		(2.7)
Additions	0.9	106.7	89.1	45.7		242.4
Net impairment losses			0.2			0.2
Depreciation and impairment written off on disposals	(1.0)	(46.2)	(84.2)	(28.1)		(159.5)
Other movements (1)			2.6	(0.1)		2.5
AT 31 DECEMBER	**10.1**	**633.9**	**1,103.1**	**322.6**		**2,069.7**
Carrying amount at 1 January	78.8	685.5	291.5	125.9	83.9	1,265.6
CARRYING AMOUNT AT 31 DECEMBER (2)	**79.2**	**765.4**	**287.5**	**126.9**	**79.8**	**1,338.8**

(1) Including changes in scope of consolidation.
(2) Of which €359.3 million related to the application of IFRS 16 (Note 13).

Breakdown of acquisitions/additions (in € millions)	2022	2021
New IFRS 16 leases (Note 14)	80.3	64.8
Upward change in IFRS 16 leases (Note 14)	74.7	34.7
Other purchases of property, plant and equipment per cash flow statement	199.8	183.2
TOTAL	**354.8**	**282.7**

The Group approved the construction of the logistics warehouse at the Bully site (Pas-de-Calais). This large-scale project is estimated at €85 million, of which €72 million in investments for the Group and €36 million over the period.

2021 (in € millions)	Land	Buildings	Machinery and equipment	Other property, plant and equipment	Fixed assets in progress	Total
Cost						
At 1 January	79.2	1,156.8	1,359.9	431.1	71.9	3,098.8
Acquisitions/additions	6.3	104.7	61.8	32.9	77.0	282.7
Disposals		(55.7)	(94.4)	(43.0)	(1.3)	(194.4)
Other movements (1)	2.2	29.9	28.2	8.1	(64.7)	3.7
Foreign currency translation adjustments	1.3	25.1	31.7	2.5	1.0	61.6
AT 31 DECEMBER	**89.0**	**1,260.8**	**1,387.2**	**431.5**	**83.9**	**3,252.4**
Depreciation and impairment losses						
At 1 January	9.4	501.1	1,071.0	297.9		1,879.3
Foreign currency translation adjustments	0.1	7.6	22.4	2.0		32.1
Additions	0.7	97.2	89.1	44.4		231.4
Net impairment losses			4.8			4.8
Depreciation and impairment written off on disposals		(32.5)	(91.9)	(38.2)		(162.6)
Other movements (1)		2.0	0.3	(0.5)		1.8
AT 31 DECEMBER	**10.2**	**575.3**	**1,095.7**	**305.6**		**1,986.8**
Carrying amount at 1 January	69.8	655.8	288.9	133.1	71.9	1,219.5
CARRYING AMOUNT AT 31 DECEMBER (2)	**78.8**	**685.5**	**291.5**	**125.9**	**83.9**	**1,265.6**

(1) Including changes in scope of consolidation.
(2) Of which €326.1 million related to the application of IFRS 16 (Note 13).

The Group owns most of its plants and generally rents its logistics warehouses and commercial and administrative premises, with the exception of its head office in Ecully and its new platform at the Bully site. All leases are with unrelated lessors and reflect normal market terms.

Note 12.2. Location of the Group's main industrial sites

They are distributed as follows:

NOTE 13. LEASES

Under IFRS 16 "Leases", all leases (except where exempted by the standard) result in the recognition on the balance sheet of an asset (representing the right to use the leased asset during the lease) and a liability (in respect of lease payment obligations).

On the date on which the lease takes effect, the right-of-use is measured at cost including the initial amount of the liability, the advance payments made to the lessor and the initial direct costs incurred in concluding the lease. This may also include an estimate of the costs of restoring the leased asset as per the lease.

When the lease comes into effect, the lease liability represents the present value of lease payments under the lease. Rents are discounted at the lessee's marginal borrowing rate.

The lease payments factored into the calculation of the liability include fixed lease payments (including lease payments considered fixed in substance), variable lease payments based on a rate or index (using the rate or index on the date on which the lease takes effect), residual value guarantees, the exercise price of purchase options, penalties for cancellation or non-renewal of leases. The term of the lease is the non-cancelable period over which the Group is entitled to use the asset as well as periods covered by lease renewal options, which are reasonably certain to be exercised and periods covered by cancellation options that the Group does not intend to exercise.

An analysis of existing contracts found:

- the absence of a complex lease and pretty uniform types of leases within the Group primarily regarding the leasing of offices, stores, warehouses, vehicles and a number of industrial assets;
- relatively short leases except for a number of stores;
- fixed lease payments in virtually all cases.

As of 31 December 2022, the average term of leases falling within the scope of the IFRS 16 standard was 3.4 years, identical to the rate in December 2021. The average marginal borrowing rate at 31 December 2022 was 3.8%, compared to 3.5% at 31 December 2021.

The remaining lease expense related to the variable portion of contracts and other exemptions (short-term contracts relating to low-value assets) at 31 December 2022 amounted to €50.4 million compared with €44.3 million at 31 December 2021.

Note 13.1. Changes in right-of-use and breakdown by type of asset

Change in right-of-use over the period 2022

2022 *(in € millions)*	Land	Buildings	Machinery and equipment	Other property, plant and equipment	Total
Cost					
At 1 January	2.1	454.3	14.2	51.1	521.7
Acquisitions/upward changes	0.3	136.8	6.1	11.8	155.0
End of contracts and downward changes	(0.5)	(51.1)	(3.5)	(10.7)	(65.8)
Other movements		1.1		0.1	1.2
Foreign currency translation adjustments	0.1	(7.4)	(0.2)	(0.5)	(8.0)
AT 31 DECEMBER	**2.0**	**533.7**	**16.6**	**51.8**	**604.1**
Depreciation					
At 1 January	0.7	157.3	5.6	32.0	195.6
Foreign currency translation adjustments		(3.2)	(0.2)	(0.3)	(3.7)
Additions	0.3	73.8	3.4	11.9	89.4
End of contracts and downward changes		(25.1)	(2.0)	(9.4)	(36.5)
Other movements					
AT 31 DECEMBER	**1.0**	**202.8**	**6.8**	**34.2**	**244.8**
Carrying amount at 1 January	1.4	297.0	8.6	19.1	326.1
CARRYING AMOUNT AT 31 DECEMBER	**1.0**	**330.9**	**9.8**	**17.6**	**359.3**

These amounts are included in Note 12.1 "Property, plant and equipment".

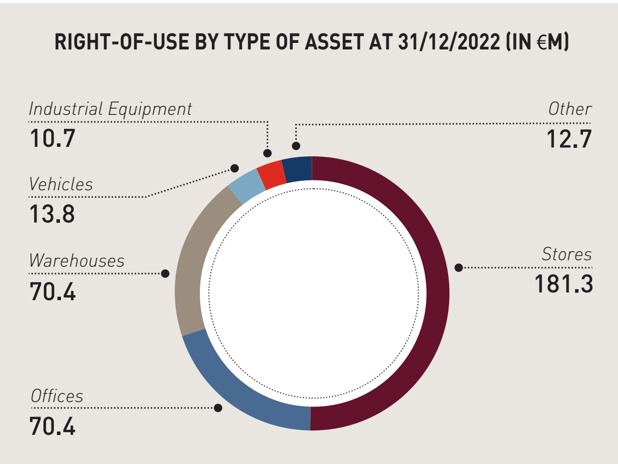
Change in right-of-use over the period 2021

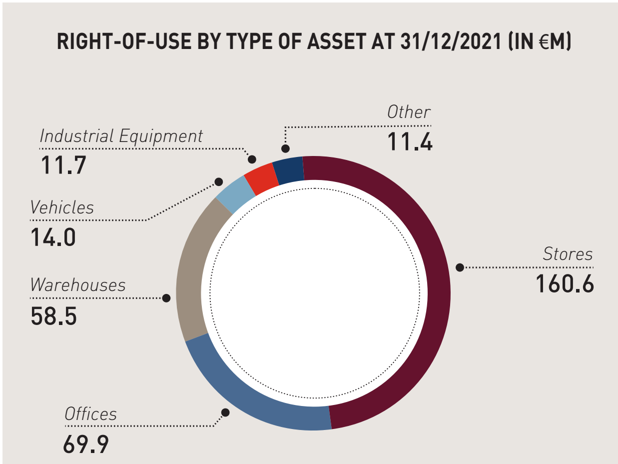
2021 *(in € millions)*	Land	Buildings	Machinery and equipment	Other property, plant and equipment	Total
Cost					
At 1 January	1.9	414.6	13.4	52.2	482.1
Acquisitions/upward changes	0.1	87.2	3.6	8.6	99.5
End of contracts and downward changes		(52.5)	(3.0)	(9.7)	(65.2)
Other movements					
Foreign currency translation adjustments	0.1	5.0	0.2		5.3
AT 31 DECEMBER	**2.1**	**454.3**	**14.2**	**51.1**	**521.7**
Depreciation					
At 1 January	0.5	118.6	5.6	26.0	150.7
Foreign currency translation adjustments		0.9	0.1	0.1	1.1
Additions	0.2	67.2	2.6	13.2	83.2
Exits and downward changes		(29.4)	(2.7)	(7.3)	(39.4)
Other movements					
AT 31 DECEMBER	**0.7**	**157.3**	**5.6**	**32.0**	**195.6**
Carrying amount at 1 January	1.4	296.0	7.8	26.2	331.4
CARRYING AMOUNT AT 31 DECEMBER	**1.4**	**297.0**	**8.6**	**19.1**	**326.1**

These amounts are included in Note 12.1 "Property, plant and equipment".

The value of these right-of-use is an integral part of the property, plant and equipment values presented in Note 12.1

Breakdown by type of asset





Note 13.2. Change in lease liabilities

Change in lease liabilities over the 2022 period

(in € millions)	01/01/2022	Changes in scope of consolidation	New leases and lease amendments	Repayment	Financial expenses	Foreign currency translation adjustments	31/12/2022
Lease liabilities	334.9	1.2	126.4	(98.2)	11.8	(4.6)	371.5

Change in lease liabilities over the 2021 period

(in € millions)	01/01/2021	Changes in scope of consolidation	New leases and lease amendments	Repayment	Financial expenses	Foreign currency translation adjustments	31/12/2021
Lease liabilities	338.9		73.7	(93.7)	12.0	4.0	334.9

The short-term lease liability totaled €80.8 million at 31 December 2022 compared with €71.8 million at 31 December 2021.

Note 13.3. Remaining lease expense and off-balance sheet commitments

The remaining lease expense following application of IFRS 16 breaks down as follows:

				Breakdown of remaining lease expense		
(in € millions)	Prior to application of IFRS 16	IFRS 16 adjustment	Residual lease expense	Short-term lease payments	Lease payments for low-value assets	Variable portion of lease payments
Lease expense	(148.5)	98.1	(50.4)	(10.8)	(1.8)	(37.8)

Off-balance sheet commitments relating to remaining lease expense

(in € millions)	Less than one year	More than one year but less than five years	More than five years	Total commitments
Short-term lease payments	3.5			3.5
Lease payments for low-value assets	1.4	1.9	0.1	3.4
Variable portion of lease payments	20.0	12.6	0.4	33.0
TOTAL COMMITMENTS	**24.9**	**14.5**	**0.5**	**39.9**

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NOTE 14. INVESTMENTS IN OTHER FINANCIAL ASSETS

Financial instruments are accounted for in accordance with IFRS 9 – Financial Instruments.

Financial assets are recognized in the balance sheet when the Group becomes a party to the contractual provisions of the instrument. They are recognized at the fair value of the consideration given or received. The transaction costs directly attributable to the acquisition of the financial assets are included in the initial valuation. Acquisition costs include direct external transaction costs.

The classification of financial assets into each of the categories defined by IFRS 9 (amortized cost, fair value through other comprehensive income, fair value through profit or loss) is dependent on the management systems put in place by the Group and their contractual cash flow characteristics.

EQUITY INSTRUMENTS HELD

These assets are measured at fair value through profit or loss or for those not held for trading designated at fair value through other comprehensive income (cannot be reclassified to profit or loss). This classification is irrevocable.

These assets are presented on the “Other investments” line in the balance sheet and mainly relate to those taken by SEB Alliance.

FINANCIAL ASSETS RECOGNIZED AT AMORTIZED COST

These assets include the loans and receivables presented in the “Other non-current financial assets” and “Financial investments and other current financial assets” balance sheet items.

These assets are measured at amortized cost, using the effective interest method.

SHORT-TERM FINANCIAL INVESTMENTS

The Group makes short-term financial investments with no significant risk of a change in value but whose maturity on the subscription date is longer than three months. These financial assets recognized using the amortized cost method do not meet the definition of cash equivalents. They are classified in the “Financial investments and other current financial assets” balance sheet item and are an integral part of the determination of the Group’s net debt.

BANK ACCEPTANCE DRAFTS

In its Chinese subsidiaries, the Group receives Bank Acceptance Drafts issued by leading local banks for the payment of trade receivables. These financial instruments, with no risk of impairment and whose only counterparty risk is that of the bank, have maturities of less than one year.

They are classified in the "Financial investments and other current financial assets" balance sheet item and are an integral part of the determination of the Group's net debt.

It should be noted that when the Group's Chinese subsidiaries also ask their local banks to issue Bank Acceptance Drafts for their suppliers, such drafts are placed in the "Financial debts" balance sheet item (Note 23).

(in € millions)	2022	2021
OTHER INVESTMENTS	**218.3**	**162.0**
OTHER NON-CURRENT FINANCIAL ASSETS	**18.2**	**16.3**
Financial investments	63.8	57.6
Bank Acceptance Drafts in China (Note 14.3.2)	35.7	0.5
Other current financial assets	2.5	2.5
FINANCIAL INVESTMENTS AND OTHER CURRENT FINANCIAL ASSETS	**102.0**	**60.6**
TOTAL INVESTMENTS, FINANCIAL INVESTMENTS AND OTHER FINANCIAL ASSETS	**338.5**	**238.9**

Change over the period	2022	2021
TOTAL INVESTMENTS, FINANCIAL INVESTMENTS AND OTHER FINANCIAL ASSETS AT 1 JANUARY	**238.9**	**788.6**
Change in fair value in other comprehensive income	27.3	30.1
Change in fair value recognized in the income statement	0.0	
Proceeds/outflows (see consolidated cash flow statement)	75.3	(580.8)
Currency translation adjustment	(3.5)	4.6
Other including changes in the scope of consolidation	0.5	(3.6)
TOTAL INVESTMENTS, FINANCIAL INVESTMENTS AND OTHER FINANCIAL ASSETS AT 31 DECEMBER	**338.5**	**238.9**

Note 14.1. Financial investments

14.1.1. Investments in associates

The Group has not had any investments in associates since 2017.

14.1.2. Other investments

The "Other investments" item stood at €218.2 million at 31 December 2022 compared with €162.0 million at 31 December 2021.

It consists primarily of minority holdings in various entities.

In accordance with IFRS 9, the non-consolidated investments and securities should be booked at Fair Value. The Group decided to recognize the fair value in other items of comprehensive income without subsequent reclassification to profit or loss, even in the event of disposal. The change in fair value of these investments amounted to €27.3 million in 2022 compared with €30.1 million in 2021.

Note 14.2. Other non-current financial assets

The "Other non-current financial assets" item stood at €18.2 million at 31 December 2022 compared with €16.3 million at 31 December 2021.

These assets are mainly comprised of endorsements and guarantees, chiefly for property leases.

Note 14.3. Financial investments and other current financial assets

14.3.1. Financial investments

These short-term financial investments with a maturity of over three months on the subscription date are worth €63.7 million at 31 December 2022 (including €58.4 million in China) compared with €57.6 million (including €25.0 in China) at 31 December 2021.

14.3.2 Bank Acceptance Drafts

Bank Acceptance Drafts issued by leading Chinese banks received as part of the trade receivables settlement totaled €35.7 million at 31 December 2022, compared to €0.5 million at 31 December 2021.

NOTE 15. INVENTORIES

Raw materials and goods purchased for resale are measured at purchase cost, using the weighted average cost method.

Work-in-progress and finished products are measured at cost, including raw materials and labor and a portion of direct and indirect production costs.

In accordance with IAS 2, inventories are measured at the lower of cost, determined as explained above, and net realizable value.

Net realizable value corresponds to the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale (mainly distribution costs).

The carrying amount of inventories does not include any borrowing costs.

	2022			2021		
(in € millions)	Cost	Depreciation	Carrying amount	Cost	Depreciation	Carrying amount
Raw materials	433.4	(36.8)	396.6	418.5	(31.3)	387.2
Work in progress	15.9	(1.3)	14.6	15.1	(1.7)	13.4
Finished products and goods purchased for resale	1,296.7	(25.8)	1,270.9	1,469.7	(30.7)	1,439.0
TOTAL	**1,746.0**	**(63.9)**	**1,682.1**	**1,903.3**	**(63.7)**	**1,839.6**

NOTE 16. TRADE RECEIVABLES

Trade receivables are initially recognized at their transaction price (defined according to IFRS 15). The estimated amounts of deferred rebates (see Note 5) granted to customers and not yet settled at the closing date are recognized by offsetting customer receivables. These receivables are impaired, on the basis of the credit losses expected at maturity in accordance with the asset impairment model introduced by IFRS 9.

(in € millions)	2022	2021
Trade receivables	914.7	958.7
Provision for doubtful debt	(23.2)	(24.1)
TOTAL	**891.5**	**934.6**

The Group divests trade receivables and applies the reverse factoring programs of some of its customers. As these sales of receivables are without recourse, they are deconsolidated. The amount sold at 31 December 2021 was €125 million.

At 31 December 2022, the amount of trade receivables sold and deconsolidated was €187 million.

A receivables aging analysis is presented in Note 25.

NOTE 17. OTHER RECEIVABLES AND NON-CURRENT ASSETS

(in € millions)	2022	2021
Non-current prepaid expenses	1.9	2.5
Prepaid and recoverable taxes and other non-current receivables (1)	56.4	50.4
OTHER NON-CURRENT ASSETS	**58.3**	**52.9**
Current prepaid expenses	15.3	15.7
Advances paid (2)	93.7	101.1
Prepaid and recoverable taxes and other receivables (1)	108.1	115.6
OTHER CURRENT RECEIVABLES	**217.1**	**232.4**

(1) Including VAT claims amounting to €131.5 million at 31 December 2022 (€136.3 million at 31 December 2021).

(2) Including €82.6 million from Supor at 31 December 2022 (€89.5 million at 31 December 2021).

Non-current tax receivables mainly relate to tax receivables in Brazil: ICMS, PIS and COFINS.

The methods for calculating PIS and COFINS taxes were clarified on 15 March 2017, when the Brazilian Supreme Court ruled that ICMS should be excluded from their calculation basis. These calculation methods were again confirmed by the Supreme Court on 13 May 2021.

Following these court decisions, in 2018 our industrial subsidiary Seb do Brasil recorded a tax receivable of 213 million Brazilian reals (including interest on arrears) in connection with the surplus tax paid since 2004. This receivable is pending repayment to the state of Rio de Janeiro. In 2019, our commercial subsidiary Seb Comercial registered a tax receivable of 51 million Brazilian reals for the surplus tax paid since 2013. This receivable has been regularly compensated since then.

NOTE 18. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and on hand and short-term investments in money market instruments.

Cash equivalents are mainly composed of very short-term investments, such as SICAV money market funds, whose market value corresponds to their carrying amount at the balance sheet date.

(in € millions)	2022	2021
Cash at bank	957.8	1,794.5
Investment securities	279.2	472.0
TOTAL	**1,237.0**	**2,266.5**

The €(1,029.5) million change in cash and cash equivalents over the financial year was due to €276 million in cash, from operations allocated to investment activities in the amount of €(366.4) million and financing activities in the amount of €(909.5) million.

The consolidated cash flow statement is presented using the indirect method and cash flows are analyzed between operating, investing and financing activities.

IAS 7 – Statement of Cash Flows was amended following the publication of IAS 27R. The aggregate cash flows arising from obtaining or losing control of a subsidiary are classified as investing activities while cash flows arising from changes in ownership interests in a fully consolidated subsidiary are classified as financing activities.

Transactions with jointly controlled entities or entities accounted for by the equity method continue to be classified as investing activities.

NOTE 19. EQUITY

Note 19.1. Share capital

At 31 December 2022, the capital consisted of 55,337,770 shares with a nominal value of €1 (similar to the capital at 31 December 2021).

Some shares enjoy double voting rights (Article 35 of the bylaws) and a supplementary dividend (Article 46 of the bylaws). Shares acquire double voting rights when they are fully paid-up and have been registered in the name of the same owner for at least five years. The supplementary dividend of 10% of the unit value of the reference dividend is granted to holders of shares registered without interruption for two financial years preceding the dividend payment, and which are still registered on the ex-dividend date. For any one shareholder, this supplement is limited to a number of shares that may not exceed 0.5% of the share capital.

After deducting treasury shares, the weighted average number of shares outstanding in 2022 was 55,055,398 (53,885,865 in 2021).

At 31 December 2022, the Family voting block owned 33.53% of the capital, with these shares representing 39.18% of the theoretical voting rights at Extraordinary Shareholders' Meetings.

Note 19.2. Share-based payments

Stock option plans are measured and recognized in accordance with IFRS 2 – Share-Based Payment.

Stock options represent a benefit for the grantee and, accordingly, are treated as part of the Group's compensation costs. Option grants are not cash-settled, and the benefit is therefore recognized as an expense over the vesting period by adjusting equity. They are valued on the basis of the fair value of the underlying equity instruments on the award date. As the stock options and performance shares granted to employees of Group subsidiaries are only exercisable for SEB S.A. shares, they are deemed to be equity-settled share-based payments.

The fair value of stock options at the grant date is determined using the Black & Scholes option pricing model. This model takes into account the option exercise price and period, market data at the grant date (risk-free interest rate, share price, volatility, expected dividends) and grantee behavior assumptions (average holding period of the options).

The fair value of performance shares corresponds to the share price on the grant date less a discount covering the lock-up feature and the value of future dividends that will not be received during the vesting period.

The compensation cost recorded for each plan is determined by multiplying the fair value per option or performance share by the estimated future number of shares to be delivered. The estimated number of shares is adjusted at each balance sheet date, as necessary, based on a revised estimate of the probability of non-market-based performance criteria being met, leading to an adjustment of the compensation cost.

The compensation cost is recognized in employee benefits expense on a straight-line basis over the option or performance share vesting period by adjusting equity. When a grantee leaves the Group before the end of the vesting period, resulting in the rights to the options or performance shares being forfeited, the cumulative compensation cost is canceled by recording an equivalent amount in income. Conversely, if a grantee leaves the Group earlier than originally expected, while maintaining his or her rights to the stock options held, amortization of the cost of his or her options or performance shares is accelerated.

19.2.1. Stock options

There are no more subscription and purchase option plans, as the last plan from June 2012 expired in June 2020.

19.2.2. Performance shares

Each year, the Board of Directors awards performance shares to certain employees and executive officers.

Since 2017, performance shares awarded under the plans are only finally vested after a period of three years, with no lock-in period. In addition, the final vesting of performance shares is subject to the achievement of objectives identical to those used to calculate the variable compensation of the Group's senior managers and executives, based on revenue and Operating Result from Activity.

At 31/12/2022			Number of shares				
Type	Date of grant [1]	Date of vesting	granted	vested	canceled	Outstanding	Share price on the grant date
Performance shares	22/05/2019	22/05/2022	248,645 [2]	240,550	8,095		155.9
Performance shares	19/05/2020	19/05/2023	213,148 [3]		3,675	209,473	112.3
Performance shares	20/05/2021	20/05/2024	200,000		750	199,250	151.3
Performance shares	19/05/2022	19/05/2025	218,360			218,360	100.4
TOTAL			**880,153**	**240,550**	**12,520**	**627,083**	

(1) The grant date corresponds to the date on which the Board of Directors granted the rights.
(2) Of which 22,145 shares granted as part of the free award transaction, 1 share in return for 10 held as of 03/03/2021.
(3) Of which 19,268 shares granted as part of the free award transaction, 1 share in return for 10 held as of 03/03/2021.

As the shares granted for the 2019, 2020, 2021 and 2022 plans have no lock-up clause, the fair value only takes into account the absence of dividends during the vesting period.

The main assumptions used to determine the fair value of performance shares were as follows:

Assumptions	2022 plan	2021 plan	2020 plan	2019 plan
Share price on the grant date (*in €*)	100.4	151.3	112.3	155.9
Risk-free interest rate (5-year rate)	1.18%	0.00%	-0.27%	0.00%
Discounted average rate of dividends not received	2.80%	2.45%	1.65%	2.45%
INITIAL VALUE (IN € MILLIONS)	**20.1**	**28.8**	**20.8**	**33.6**
Expense for 2022 (in € millions)	2.8	9.4	6.3	3.4

At the beginning of 2022, Supor granted shares under the 2021 performance share plan, which had no impact on the 2021 accounts. On 12 October 2022, shares were granted under a second 2022 performance share plan. The 2022 expense for these two plans was €7.4 million (compared to €1.5 million in 2021 for the 2017 plan).

19.2.3 Employee share ownership plan

When employee rights issues are carried out, if the shares are offered at a discount to market price, the difference between the offer price and the market price is recorded as an expense. The expense is measured on the date the rights are granted, corresponding to the point at which both the Group and the employees understand the characteristics and terms of the offer.

It takes into account matching employer contributions to the plan and any discount offered on the shares, less the deemed cost to the employee of the lock-up applicable to the shares.

It is recognized in full in the income statement in the year of the rights issue, provided the shares are not subject to any vesting condition, as in this case the shares are issued in exchange for employee services rendered in prior periods. The charge is recognized on the income statement, under "Discretionary and non-discretionary profit-sharing".

No new plan has been set up since "Horizon 2019".

Note 19.3. Reserves and retained earnings (before appropriation of profit)

Retained earnings include reserves shown on the balance sheet of SEB S.A. (dont 1 309,6 millions sont librement distribuables au 31 décembre 2022 contre 1 267,6 millions au 31 décembre 2021), and SEB S.A.'s share of the retained earnings of consolidated subsidiaries subsequent to their acquisition or incorporation.

SEB S.A.'s share of the retained earnings of foreign subsidiaries is considered to be permanently invested. Any withholding taxes or additional taxes on distributed income are only recognized when distribution of these amounts is planned or considered probable.

Note 19.4. Treasury shares

The Group buys back shares for the following purposes:

- for cancellation in order to reduce the company's share capital;
- for allocation to employees, senior managers or senior executives of the company or of related companies upon exercise of stock options or vesting of performance shares;
- for delivery on redemption, conversion, exchange or exercise of share equivalents.

Share buybacks are carried out based on market opportunities and only when the Group has sufficient cash to fund the transactions.

Treasury stock is deducted from equity at cost. The consideration paid or received is recognized directly in equity.

As a reminder, the Group also set up collars on treasury shares to cover its performance share and employee share ownership plans. The call options are classified as equity instruments. The put options sold simultaneously with these call options are classified as financial instruments and are part of the Group's net debt.

In 2022, the Group bought back 312,570 shares at a weighted average price of €117 and sold 255,431 shares at an average price of €7.85. The €34.3 million after tax loss on the sales was recognized directly in equity without affecting profit (loss) for the period.

At 31 December 2022, the Group held 287,766 treasury shares at an average price of €115.72 per share.

Movements in treasury shares were as follows:

	Transactions	
(in number of shares)	**2022**	2021
Shares held in treasury at 1 January	**230,627**	**145,328**
Share purchases	**312,570**	**373,289**
Buyback plan	296,389	293,591
Liquidity contract	16,181	79,698
Sales	**(255,431)**	**(287,990)**
Disposals	(15,081)	(95,160)
Shares allocated on exercise of stock options, and under the performance share and employee share ownership plans	(240,350)	(192,830)
Shares canceled during the period		
SHARES HELD IN TREASURY AT 31 DECEMBER	**287,766**	**230,627**

	Transactions	
(in € millions)	**2022**	2021
Shares held in treasury at 1 January	**34.3**	**19.6**
Share purchases	**36.6**	**53.3**
Buyback plan	34.4	41.5
Liquidity contract	2.2	11.8
Sales	**(37.5)**	**(38.7)**
Disposals	(2.0)	(14.0)
Shares allocated on exercise of stock options, and under the performance share and employee share ownership plans	(35.5)	(24.6)
Shares canceled during the period		
SHARES HELD IN TREASURY AT 31 DECEMBER	**33.3**	**34.3**

Collars on treasury shares are broken down into call and put options. These put options, which are an integral part of the Group's debt, are presented in the table below:

Put options	2022	2021
Number of shares	258,195	348,431
Amount in millions of euros	3.2	5.8
Change in Fair Value impacting the Net Financial Expense in millions of euros	(4.6)	2.1

NOTE 20. NON-CONTROLLING INTERESTS

Acquisitions or disposals of non-controlling interests that do not affect the Group's control of a subsidiary are treated as transactions between owners and accounted for in equity.

The carrying amounts of the subsidiary's assets (including goodwill recognized upon obtaining control) and liabilities remain unchanged.

When the Group grants a put option to a minority shareholder for the securities it holds in the subsidiary in question, a financial liability is recorded on the balance sheet at fair value through equity. Subsequent changes in this debt are also recorded through equity.

In the event of the disposal of non-controlling interests resulting in a loss of control of a subsidiary, a gain (loss) on disposal is recognized for the difference between the selling price, the fair value of the interest retained in the subsidiary and the carrying amount of all the assets (including goodwill) and liabilities as well as non-controlling interests in the subsidiary, following reclassification in profit or loss of the gains and losses recognized in other comprehensive income attributable to owners of the parent. The remeasurement at fair value of the retained investment therefore affects profit or loss.

Changes in non-controlling interests are as follows:

(in € millions)	2022	2021
AT 1 JANUARY	**300.6**	**267.3**
Non-controlling interests in profit	52.1	53.8
Dividends paid	(64.0)	(30.5)
Exercise of stock options	1.3	0.3
Non-controlling interests in shares issues by subsidiaries	0.4	
Changes in scope of consolidation, acquisition by the Group of non-controlling interests in subsidiaries and other companies	(2.1)	(11.4)
Foreign currency translation adjustments	(8.2)	21.1
TOTAL AT 31 DECEMBER*	**280.1**	**300.6**

* *Including Supor for €248.8 million in 2022 (€263.7 million in 2021).*

Non-controlling interests primarily concerned the non-controlling interests of the ZJ Supor Group. The share of non-controlling interests therefore mainly changed in line with changes in the ZJ Supor Group's reserves (particularly profit and translation adjustments), purchases, sales or any other voluntary adjustments to Seb's stake in ZJ Supor. At 31 December 2022, Groupe SEB held 82.44% of Supor's shares.

The ZJ Supor Group is made up of various subsidiaries, whose name, line of business, location and percentage of interest are shown in Note 33 herein. The 2021 dividends paid to non-controlling interests in 2022 were €62.9 million. The 2022 profit (loss) of this sub-group taken by itself was €289.2 million on revenue of €2,833 million. The impact of the sub-group on the consolidated statement of comprehensive income consists solely of foreign currency translation adjustments.

SUMMARY 2022 BALANCE SHEET OF THE SUPOR SUB-GROUP (IN € MILLIONS)

ASSETS	2022	2021	LIABILITIES	2022	2021
Non-current assets	795	817	Shareholders' equity	1,445	1,561
Inventories	323	412	Long-term provisions	7	7
Trade receivables	173	314	IFRS 16 debt	25	26
Other receivables	92	115	Trade payables	286	456
Cash and cash equivalents	764	670	Other current liabilities	383	278
TOTAL	**2,146**	**2,328**	**TOTAL**	**2,146**	**2,328**

SUMMARY 2022 CASH FLOW STATEMENT OF THE SUPOR SUB-GROUP (IN € MILLIONS)

	2022	2021
Net cash from operating activities	419	198
Net cash used by investing activities	(10)	(39)
Net cash used by financing activities	(300)	(148)
Currency translation adjustment	(15)	64
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS GROSS	**94**	**75**

The gross cash presented above also includes the Supor financial investments and Bank Acceptance Drafts (see Note 14).

Financing activities during the period mainly concerned the payment of dividends to Groupe SEB and non-controlling interests and the purchase of Supor shares for €23.0 million.

Since this group is located in China, the cash it generates is subject to the foreign exchange controls in effect in that country.

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NOTE 21. PROVISIONS AND CONTINGENT LIABILITIES

In accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, a provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation:

A) PROVISIONS FOR WARRANTY COSTS

As part of its Consumer business, the Group provides a warranty on its products to consumers. The estimated costs of the warranty are accrued at the time of sale, based on historical data.

This item also includes provisions for product recalls. These costs are incurred when a recall decision is determined by Groupe SEB.

B) PROVISION FOR CLAIMS AND LITIGATION

As a general principle, all known claims and litigation involving the Group are reviewed by management at each period-end. All necessary provisions have been recorded to cover the related risks, as estimated after obtaining advice from outside legal advisors.

C) RESTRUCTURING PROVISION

The Group is considered as having a constructive obligation when management has a detailed formal plan for the restructuring, or has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features and no inflow of economic benefits is expected that would offset the costs of the plan.

The amount of the related provision corresponds to forecast cash outflows under the plan.

In a business combination, a contingent liability will be recognized where there is a current obligation arising from past events and its fair value can be measured reliably.

Provisions are classified as short-term or long-term according to whether the obligation is expected to be settled within or beyond one year.

(in € millions)	2022 non-current	2022 current	2021 non-current	2021 current
Pension and other post-employment benefit obligations (Note 22)	165.0	21.1	240.2	18.3
Product warranties (Note 21.1)	9.7	44.1	9.5	43.3
Claims and litigation and other contingencies (Note 21.2)	18.0	68.1	47.1	29.5
Restructuring provision (Note 21.3)	20.8	5.2	2.1	40.9
TOTAL	**213.5**	**138.5**	**298.9**	**132.0**

Provision movements (other than provisions for pensions and other post-employment benefits) over the year are as follows:

(in € millions)	01/01/2022	Increases	Reversals	Utilizations	Other movements*	31/12/2022
Product warranties (Note 21.1)	52.8	26.5	(2.0)	(23.6)	0.1	53.8
Claims and litigation and other contingencies (Note 21.2)	76.6	29.6	(9.1)	(12.6)	1.6	86.1
Restructuring provision (Note 21.3)	43.0	22.9	(1.0)	(39.4)	0.5	26.0
TOTAL	**172.3**	**79.0**	**(12.1)**	**(75.6)**	**2.2**	**165.9**

* *"Other movements" include foreign currency translation adjustments and the effect of changes in the scope of consolidation.*

(in € millions)	01/01/2021	Increases	Reversals	Utilizations	Other movements*	31/12/2021
Product warranties (Note 21.1)	45.0	29.5	(1.8)	(20.5)	0.6	52.8
Claims and litigation and other contingencies (Note 21.2)	62.0	25.8	(5.2)	(7.7)	1.7	76.6
Restructuring provision (Note 21.3)	49.3	35.4	(1.2)	(40.9)	0.4	43.0
TOTAL	**156.3**	**90.7**	**(8.2)**	**(69.0)**	**2.7**	**172.3**

* *"Other movements" include foreign currency translation adjustments and the effect of changes in the scope of consolidation.*

Note 21.1. Product warranties

Provisions are recorded for the estimated cost of repairing or replacing products sold under warranty to customers and consumers. The warranty, which is either legal or contractual, generally covers a period of one or two years. Provisions for product recalls are recorded as soon as the recall is decided.

Note 21.2. Claims and litigation and other contingencies

Certain subsidiaries are involved in claims and litigation with third parties.

At 31 December, this item included:

(in € millions)	2022	2021
Supplier claims and litigation	5.2	5.6
Local government claims, litigation and contingencies	6.4	7.6
Commercial claims, litigation and contingencies	0.1	0.1
Employee claims, litigation and contingencies	6.4	6.1
Other claims, litigation and contingencies	68.0	57.3
TOTAL	**86.1**	**76.6**

The "Other claims, litigations and contingencies" item mainly includes the liabilities acquired with WMF (see Note 21.4), as well as a class action in the United States.

The provisions for the other claims, litigations and risks under this item are not material when taken individually.

Note 21.3. Restructuring provision

Restructuring provisions break down as follows:

(in € millions)	2022	2021
Employee benefits expenses	25.1	40.5
Site closure costs	0.9	2.5
TOTAL	**26.0**	**43.0**

The current portion of the restructuring provision amounted to €5.2 million and mainly related to the closure of the Erbach industrial site in Germany, the WMF restructuring plan for cookware and professional activities, and the restructuring plan in Brazil.

Note 21.4. Contingent liabilities

Provisions for contingent liabilities were estimated at €48 million in connection with the WMF acquisition which covered litigation, tax, environmental and regulatory risks. At 31 December 2022, the residual provision was €39.3 million (after recognition of an additional expense of €6.1 million over the financial year), €31.5 million of which was reclassified as a short-term provision.

Contingent liabilities related to business combinations for the period totaled €1.2 million.

NOTE 22. EMPLOYEE BENEFITS

Employee benefits include retirement plans, other post-employment benefits and other long-term benefits.

Pension and other post-employment benefit plans

In some countries, the Group is required to pay length-of-service awards to employees on retirement or pension benefits under formal pension plans. The Group also pays contributions to government-sponsored pension plans in its various host countries. The accounting treatment of these pension and other post-employment benefit plans depends on the type of plan.

There are two categories of retirement plans:

Defined contribution plans

Contributions to these plans are recognized as an expense for the period to which they relate.

Defined benefit plans

In accordance with IAS 19, as amended – Employee Benefits, obligations are calculated annually by independent actuaries using the projected Unit credit method based on final salaries. This method sees each period of service as giving rise to an additional Unit of benefit entitlement and measures each Unit separately to build up the final obligation. The final obligation is then discounted. The actuarial assumptions used to calculate the obligation include staff turnover rates, mortality rates, the discount rate and the retirement age.

The assumptions vary according to local laws and regulations in the host countries concerned.

A provision is recorded in the balance sheet for any unfunded obligations, corresponding to defined benefit obligations not covered by plan assets.

Current service cost, corresponding to the increase in the present value of the defined benefit obligation resulting from employee service in the current period, and the effect of liquidations and plan reductions, are recognized in the Operating Result from Activity.

Actuarial gains and losses, resulting from changes in actuarial assumptions and experience adjustments (i.e. the effects of the differences between the previous actuarial assumptions and what has actually occurred) are recognized in “Other comprehensive income”.

Interest income or interest expense calculated on the defined benefit obligation net of the value of plan assets by applying the discount rate used to determine the defined benefit obligation is recognized in “Other financial income and expenses”.

The difference between the actual return on plan assets and the interest income calculated by applying the discount rate is recorded in other comprehensive income.

For plans that have a surplus – corresponding to the excess of plan assets over the defined benefit obligation – the Group applies the limit provided for in IAS 19, as amended in determining any asset recognized in the balance sheet.

Other long-term benefits

Certain subsidiaries pay jubilees to employees who have completed a certain number of years’ service or offer employees “time savings accounts”. The cost of these long-term benefits is calculated on an actuarial basis and recognized in profit over the service lives of the employees concerned. Actuarial gains and losses are recognized immediately in profit during the period in which they are generated, as their deferral is not allowed under IFRS.

Pension and other post-employment benefit costs are classified as operating expenses, except for the interest cost, which is included in other financial income and expenses in accordance with the alternative treatment allowed under IAS 19.

Contributions to external funds and payments to employees are reported in the cash flow statement under “Cash flows from operating activities”.

Note 22.1. Assumptions used to determine pension and similar commitments

Provisions for pension and other post-employment benefit obligations, determined as explained in the accounting principle set out above, primarily concern France (mainly length-of-service awards) and Germany (mainly pension plans). The obligations are determined by qualified actuaries using a certain number of assumptions. These assumptions are revised once a year.

Discount rates are determined based on the yields of investment grade corporate bonds with maturities that match the remaining life of the benefit obligations at the measurement date.

Assumptions	France 2022	Germany 2022
Economic assumptions		
Rate of salary increases	Between 3.00% and 4.00%	Between 2.50% and 3.00%
Discount rate (based on Iboxx AA)	Between 3.00% and 3.75%	Between 3.00% and 3.75%
Duration	9.0	9.9
Demographic assumptions		
Retirement age	62 to 65 years*	60 to 63 years
Staff turnover	0% to 12.3%	0% to 7.5%
Mortality tables	TH/TF 00-02 (with age gap) TGC-TGF 05	© Heubeck reference tables (RT 2018 G)

* *Depending on employee age and category (management or other).*

Assumptions	France 2021	Germany 2021
Economic assumptions		
Rate of salary increases	Between 2.30% and 4.00%	Between 1.80% and 2.50%
Discount rate (based on Iboxx AA)	Between 0.00% and 0.85%	Between 0.00% and 0.85%
Duration	9.4	12.7
Demographic assumptions		
Retirement age	62 to 65 years*	65 years
Staff turnover	0% to 12.6%	0% to 7.5%
Mortality tables	TH/TF 00-02 (with age gap)	HEUBECK RT 2018 G

* *Depending on employee age and category (management or other).*

Impact of the application of the IFRIC decision at 31 December 2021

The Group had applied the IFRIC decision on the methods used for spreading out post-employment benefit plans over time, which have certain characteristics. This change in method had resulted in a €33.2 million reduction in the provision for France with a direct impact on the Group reserves.

Note 22.2. Pension and other post-employment benefit obligations and current value of the funds

The provision is based on the net amount between the commitment (actuarial debt with future wages) and assets value:

	2022			
(in € millions)	France	Germany	Other countries	Total
Projected benefit obligation based on final salaries	81.5	151.8	63.3	296.6
Present value of plan assets	(49.4)	(7.3)	(53.8)	(110.5)
DEFICIT	**32.1**	**144.5**	**9.5**	**186.1**
Recognized liability	32.1	144.5	9.5	186.1
Recognized asset				
NET	**32.1**	**144.5**	**9.5**	**186.1**

	2021			
(in € millions)	France	Germany	Other countries	Total
Projected benefit obligation based on final salaries	111.0	207.3	72.3	390.6
Present value of plan assets	(70.2)	(7.4)	(54.5)	(132.1)
DEFICIT	**40.8**	**199.9**	**17.8**	**258.5**
Recognized liability	40.8	199.9	17.8	258.5
Recognized asset				
NET	**40.8**	**199.9**	**17.8**	**258.5**

Note 22.3. Recognized costs

The cost recognized in the income statement for pension and other post-employment benefit plans breaks down as follows:

	2022			
(in € millions)	France	Germany	Other countries	Total
Service cost	8.5	4.5	3.9	16.9
Interest cost	0.6	1.6	0.7	2.9
Expected return on plan assets	(0.4)	(0.1)	(0.3)	(0.8)
Other	(1.7)	(0.5)	(0.4)	(2.6)
COST FOR THE PERIOD	**7.0**	**5.5**	**3.9**	**16.4**

	2021			
(in € millions)	France	Germany	Other countries	Total
Service cost	8.1	4.6	4.7	17.4
Interest cost	0.2	0.7	0.6	1.5
Expected return on plan assets	(0.1)		(0.3)	(0.4)
Other	(1.5)	1.3		(0.2)
COST FOR THE PERIOD	**6.7**	**6.6**	**5.0**	**18.3**

Note 22.4 Change in gains and losses recorded in other comprehensive income

	2022			
(in € millions)	France	Germany	Other countries	Total
Amount at 1 January	(45.8)	(44.2)	(5.7)	(95.7)
Actuarial gains and losses	21.8	47.9	10.6	80.3
Return on plan assets greater/(less than) expected return	(3.3)	0.2		(3.1)
Other	(0.1)		0.3	0.2
AMOUNT AT 31 DECEMBER	**(27.4)**	**3.9**	**5.2**	**(18.3)**

	2021			
(in € millions)	France	Germany	Other countries	Total
Amount at 1 January	(55.6)	(58.5)	(10.2)	(124.3)
Actuarial gains and losses	3.2	14.4	4.2	21.8
Return on plan assets greater/(less than) expected return	6.4	0.2	0.3	6.9
Other	0.2	(0.3)		(0.1)
AMOUNT AT 31 DECEMBER	**(45.8)**	**(44.2)**	**(5.7)**	**(95.7)**

Note 22.5. Movements in provisions

Movements in provisions break down as follows:

(in € millions)	2022	2021
Net at 1 January	258.5	322.5
Cost for the period	16.4	18.3
Contributions paid	(11.4)	(19.8)
Actuarial gains and losses and other changes *	(77.4)	(62.5)
NET AMOUNT AT 31 DECEMBER	**186.1**	**258.5**

* *Including the impact of a €33.2 million reduction in the provision related to the IFRIC decision in 2021.*

Note 22.6. Movements in pension and other post-employment benefit obligations

Movements in pension and other post-employment benefit obligations 2022

	2022			
(in € millions)	France	Germany	Other countries	Total
PROJECTED BENEFIT OBLIGATION AT 1 JANUARY 2022	**111.0**	**207.3**	**72.3**	**390.6**
Service cost	8.5	4.5	3.9	16.9
Interest cost	0.6	1.6	0.7	2.9
Benefits paid	(15.2)	(13.3)	(4.5)	(33.0)
Plan amendments				
Actuarial gains and losses	(23.8)	(48.7)	(11.0)	(83.5)
Curtailments/Settlements	(1.4)		(0.2)	(1.6)
Other	1.8	0.4	2.1	4.3
PROJECTED BENEFIT OBLIGATION AT 31 DECEMBER 2022	**81.5**	**151.8**	**63.3**	**296.6**

Movements in pension and other post-employment benefit obligations 2021

	2021			
(in € millions)	France	Germany	Other countries	Total
PROJECTED BENEFIT OBLIGATION AT 1 JANUARY 2021	**149.6**	**228.9**	**74.3**	**452.8**
Service cost	8.1	4.6	4.7	17.4
Interest cost	0.2	0.7	0.6	1.5
Benefits paid	(9.1)	(13.2)	(5.2)	(27.5)
Plan amendments				
Actuarial gains and losses	(3.6)	(13.1)	(4.3)	(21.0)
Curtailments/Settlements	(1.3)		0.1	(1.2)
Other *	(32.9)	(0.6)	2.1	(31.4)
PROJECTED BENEFIT OBLIGATION AT 31 DECEMBER 2021	**111.0**	**207.3**	**72.3**	**390.6**

* *Including the impact of a €33.2 million reduction in the provision related to the IFRIC decision.*

Note 22.7. Analysis of plan assets

Change in plan assets in 2022

	2022			
(in € millions)	France	Germany	Other countries	Total
PLAN ASSETS AT 1 JANUARY 2022	**70.2**	**7.4**	**54.5**	**132.1**
Expected return on plan assets	0.4	0.1	0.3	0.8
Contributions paid	2.8	(0.4)	0.1	2.5
Benefits paid	(20.7)		(3.4)	(24.1)
Actuarial gains and losses and other	(3.3)	0.2	2.3	(0.8)
PLAN ASSETS AT 31 DECEMBER 2022	**49.4**	**7.3**	**53.8**	**110.5**

Change in plan assets in 2021

	2021			
(in € millions)	France	Germany	Other countries	Total
PLAN ASSETS AT 1 JANUARY 2021	**66.2**	**7.5**	**56.6**	**130.3**
Expected return on plan assets	0.2		0.2	0.4
Contributions paid	1.9	(0.4)	(0.5)	1.0
Benefits paid	(4.6)		(4.1)	(8.7)
Actuarial gains and losses and other	6.5	0.3	2.3	9.1
PLAN ASSETS AT 31 DECEMBER 2021	**70.2**	**7.4**	**54.5**	**132.1**

Plan assets in France are managed by three insurance companies and are invested in the general portfolio of these insurance companies, which is primarily composed of government bonds, corporate bonds mostly rated AAA, AA, or A, shares in blue-chip international companies (managed directly) and property, 58% of which is invested in euro-denominated products.

The return on these funds was -3.27% in 2022.

The actual return on plan assets for 2022 should be in line with the expected rate, and actuarial gains and losses generated in 2023 are not expected to be material.

The only contributions to these plans are paid by the employer. Plan members make no contributions.

Note 22.8. Other information

22.8.1. Cash outflows expected in future periods

Expected cash outflows (in € millions)	France	Germany	Other	Total
In less than 1 year	6.5	14.2	0.4	21.1
More than 1 year	25.5	130.2	9.3	165.0
TOTAL	**32.0**	**144.4**	**9.7**	**186.1**

22.8.2 Expected contributions to plans in the following year

No material contribution is currently planned.

22.8.3 Sensitivity analysis

A 0.25% reduction in the discount rate would increase the projected benefit obligation by around €8.8 million and a 0.25% increase in the discount rate would reduce the obligation by approximately €6.4 million. The impact on 2022 service cost of a change in the projected benefit obligation resulting from the application of either of the above discount rates would not be material.

NOTE 23. BORROWINGS

Borrowings are accounted for in accordance with IFRS 9 – Financial Instruments.

Borrowings are recognized in the balance sheet of the Group when the Group becomes a party to the contractual provisions of the instrument. They are recognized at the fair value of the consideration received. Transaction costs directly attributable to the issue of the financial liability are included in the initial measurement of all financial assets and liabilities. Acquisition costs include direct external transaction costs.

Financial liabilities comprise borrowings and other financing, including bank overdrafts, and operating liabilities. Borrowings and other financial liabilities are measured at amortized cost, determined by the effective interest method.

Some financial liabilities hedged by interest rate swaps are hedged against future cash flows. Changes in the fair value of the swap are recorded in the balance sheet, with the effective portion recorded in other comprehensive income.

These financial instruments, with no risk of impairment and whose only counterparty risk is that of the bank are classified as short-term.

When the Group’s Chinese subsidiaries ask their local banks to issue Bank Acceptance Drafts for their suppliers they are classified in the “Financial debts” balance sheet item.

Note 23.1. Total borrowings

Total borrowings includes all short- and long-term borrowings.

(in € millions)	2022	2021
Bonds	998.1	996.6
Bank borrowings	5.3	
IFRS 16 debt	290.7	263.1
Negotiable European Medium Term Note (NEU MTN)	170.0	195.0
Other debts (including private placements)	453.3	767.5
Employee profit-sharing	5.2	8.6
LONG-TERM BORROWINGS	**1,922.6**	**2,230.8**
Bonds	6.6	507.5
Bank borrowings	4.9	2.5
IFRS 16 debt	80.8	71.8
Short- and medium-term Negotiable European Commercial Paper (NEU CP and NEU MTN)	824.3	890.5
Current portion of long-term borrowings	472.9	132.9
SHORT-TERM BORROWINGS	**1,389.5**	**1,605.2**
TOTAL BORROWINGS	**3,312.1**	**3,836.0**

At 31 December 2022, Group debt was composed of short-term and long-term borrowings. The Group has diversified its financing sources, and borrowings now comprise:

- €698.5 million in private placement notes (Schuldschein instruments);
- a €500 million bond debt due in 2024;
- a €500 million bond debt due in 2025;
- €729 million in Negotiable European Commercial Paper (NEU CP) (outstanding from a €1.25 billion program with an A2 short-term rating from Standard & Poor's);
- €265 million in Negotiable European Medium Term Notes (NEU MTN) (outstanding from a €500 million program).

At 31 December 2022, the weighted average interest rate on long-term bank borrowings (falling due in over a year) was 1.92%.

At 31 December 2022, none of these borrowings were subject to early repayment clauses based on covenants.

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Characteristics and maturities of total borrowings (nominal values)

At 31 December 2022 (in € millions)	Issuing currency	Term	Outstanding balance	Due: In less than 1 year	Due: 1 to 5 years	Due: In more than 5 years	Original interest rate
Schuldschein	EUR	2023	102.5	102.5			Variable (1)
Schuldschein	EUR	2023	180.0	180.0			Fixed
Schuldschein	EUR	2024	18.0		18.0		Variable (1)
Schuldschein	EUR	2026	48.0		48.0		Fixed
Schuldschein	EUR	2026	46.0		46.0		Variable
Schuldschein	EUR	2028	104.0			104.0	Fixed
Schuldschein	EUR	2028	73.0			73.0	Variable
Schuldschein	EUR	2031	15.0			15.0	Variable
Schuldschein	EUR	2031	112.0			112.0	Fixed
Bond 2024	EUR	2024	500.0		500.0		Fixed
Bond 2025	EUR	2025	500.0		500.0		Fixed
Negotiable European Commercial Paper (NEU CP)	EUR	2023	729.0	729.0			Fixed
Negotiable European Medium Term Note (NEU MTN)	EUR	2024 to 2027	110.0		110.0		Fixed
Negotiable European Medium Term Note (NEU MTN)	EUR	2023 to 2024	155.0	95.0	60.0		Variable (1)
Other bank borrowings (including overdrafts)			95.4	54.6	41.0	(0.2)	Variable
Lease liabilities			371.5	80.8	228.9	61.8	Variable
Employee profit-sharing	EUR		9.2	4.1	5.1		Variable
Bank acceptance drafts	CNY	2023	143.5	143.5			Fixed
TOTAL			**3,312.1**	**1,389,5**	**1,557.0**	**365.6**	

(1) Partly hedged by floating rate for fixed rate swaps.

Loan maturities (undiscounted nominal amounts, including accrued interest)

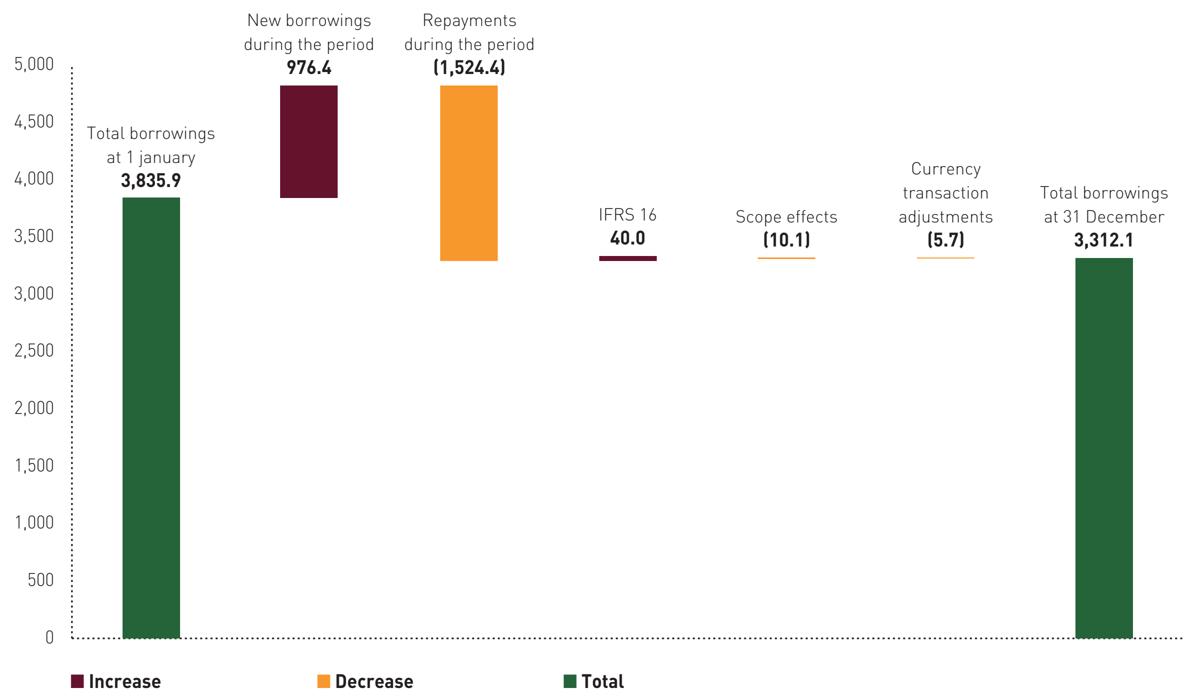
At 31 December 2022 (in € millions)	Issuing currency	Term	Expected cash outflows	Due: In less than 1 year	Due: 1 to 5 years	Due: In more than 5 years
Schuldschein	EUR	2023	107.0	107.0		
Schuldschein	EUR	2023	182.9	182.9		
Schuldschein	EUR	2024	18.8	0.8	18.0	
Schuldschein	EUR	2026	52.4	1.1	51.3	
Schuldschein	EUR	2026	53.3	1.8	51.5	
Schuldschein	EUR	2028	109.9	1.0	4.0	104.9
Schuldschein	EUR	2028	91.0	3.0	12.1	75.9
Schuldschein	EUR	2031	20.8	0.6	2.6	17.6
Schuldschein	EUR	2031	125.1	1.5	5.8	117.8
Bond 2024	EUR	2024	515.0	7.5	507.5	
Bond 2025	EUR	2025	520.6	6.9	513.7	
Negotiable European Commercial Paper (NEU CP)	EUR	2023	729.0	729.0		
Negotiable European Medium Term Note (NEU MTN)	EUR		278.3	100.5	177.8	
Bank Acceptance Drafts	CNY	2023	143.5	143.5		
TOTAL			**2,947.6**	**1,287.1**	**1,344.3**	**316.2**

Confirmed credit facilities

The Group also has a €990 million confirmed and undrawn syndicated credit facility. A 1-year extension option was exercised in 2022, extending the maturity of this syndicated credit facility to December 2027. This credit facility comes with a second extension option, exercisable in 2023.

This credit line does not include any acceleration clauses.

CHANGES IN LIABILITIES INCLUDED IN GROUP FINANCING ACTIVITIES (IN €M)



New borrowings during the period amounted to €976.5 million, primarily including €729 million in Negotiable European Commercial Paper (NEU CP).

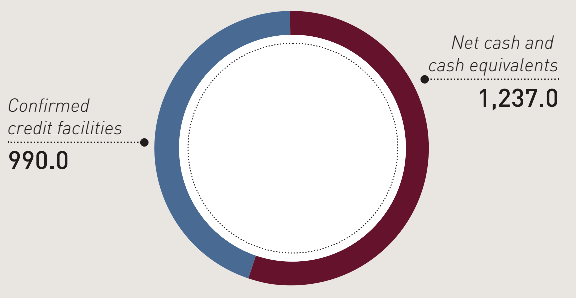
Note 23.2. Net debt

Net debt corresponds to total long-term and short-term borrowings less cash and financial investments and other current financial assets with no significant risk of a change in value (see Note 14) as well as derivative instruments used for Group financing. It also includes financial debt from application of the IFRS 16 standard "Leases" in addition to short-term investments with no risk of a substantial change in value but with maturities of over three months.

(in € millions)	2022	2021
Long-term borrowings	1,922.6	2,230.8
Short-term borrowings	1,389.5	1,605.2
TOTAL BORROWINGS	**3,312.1**	**3,836.0**
Net cash and cash equivalents (1)	(1,237.0)	(2,266.5)
Financial investments and other current financial assets (2)	(99.5)	(58.1)
Derivative instruments (net)	(2.6)	12.2
NET DEBT	**1,973.0**	**1,523.6**

(1) Including €675 million in China versus €678 million at 31 December 2021
(2) Excluding guarantees and sureties.

NET CASH AND UNUSED CONFIRMED CREDIT FACILITIES AT 31/12/2022 (IN €M)



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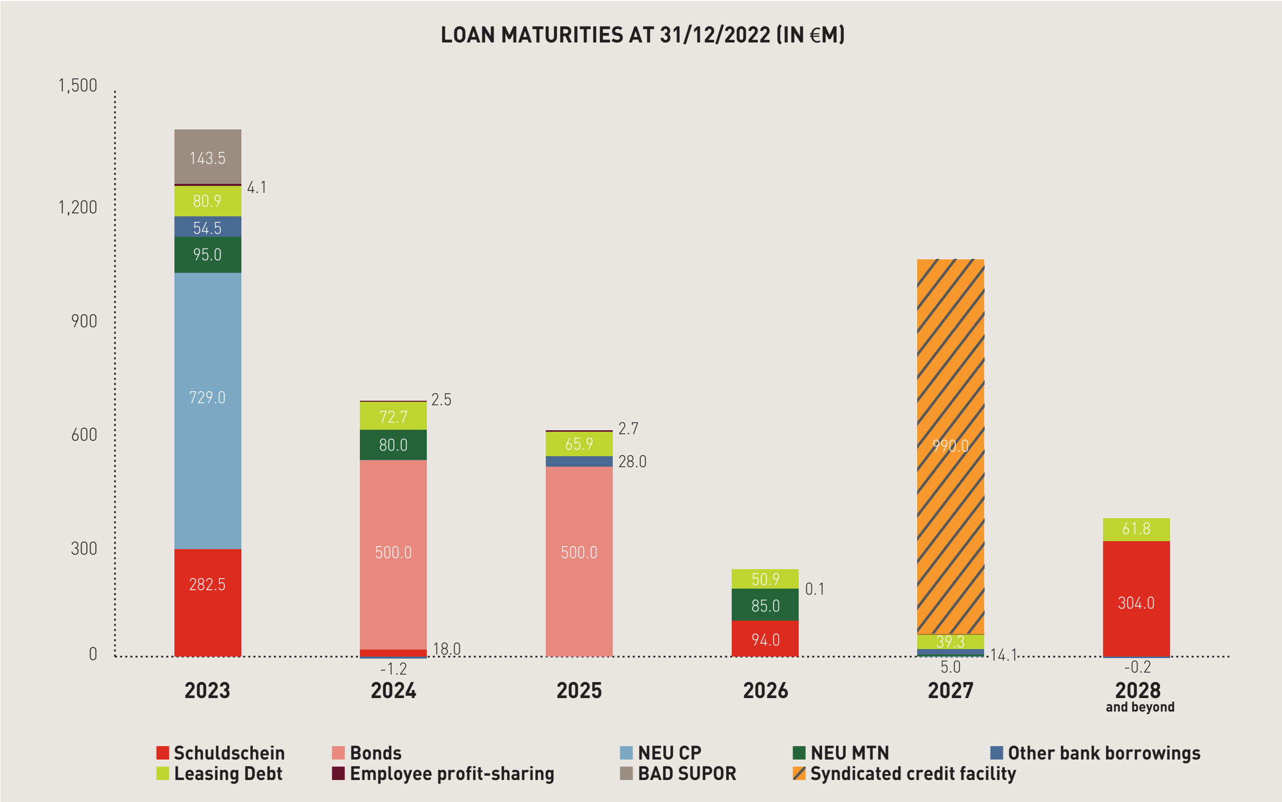

NOTE 24. FAIR VALUE OF FINANCIAL INSTRUMENTS

Market risks (interest rate, currency and commodity price risks) are hedged, generally through the use of derivative instruments. In accordance with IFRS 9, derivative instruments are measured at fair value.

The measurement of changes in fair value depends on the accounting classification of the instrument. Derivative instruments designated as the hedging instrument in a hedging relationship may be classified as either fair value, cash flow hedges or net investment:

- a fair value hedge is a hedge of the exposure to changes in fair value of a recognized asset or liability, or an unrecognized firm commitment that is attributable to a particular risk and could affect profit;
- future cash flow hedges allow hedging of highly likely future cash flow fluctuations;
- net investment hedges allow the hedging of currency risks relating to the net situation of a holding in a consolidated foreign subsidiary outside the eurozone. The hedged net investment may also result from an intra-Group loan to a non-eurozone consolidated foreign subsidiary that is not repayable within a scheduled or foreseeable time frame.

The change in fair value of derivative instruments designated at fair value hedge is recognized in profit, offsetting the unrealized gain or loss recognized on the hedged item for the effective portion of the hedge.

In the case of cash flow hedges, the effective portion of the gain or loss arising from remeasurement of the derivative instrument at fair value is recognized as other comprehensive income and the ineffective portion as profit or loss. The cumulative gains and losses on cash flow hedges recognized in equity are reclassified into profit when the hedged item affects profit.

When the Group categorizes a hedging relationship as a "Hedge of a net investment in a foreign operation" due to the non-repayable nature of the intragroup loan set up within a scheduled or foreseeable period, changes in the fair value of the hedging instrument are recorded in other comprehensive income, with the exception of the ineffective portion recorded in profit or loss. The amounts recorded in other comprehensive income are only reclassified to the income statement when the investment is deconsolidated.

Hedge accounting is applied when the conditions set out in IFRS 9 are met:

- the hedging relationship is formally designated and documented at the inception of the hedge;
- the economic link between the hedged item and the hedging instrument is documented, as are the potential sources of ineffectiveness.

Changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognized in profit.

The Group applies the provisions permitted or required by IFRS 9 for the treatment of hedging costs for all qualifying instruments.

Note 24.1. Carrying value and fair value of financial assets and liabilities by accounting category

Financial assets consist of shares in subsidiaries and affiliates as well as operating receivables (excluding tax and social security claims), debt securities and other cash equivalents classified as current assets. The fair value of trade and other receivables is equivalent to their carrying amount, in view of their short maturities.

Non-current financial assets consist mainly of investments in non-consolidated companies (minority interests without significant influence), certain related receivables and receivables due beyond one year. In accordance with IFRS 9, these non-current financial assets for which the management model is to collect contractual cash flows and the flows resulting from disposals are recognized at fair value in other items of comprehensive income without subsequent reclassification to profit or loss, even in the event of disposal (see Note 14).

The fair value of borrowings that are not quoted in an active market are measured by the discounted cash flow method, applied separately to each individual facility, based on market rates observed at the period-end for similar facilities and the average spread obtained by the Group for its own issues.

The fair value of derivative instruments is determined by the discounted future cash flows method using forward exchange rates, market interest rates, and aluminum, copper, nickel and plastics prices at 31 December 2022.

	2022		Financial instruments by category				
(in € millions)	Carrying amount	Fair value	At fair value through profit or loss (excluding derivatives)	Fair value through other items of comprehensive income	Assets at amortized cost	Borrowings at amortized cost	Derivative instruments
ASSETS							
Other investments [1]	208.3	208.3		208.3			
Other non-current financial assets	18.2	18.2			18.2		
Other non-current assets [2]	3.4	3.4			3.4		
Long-term derivative instruments – assets	26.3	26.3					26.3
Trade receivables	891.5	891.5			891.5		
Other current receivables [2]	118.9	118.9			118.9		
Short-term derivative instruments – assets	76.8	76.8					76.8
Financial investments and other current financial assets	102.0	102.0			102.0		
Cash and cash equivalents	1,237.0	1,237.0	1,237.0				
TOTAL FINANCIAL ASSETS	**2,682.4**	**2,682.4**	**1,237.0**	**208.3**	**1,134.0**		**103.1**
LIABILITIES							
Long-term borrowings	1,922.6	1,817.7				1,817.7	
Other non-current liabilities [3]	3.3	3.3				3.3	
Long-term derivative instruments – liabilities	32.9	32.9					32.9
Trade payables	1,027.1	1,027.1				1,027.1	
Short-term borrowings	1,389.5	1,383.8				1,383.8	
Other current liabilities [3]	289.6	289.6				289.6	
Short-term derivative instruments – liabilities	52.2	52.2					52.2
TOTAL FINANCIAL LIABILITIES	**4,717.2**	**4,606.6**				**4,521.5**	**85.1**

(1) Of which non-reclassifiable Fair Value through OCI: see Statement of Comprehensive Income.
(2) Excluding prepaid expenses and tax/social security receivables.
(3) Excluding deferred income and tax/social security receivables.

(in € millions)	2021 Carrying amount	Fair value	Financial instruments by category At fair value through profit or loss (excluding derivatives)	Fair value through other items of comprehensive income	Assets at amortized cost	Borrowings at amortized cost	Derivative instruments
ASSETS							
Other investments [1]	151.8	151.8		151.8			
Other non-current financial assets	16.4	16.4			16.4		
Other non-current assets [2]	3.3	3.3			3.3		
Long-term derivative instruments – assets	11.6	11.6					11.6
Trade receivables	934.6	934.6			934.6		
Other current receivables [2]	126.3	126.3			126.3		
Short-term derivative instruments – assets	115.7	115.7					115.7
Financial investments and other current financial assets	60.6	60.6			60.6		
Cash and cash equivalents	2,266.5	2,266.5	2,266.5				
TOTAL FINANCIAL ASSETS	**3,686.8**	**3,686.8**	**2,266.5**	**151.8**	**1,141.2**		**127.3**
LIABILITIES							
Long-term borrowings	2,230.8	2,253.7				2,253.7	
Other non-current liabilities [3]	3.4	3.4				3.4	
Long-term derivative instruments – liabilities	15.3	15.3					15.3
Trade payables	1,614.7	1,614.7				1,614.7	
Short-term borrowings	1,605.2	1,612.4				1,612.4	
Other current liabilities [3]	182.7	182.7				182.7	
Short-term derivative instruments – liabilities	50.0	50.0					50.0
TOTAL FINANCIAL LIABILITIES	**5,702.0**	**5,732.2**				**5,666.9**	**65.3**

(1) Of which non-reclassifiable Fair Value through OCI: see Statement of Comprehensive Income.
(2) Excluding prepaid expenses and tax/social security receivables.
(3) Excluding deferred income and tax/social security receivables.

Note 24.2. Derivative instruments

The fair value of derivative instruments is as follows:

(in € millions)	2022		
		Fair value	
	Notional amount	Assets	Liabilities
FAIR VALUE HEDGES			
Forward sales of foreign currencies	47.2	3.5	(3.8)
Forward purchases of foreign currencies	96.3	19.7	(4.4)
Optional currency purchase strategy	67.4	3.8	
Optional currency sale strategy	47.7	0.5	(0.1)
Raw materials derivatives (aluminum, nickel, copper, and plastic) (1)	18.8	0.2	(1.6)
Revaluation of intra-Group transactions		8.8	(4.3)
TOTAL		**36.5**	**(14.2)**
TRADING			
BRL	60.2	0.3	
CHF	30.2	0.3	(0.4)
CLP	18.2	0.1	
COP	19.7		
JPY	78.2		(1.2)
MXN	47.7	0.3	(0.1)
USD	83.6	0.2	
Other currencies	114.5	0.2	(0.1)
TOTAL		**1.4**	**(1.8)**
CASH FLOW HEDGES			
Forward purchases and sales of foreign currencies	820.7	17.5	(12.5)
Optional foreign exchange strategies	766.8	12.0	(16.7)
Floating/fixed rate swaps	207.5	5.0	
Cross-currency swaps	167.6	20.7	(18.8)
Commodity hedges (aluminum, nickel, copper and plastic)	108.7	3.7	(10.9)
TOTAL		**58.9**	**(58.9)**
NET INVESTMENT HEDGES			
Net investment hedges	509.8	6.3	(3.2)
TOTAL		**6.3**	**(3.2)**
TREASURY SHARES			
Put on Treasury Shares (2)			(7.0)
TOTAL			**(7.0)**
TOTAL DERIVATIVE INSTRUMENTS		**103.1**	**(85.1)**
NET IMPACT ON EQUITY (INCLUDING IN PROFIT OR LOSS)		**18.0**	

(1) In 2021, the fair value of raw materials hedging instruments not yet due but for which the fixing had already occurred was recorded at €2.1 million in other operating receivables.
(2) See Note 19.4

(in € millions)	2021		
		Fair value	
	Notional amount	Assets	Liabilities
FAIR VALUE HEDGES			
Forward sales of foreign currencies	146.9	2.6	(7.6)
Forward purchases of foreign currencies	511.2	23.4	(4.6)
Optional currency purchase strategy	59.6	3.5	
Optional currency sale strategy	47.9	0.3	(2.1)
Revaluation of intra-Group transactions		1.9	(12.7)
TOTAL		**31.7**	**(27.0)**
TRADING			
BRL	74.3	0.1	(0.6)
CHF	41.3		(1.4)
CLP	12.1		(0.1)
COP	11.3	0.3	
JPY	61.2	0.3	
MXN	23.6		(0.3)
RUB	78.8	1.9	
USD	28.7		(0.1)
Other currencies	77.4		(0.2)
TOTAL		**2.6**	**(2.7)**
CASH FLOW HEDGES			
Forward purchases and sales of foreign currencies	1,225.9	37.2	(8.7)
Optional foreign exchange strategies	800.2	28.8	(5.4)
Floating/fixed rate swaps	224.5		(2.2)
Cross-currency swaps	181.7	2.8	(8.8)
Commodity hedges (aluminum, nickel, copper and plastic)	177.6	**17.6**	**(0.1)**
TOTAL		**86.4**	**(25.2)**
NET INVESTMENT HEDGES			
Net investment hedges	257.8	**2.5**	**(4.6)**
TOTAL		2.5	(4.6)
TREASURY SHARES			
Put on Treasury Shares		4.0	(5.8)
TOTAL		**4.0**	**(5.8)**
TOTAL DERIVATIVE INSTRUMENTS		**127.2**	**(65.3)**
NET IMPACT ON EQUITY (INCLUDING IN PROFIT OR LOSS)		**61.9**	

The instruments expiring beyond one year are primarily cash flow hedges. They also include cross currency swaps and puts on own shares.

At 31 December 2022, the fair value of these instruments breaks down as follows:

At 31 December 2022 *(in € millions)*	In less than 1 year	1 to 5 years	In more than 5 years	Total
Cross-currency swaps	0.4	1.4	0.1	1.9
Forward purchases and sales of foreign currencies	8.8	(3.8)		5.0
Optional foreign exchange strategies	0.4	(5.1)		(4.7)
Floating/fixed rate swaps	4.4	0.6		5.0
Commodity hedges (aluminum, nickel, copper and plastic)	(8.6)			(8.6)
Put on Treasury Shares	(5.0)	(2.0)		(7.0)
TOTAL	**0.4**	**(8.9)**	**0.1**	**(8.4)**

Note 24.3. Information on financial assets and liabilities recognized at fair value

In accordance with IFRS 13 and the amended IFRS 7, fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy breaks down into three levels as follows :

- level 1: instrument quoted in active markets;
- level 2: valuation techniques for which all significant inputs are based on observable market data;
- level 3: valuation techniques for which any significant input is not based on observable market data.

	31 December 2022			
(in € millions)	Total	Level 1	Level 2	Level 3
ASSETS				
Other investments	208.3		208.3	
Derivative instruments	103.1		103.1	
Cash and cash equivalents	1,237.0	1,237.0		
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	1,548.4	1,237.0	311.4	
LIABILITIES				
Derivative instruments	85.1		85.1	
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**85,1**		**85,1**	

The portfolio of derivative instruments used by the Group to manage risk mainly includes forward purchases and sales of foreign currencies, option strategies, interest rate swaps, cross currency swaps, foreign exchange swaps, commodity swaps and options and own share option strategies. These instruments are classified as Level 2, as their fair value is calculated using internal valuation models based on observable data.

NOTE 25. FINANCIAL RISK MANAGEMENT

Note 25.1. Risk management

Risks are managed centrally by the Group Corporate Finance and Treasury.

Hedging transactions are carried out in the financial markets with a limited number of high-quality partners in order to avoid counterparty risk. Hedging transactions are managed centrally. They are carried out in specific cases by Group subsidiaries when required by local regulations but these transactions remain under the control of the Group Corporate Finance and Treasury.

Note 25.2. Financial market risks

25.2.1. Currency risks

The majority of the Group's sales are billed in currencies other than the euro, mainly the US dollar, Chinese yuan, Russian ruble, Brazilian real, Japanese yen and Korean won. Most billing currencies correspond to the functional currencies of the subsidiaries concerned and do not give rise to any transactional currency risk at the local level.

Similarly, goods purchased for resale (sourced products) billed in US dollars or Chinese yuan are bought from Asian suppliers by a Group subsidiary, SEB Asia, whose functional currency is also the US dollar.

The main sources of transactional currency risks therefore arise from:

- intra-Group billings between Group companies when they bill or purchase products or services in a currency other than their functional currency;
- purchases of industrial components and finished products from external suppliers by the manufacturing subsidiaries, which are billed in a currency other than their functional currency (for example, components purchased by the Group's production plants that are billed in US dollars or Chinese yuan).

These risks are managed at Group level by SEB S.A., which acts as the subsidiaries' sole counterparty, except where this is not possible due to local regulations. Transactional foreign exchange positions open on the balance sheet are hedged partially through forward or optional hedges.

The Group's overall currency risk management policy sets very strict rules for the hedging of currency risks associated with highly probable future transactions.

CURRENCY RISKS ON INTRA-GROUP AND EXTERNAL CUSTOMER COMMERCIAL TRANSACTIONS

The Group's net exposure to notional currency risks primarily concerns the following currencies (excluding the functional currencies of Group companies).

In 2022 (*in € millions*)	USD	CNY	RUB	BRL	KRW	GBP	MXN	PLN	Other
NET POSITION BEFORE HEDGING	**(118)**	**(143)**	**(7)**	**14**	**13**	**12**	**12**	**23**	**17**
NET POSITION AFTER HEDGING	**(81)**	**(10)**	**(7)**	**2**	**(5)**	**(13)**	**2**	**6**	**3**

In 2021 (*in € millions*)	USD	CNY	RUB	BRL	KRW	GBP	MXN	PLN	Other
NET POSITION BEFORE HEDGING	**(238)**	**(284)**	**45**	**21**	**19**	**18**	**17**	**17**	**90**
NET POSITION AFTER HEDGING	**23**	**25**	**16**	**2**		**(1)**	**1**		**13**

At 31 December 2022, the euro was trading at USD 1.0666, CNY 7.3682, RUB 77.8746, and GBP 0.8869.

At 31 December 2022, the sensitivity analysis of the position after hedging was as follows:

in € millions	USD	CNY	RUB	BRL	KRW	GBP	MXN	PLN	Other
Hypothetical currency appreciation	10%	10%	10%	10%	10%	10%	10%	10%	10%
IMPACT ON PROFIT	**(9.0)**	**(1.1)**	**(0.8)**	**0.2**	**(0.6)**	**(1.4)**	**0.2**	**0.7**	**0.9**

CURRENCY RISKS ON FINANCIAL TRANSACTIONS

SEB S.A. is the main provider of financing for its subsidiaries. The resources granted to subsidiaries are made in their operating currency through SEB S.A. with access to stable resources in euros. It is exposed to currency risks related to the financing granted to Group subsidiaries. This exposure is hedged by borrowing or lending in the subsidiary's functional currency using currency swaps. Currency risks on financing are therefore systematically hedged from the moment there are competitive derivative instruments available on the market.

The Group does not apply hedge accounting to these transactions.

In 2022 (*in € millions*)	USD	Other
Total assets	461	353
Total liabilities	(197)	(33)
NET POSITION BEFORE HEDGING	**264**	**320**
Hedging positions	(251)	(331)
NET POSITION AFTER HEDGING	**13**	**(11)**

In 2021 (*in € millions*)	USD	Other
Total assets	434	358
Total liabilities	(285)	(63)
NET POSITION BEFORE HEDGING	**149**	**295**
Hedging positions	(153)	(322)
NET POSITION AFTER HEDGING	**(4)**	**(26)**

The appreciation or depreciation of these currencies, assuming all other variables remained the same, would have an impact on profit.

At 31 December 2022, the sensitivity analysis of the net position after hedging was as follows:

(in € millions)	USD	Other
Hypothetical currency appreciation	10%	10%
IMPACT ON PROFIT	**1.4**	**(1.4)**

CURRENCY RISKS ON NET INVESTMENTS

Groupe SEB is also exposed to currency risks on its net investment in foreign operations, corresponding to the impact of changes in exchange rates for the subsidiaries' functional currencies on SEB S.A.'s share in their net assets.

At 31 December 2022, the nominal amount of hedges classified as net investment hedges and fair values recognized in equity are:

In 2022 (*in € millions*)	BRL	CNY	Total
Nominal amount of hedges classified as NIH	**142.5**	**367.3**	**509.8**
Fair value in equity	(0.8)	3.8	3.0

In 2021 (*in € millions*)	BRL	CNY	Total
Nominal amount of hedges classified as NIH	**28.7**	**229.0**	**257.7**
Fair value in equity	(0.1)	(2.0)	(2.1)

25.2.2. Interest rate risk

Group policy consists of hedging interest rate risks based on trends in market interest rates and changes in the Group's overall debt structure.

The following table presents the net debt maturity schedule (excluding financial instruments) at the end of December 2022, based on interest rate reset dates:

In 2022 (*in € millions*)	Overnight to 1 year		Due in 1 to 5 years		More than 5 years	
	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate
Total assets	1,280.2	56.3				
Total liabilities	(337.0)	(1,052.5)	(399.0)	(1,158.0)	(149.6)	(216.0)
NET NOMINAL VALUE BEFORE HEDGING	**943.2**	**(996.2)**	**(399.0)**	**(1,158.0)**	**(149.6)**	**(216.0)**

Floating/fixed interest rate swaps were arranged to hedge interest payable by June 2024.

The Group is mainly hedged on the monetary interest rate, Euribor 6-month.

In 2022 (*in € millions*)	Less than one year	Due in 1 to 5 years	More than 5 years
Floating/fixed rate swaps	154.5	53.0	
Cross-currency swaps	33.5	100.6	33.5

Assuming total borrowings remain constant at 31 December 2022 levels throughout the year and with the same currency breakdown, an immediate 1% rise in interest rates would add an estimated €4.0 million to financial expenses for 2023, after hedging, and would have no material impact on net debt.

The change in the fair value of the interest rate swap at 31 December 2022 was as follows:

(in € millions)	31/12/2022
FAIR VALUE AT 1 JANUARY	**0.6**
Change in fair value	6.5
Amount recognized in income statement	
FAIR VALUE AT 31 DECEMBER	**7.1**

25.2.3. Commodity risk

Commodity risks arising from changes in the prices of certain raw materials used by the Group – mainly aluminum, copper, nickel used to produce stainless steel and plastics – are hedged by derivative instruments. The Group anticipates its needs for the coming year and applies appropriate hedging according to its needs.

The Group uses swaps and options to set the prices of these commodities. These hedges of raw material purchases are qualified as cash flow hedges under IFRS 9 when the criteria listed in Note 24 are met.

At 31 December 2022, the commodity derivative instruments showed an unrealized loss of €7.2 million. In 2021, the unrealized latent gain stood at €17.3 million.

Derivative instruments expiring in 2022 generated a €13.0 million gain (€20.2 million gain in 2021).

SENSITIVITY ANALYSIS OF HEDGED COMMODITIES

On the portfolio of raw materials, a 10% increase in raw material prices at 31 December 2022 would have had a €9.4 million positive impact on equity. A 10% fall would have an equivalent negative effect, assuming all other variables remained constant.

Excluding derivatives, a 10% increase or decrease in raw material prices versus their average prices in 2022 would have had a €16.5 million positive or negative impact on the Operating Result from Activity.

25.2.4. Equity risk and treasury stock

It is not Group policy to hold significant portfolios of equities or equity funds.

The Group does, however, hold a portfolio of treasury stock. It thus established:

- a liquidity contract set up in order to ensure that there is a sufficiently liquid market for its shares and to stabilize the share price;
- the share buyback program, mainly for allocation on exercise of performance shares awarded to employees.

Treasury stock is deducted directly from equity. Gains and losses from sales of treasury shares are also recognized in consolidated equity.

Based on the closing SEB share price on 31 December 2022 (€78.25), the market value of shares held in treasury at that date stood at €22.5 million. A 10% increase or decrease in the SEB share price would therefore have led to a €2.3 million change in the market value of treasury stock.

ZJ Supor, which is now 82.44%-owned by Groupe SEB, is listed on the Shenzhen Stock Exchange. At 31 December 2022, the share price was CNY 49.46, valuing Groupe SEB's investment at €4,475.2 million. Changes in the Supor share price have no impact on Groupe SEB's Consolidated Financial Statements, as ZJ Supor is fully consolidated.

Note 25.3. Liquidity risk

To manage the liquidity risk that may arise due to financial liabilities reaching maturity or needing to be settled early, the Group implements a financing strategy based on:

- maintaining cash and cash equivalents at a certain level at all times (€1,237.0 million at 31 December 2022);
- short-term financial investments with top-ranked counterparties in the amount of €63.7 million at 31 December 2022;

and additional liquid resources including:

- a €1.25 billion Negotiable European Commercial Paper (NEU CP) program. At 31 December 2022, €729 million had been drawn down;
- a €500 million Negotiable European Medium Term Note (NEU MTN) program. At 31 December 2022, €265.0 million had been drawn down;
- credit facilities:
  - a €990 million syndicated credit facility expiring in 2027,
  - several Schuldschein credit lines totaling €698.5 million maturing in 2023, 2024, 2026, 2028 and 2031,
  - a €500 million bond debt due in 2024,
  - a €500 million bond debt due in 2025,

Cash and cash equivalents and debt are described in Note 18 and Note 23, respectively.

Furthermore, the Group's borrowings and credit facilities do not include any acceleration clauses.

Note 25.4. Credit risk

Groupe SEB is exposed to credit risk in the event of customer default, as well as to counterparty risk related to the investment of its cash and cash equivalents (mainly bank credit balances and financial investments), to the subscription of derivative products and unused credit facilities.

The Group has implemented procedures to regulate and limit credit risk and counterparty risk.

25.4.1. Trade receivables

At the period-end, trade receivables broke down as follows based on their age:

		Past due			
(in € millions)	Current	0–90 days	91–180 days	Over 181 days	Total
Net trade receivables	695.6	178.2	9.2	8.5	891.5

To avoid default risks, Groupe SEB sets individual credit limits that are regularly updated based on the customer's financial position and payment history.

Groupe SEB's main customers are well-known international retailers, and for the year ended 31 December 2022, no single customer accounted for more than 6.0% of sales.

Groupe SEB has taken out insurance with COFACE to cover customer credit risk. At 31 December 2022, most of the Group's subsidiaries were covered by insurance on trade receivables that would apply in the event of non-recovery.

25.4.2. Financial instruments

Furthermore, the Group has chosen to work only with first-rate Banks in France and abroad.

NOTE 26. TRADE PAYABLES AND OTHER LIABILITIES

Trade payables and other liabilities are measured at fair value at the time of initial recognition, then at amortized cost.

At the end of the period, trade payables and other liabilities broke down as follows by maturity:

(in € millions)	2022	2021
Accrued taxes and employee benefits expenses	47.7	47.5
Other liabilities	6.1	6.6
OTHER NON-CURRENT LIABILITIES	**53.8**	**54.1**
Accrued taxes and employee benefits expenses	273.5	346.4
Due to trade payables of non-current assets	16.8	26.2
Advances received (1)	246.8	145.8
Other liabilities	46.7	28.3
OTHER CURRENT LIABILITIES	**583.8**	**546.7**
TRADE PAYABLES	**1,027.1**	**1,614.7**

(1) Including €176.9 million from Supor at 31 December 2022 (€140 million at 31 December 2021).

Non-current accrued taxes and employee benefits expense corresponds mainly to employee time savings accounts in France.

5.2.4. OTHER INFORMATION

NOTE 27. ENVIRONMENTAL EXPENDITURE

Environmental expenditure and capital expenditure at the Group's industrial sites amounted to €11.4 million in 2022 (€12.1 million in 2021).

These amounts include routine environmental management system costs, covering areas such as water and waste management. They do not include taxes on packaging or the cost of disposing of waste electrical and electronic equipment.

The main costs are presented below, including the breakdown between amounts recognized as expenses and as capital expenditure.

	2022			2021		
(in € millions)	Expenditure	Capital expenditure	Total	Expenditure	Capital expenditure	Total
Ambient air quality	1.0	1.6	2.6	0.9	2.3	3.2
Waste water management and water saving systems	2.3	0.8	3.1	2.1	0.6	2.7
Waste management	3.3	0.2	3.5	3.7		3.7
Soil protection and decontamination	0.3	0.1	0.4	0.5	0.2	0.7
Other environmental protection measures	1.5	0.3	1.8	1.5	0.3	1.8
TOTAL	**8.4**	**3.0**	**11.4**	**8.7**	**3.4**	**12.1**

NOTE 28. OFF-BALANCE SHEET COMMITMENTS

For several years now, the Group's reporting system has included detailed reporting of off-balance sheet commitments to identify the nature and purpose. The process provides for the reporting by consolidated subsidiaries, in their consolidation packages, of information about the following commitments that they have given:

- guarantees, endorsements and bonds;
- security interests (mortgages and pledges);
- leases (variable or exempt rent contracts in accordance with IFRS 16), purchase and investment obligations;
- other commitments.

Commitments related to operating activities:

(in € millions)	2022	2021
Firm orders for the acquisition of industrial and logistics assets	16.1	78.5
Guarantees and bonds given (1)	31.6	25.3
Non-capitalized leases (2)	39.9	42.9
Miscellaneous financial commitments including tripartite contracts in China	66.9	58.2
TOTAL COMMITMENTS GIVEN	**154.5**	**204.9**
Guarantees received for trade receivables under credit insurance policies	774.6	868.1
Miscellaneous financial commitments	30.7	27.8
TOTAL COMMITMENTS RECEIVED	**805.3**	**895.9**

(1) Mainly in Brazil.
(2) See Note 13.3 Leases.

As part of three-parties contracts signed with leading Chinese banks and selected distributors, the Group receives Bank Acceptance Drafts which are recorded under other financial assets (see Note 14) and provides collateral to the bank in the event of default by the distributor. If the suppliers endorse these Bank Acceptance Drafts, they are deconsolidated as the collateral granted to the bank is not attached to the Draft.

The theoretical risk incurred by the Group under these three-parties contracts at 31 December 2022 stood at ¥301.7 million, or €41.0 million; this risk stood at ¥323.7 million, or €44.9 million, at 31 December 2021.

NOTE 29. RELATED PARTY TRANSACTIONS

Note 29.1. Transactions with associates and non-consolidated companies

The Consolidated Financial Statements include transactions carried out in the normal course of business with related companies and majority interests in non-consolidated companies.

All of these transactions are carried out on arm's length terms.

(in € millions)	2022	2021
Revenue	3.7	7.2
Other income	1.9	1.3
Purchases	38.6	42.0
Other non-current financial assets		
Trade receivables	5.7	4.4
Trade payables	3.0	5.2
Collateral given by the Group	141.0	92.4

Income from ordinary activities corresponds to sales made to the company Zebra.

Groupe SEB mainly completed purchases with Anzaï, a kitchen utensil supplier of Supor, amounting to €29.8 million in 2022 (€34.4 million in 2021), as well as €6.6 million with Numberly (1000 Mercis Group) for services (€7.3 million in 2021).

Financial guarantees given by the Group to banks in connection with the external financing of subsidiaries stood at €141.0 million at 31 December 2022 (versus €92.4 million at 31 December 2021).

Note 29.2. Directors' and officers' compensation and benefits

The directors and members of the Group Executive Committee are the current members listed in the corporate governance section of the annual report along with the members of the Group Executive Committee who left the Group during the period.

The following table provides an analysis of the compensation and benefits paid to the members of the Board of Directors and the Executive Committee:

(in € millions)	2022	2021
SHORT-TERM BENEFITS		
Fixed remuneration	5.7	5.1
Variable remuneration	1.9	5.1
Remuneration allocated to directors	0.6	0.6
OTHER BENEFITS		
Post-employment benefits	4.5	1.4
Share-based payments (stock options)	9.3	8.9
TOTAL	**22.0**	**21.1**

The remuneration and other benefits of Group executive officers are detailed in Chapter 2.5 Remuneration Policy. They are not covered in this note.

NOTE 30. SEGMENT INFORMATION

In accordance with IFRS 8 – Operating segments, financial information is presented based on the internal information reviewed and used by the chief operating decision makers, i.e. the members of the General Management Committee.

The Group's activities are organized into two activities (Consumer and Professional). Consumer activities are also monitored by geographic area.

The General Management Committee assesses the performance of the segments on the basis of:

- revenue and Operating profit or loss; and
- net capital invested defined as the sum of segment assets (goodwill, property, plant and equipment and intangible assets, inventory and trade receivables) and segment liabilities (trade payables, other operating liabilities and provisions).

Performance in terms of financing and cash flow and tax on profits is monitored at Group level and is not allocated per segment.

Financial information by location of assets

The data below includes internal transactions established under terms and conditions similar to those offered to third parties, i.e. they include the effects of the Group's internal transfer prices.

"Inter-segment revenue" corresponds to sales to external customers located within the geographical segment.

"External revenue" corresponds to total sales (within the Group and to external customers) generated outside the geographical segment by companies within the geographical segment.

	"Consumer" business			"Professional" business	Intra-Group transactions	Total
(in € millions)	EMEA	Americas	Asia			
31/12/2022						
Revenue						
Inter-segment revenue	3,421.0	1,064.5	2,660.7	725.2		7,871.4
External revenue	248.0	0.9	1,435.3		(1,595.9)	88.3
TOTAL REVENUE						**7,959.7**
Profit (loss)						
Operating Result from Activity	196.9	16.6	318.2	107.9	(19.3)	620.3
Operating profit (loss)	132.3	7.7	317.8	108.5	(19.3)	547.0
Finance costs and other financial income and expenses						(80.7)
Profit (loss) attributable to associates						
Income tax						(98.0)
PROFIT FOR THE PERIOD						**368.3**
Consolidated balance sheet						
Segment assets	2,919.6	1,032.1	1,699.6	1,902.0	(292.5)	7,260.8
Financial assets						1,678.6
Tax assets						188.4
TOTAL ASSETS						**9,127.8**
Segment liabilities	(979.0)	(212.1)	(703.3)	(325.6)	203.5	(2,016.5)
Borrowings						(3,397.2)
Tax liabilities						(265.2)
Equity						(3,448.9)
TOTAL EQUITY AND LIABILITIES						**(9,127.8)**
Other information						
Capital expenditure and purchases of intangible assets	238.2	25.7	86.5	37.4		387.8
Depreciation and amortization expense	(155.0)	(20.5)	(67.6)	(31.2)		(274.3)
Impairment losses	(2.4)	(0.1)				(2.5)

(in € millions)	"Consumer" business EMEA	Americas	Asia	"Professional" business	Intra-Group transactions	Total
31/12/2021						
Revenue						
Inter-segment revenue	3,870.9	1,027.5	2,449.6	627.6		7,975.6
External revenue	253.0	0.4	1,934.1		(2,104.3)	83.2
TOTAL REVENUE						**8,058.8**
Profit (loss)						
Operating Result from Activity	301.6	86.3	401.3	67.0	(42.9)	813.3
Operating profit (loss)	216.9	81.8	393.9	65.1	(42.9)	714.8
Finance costs and other financial income and expenses						(64.5)
Profit (loss) attributable to associates						
Income tax						(142.7)
PROFIT FOR THE PERIOD						**507.6**
Consolidated balance sheet						
Segment assets	3,285.5	940.8	2,140.5	1,677.6	(721.6)	7,322.8
Financial assets						2,632.7
Tax assets						168.7
TOTAL ASSETS						**10,124.2**
Segment liabilities	(1,535.1)	(301.4)	(1,184.8)	(252.7)	627.6	(2,646.4)
Borrowings						(3,901.3)
Tax liabilities						(285.8)
Equity						(3,290.7)
TOTAL EQUITY AND LIABILITIES						**(10,124.2)**
Other information						
Capital expenditure and purchases of intangible assets	194.7	17.7	74.2	25.8		312.4
Depreciation and amortization expense	(153.2)	(19.3)	(64.1)	(29.9)		(266.5)
Impairment losses	(5.0)	0.2				(4.8)

NOTE 31. FEES PAID TO STATUTORY AUDITORS

The breakdown of fees paid to statutory auditors and members of their networks is as follows:

	Deloitte				KPMG			
	Amount (excluding tax)		(in %)		Amount (excluding tax)		(in %)	
(in € thousands)	2022	2021	2022	2021	2022	2021	2022	2021
AUDIT								
Statutory auditor, certification, review of individual and consolidated financial statements	2,168	1,828	87%	96%	2,469	1,982	95%	87%
Other services performed by the networks for fully integrated subsidiaries	315	75	13%	4%	133	293	5%	13%
TOTAL	**2,483**	**1,903**	**100%**	**100%**	**2,602**	**2,275**	**100%**	**100%**

Services other than the certification of the financial statements provided by SEB S.A.'s statutory auditors to SEB S.A. and the by SEB S.A.'s statutory auditors to SEB S.A. and theentities it controls were as follows: entities it controls were as follows:

- For Deloitte & Associés: the issuance of a certificate on sales and rental certificates.
- For KPMG S.A.: the issuance of attestations on accounting information of entities, and the issuance of reports required by law in connection with a capital increase operation.

5.2.5 LIST OF CONSOLIDATED COMPANIES AT 31 DECEMBER 2022

NOTE 32. CONSOLIDATION CRITERIA

Material companies that are controlled by SEB S.A. either directly or indirectly are consolidated.

The profits of subsidiaries acquired or disposed of during the year are recognized in the consolidated income statement from the acquisition date or up to the disposal date.

Where necessary, the financial statements of subsidiaries are restated to comply with Group accounting principles.

Material companies over which SEB S.A. exercises significant influence, directly or indirectly, are accounted for by the equity method.

Certain companies fulfilling all of the above criteria are not consolidated because they are not material to the Group:

- revenue of less than €15 million;
- total assets of less than €15 million;
- total debt of less than €5 million.

All intra-Group transactions have been eliminated in consolidation.

NOTE 33. FULLY CONSOLIDATED COMPANIES

Company	Core business [2]	Headquarters	Registration no.	% voting rights	% interest
EMEA					
EUROPE					
SEB S.A. [1]	Parent company	France	300349636		
Calor S.A.S. [1]	*	France	956512495	100	100
S.A.S. SEB [1]	*	France	302412226	100	100
Tefal S.A.S. [1]	*	France	301520920	100	100
Rowenta France S.A.S. [1]	*	France	301859880	100	100
Groupe SEB Moulinex S.A.S. [1]	*	France	407982214	100	100
SIS S.A.S. [1]	***	France	399014216	100	100
SEB Développement S.A.S. [1]	***	France	016950842	100	100
Groupe SEB France S.A.S. [1]	**	France	440410637	100	100
Groupe SEB Retailing S.A.S. [1]	**	France	440410884	100	100
SEB Internationale S.A.S. [1]	*Holding company*	France	301189718	100	100
Groupe SEB Export S.A.S. [1]	**	France	421266271	100	100
SEB Alliance S.A.S. [1]	*Holding company*	France	440410918	100	100
Immobilière Groupe SEB S.A.S. [1]	***	France	799230388	100	100
Krampouz S.A.S.	*	France	387558315	100	100
Ethera S.A. [1]	*	France	520944182	100	100
Groupe SEB Ré	***	France	898183108	100	100
Feeligreen	***	France	538799370	71.19	71.19
Rowenta Werke GmbH [3]	*	Germany		100	100
Groupe SEB Deutschland GmbH [3]	**	Germany		100	100
EMSA GmbH [3]	*	Germany		100	100
Homeware Trading GmbH	**	Germany		100	100
Groupe SEB Osterreich GmbH	**	Austria		100	100
Groupe SEB Belgium S.A. NV	**	Belgium		100	100
Groupe SEB Denmark AS	**	Denmark		100	100
Groupe SEB Iberica S.A.	**	Spain		99.92	99.92
Zummo Investments S.L.	*Holding company*	Spain		100	100
Zummo Innovaciones Mecánicas, S.A.U.	*	Spain		100	100
Groupe SEB Finland OY	**	Finland		100	100
Groupe SEB UK Ltd.	**	United Kingdom		100	100
Tefal UK Ltd.	*Dormant*	United Kingdom		100	100
Groupe SEB Hellados S.A.	**	Greece		100	100
Groupe SEB Italia SpA	**	Italy		100	100
Lagostina SpA	*	Italy		100	100
Casa Lagostina S.R.L	**	Italy		100	100
Coffee Technology	*	Italy		60	60
Groupe SEB Norway A.S.	**	Norway		100	100
Groupe SEB Nederland B.V.	**	Netherlands		100	100
Rowenta Invest B.V.	*Holding company*	Netherlands		100	100
SEB Portugal Electrodomesticos Ltda.	**	Portugal		100	100
Tefal – OBH Nordica Group AB	***	Sweden		100	100
Groupe SEB Schweiz GmbH	**	Switzerland		100	100
SEB Professional France S.A.R.L. [1]	**	France	421742586	100	100
WMF France Consumer Goods S.A.R.L. [1]	**	France	309434017	100	100

Company	Core business [2]	Headquarters	Registration no.	% voting rights	% interest
Schaerer France S.A.R.L.	**	France	537799777	100	100
Finedening TopCo GmbH	*Holding company*	Germany		100	100
WMF GmbH	*	Germany		100	100
Silit-Werke Beteiligungsgesellschaft GmbH	***	Germany		100	100
Silit Haushaltswaren GmbH	***	Germany		100	100
Silit-Werke GmbH & Co. KG	*	Germany		100	100
ProHeq GmbH	*	Germany		100	100
W. F. Kaiser u. Co. GmbH [3]	*	Germany		100	100
ProLOG – Logistics Services GmbH & Co. KG [3]	***	Germany		100	100
WMF Retail GmbH	**	Germany		100	100
WMF Consumer-Electric GmbH [3]	**	Germany		100	100
ProMONT Montage GmbH	*	Germany		100	100
Schaerer Deutschland GmbH	**	Germany		100	100
WMF Immobilienverwaltungs GmbH	***	Germany		100	100
WMF in Österreich Ges.m.b.H.	**	Austria		100	100
SEB Professional Belux	**	Belgium		100	100
SEB Professional Iberia S.A.	**	Spain		100	100
SEB Professional United Kingdom Ltd.	**	United Kingdom		100	100
SEB Professional Nederland B.V.	**	Netherlands		100	100
Schaerer Netherlands B.V.	**	Netherlands		100	100
Schaerer AG	*	Switzerland		100	100
EURASIA					
Groupe SEB Bulgaria EOOD	**	Bulgaria		100	100
Groupe SEB MKU & P D.O.O.	**	Croatia		100	100
Groupe SEB for Trade and Consultancy	*Holding company*	Egypt		100	100
Groupe SEB for Importation	**	Egypt		66.3	55
Groupe SEB Egypt for Household Appliances	*	Egypt		55	55
Groupe SEB Central Europe Ltd.	**	Hungary		100	100
Groupe SEB India PVT Ltd.	*	India		100	100
Groupe SEB Baltic OU	**	Latvia		100	100
Groupe SEB Maroc	**	Morocco		55	55
Groupe SEB Polska ZP Z.O.O.	**	Poland		100	100
Groupe SEB CR s.r.o	**	Czech Republic		100	100
Groupe SEB Romania S.R.L.	**	Romania		100	100
Groupe SEB Vostok ZAO	*	Russia		100	100
Groupe SEB Slovensko s.r.o	**	Slovakia		100	100
Groupe SEB d.o.o.	**	Slovenia		100	100
Groupe SEB Istanbul EV A.S.	**	Turkey		100	100
Groupe SEB Ukraine	**	Ukraine		100	100
WMF Bulgaria EOOD	**	Bulgaria		100	100
Coffee Day Schaerer Technologies p.l.	*	India		51	51
ProHeq (CZ) s.r.o.	*	Czech Republic		100	100
AMERICAS					
NORTH AMERICA					
Groupe SEB Canada Inc.	**	Canada		100	100
Groupe SEB USA	**	United States		100	100
All-Clad Metal-Crafters LLC	*	United States		100	100
Groupe SEB Holdings Inc.	*Holding company*	United States		100	100

Company	Core business (2)	Headquarters	Registration no.	% voting rights	% interest
Imusa USA Corp.	**	United States		100	100
Wilbur Curtis Co., Inc.	*	United States		100	100
CEI RE Acquisition LLC	***	United States		100	100
SEB Professional North America	**	United States		100	100
StoreBound LLC	**	United States		55	55
Zummo Inc.	**	United States		100	100
Groupe SEB Mexico S.A. de CV	**	Mexico		100	100
Groupe SEB Servicios S.A. de CV	***	Mexico		100	100
SOUTH AMERICA					
Groupe SEB Argentina S.A.	**	Argentina		100	100
SEB Do Brasil Produtos Domesticos Ltda.	*	Brazil		100	100
SEB Comercial de Produtos Domesticos Ltda.	**	Brazil		100	100
SEB Serviços LTDA	***	Brazil		100	100
Groupe SEB Chile Ltda.	**	Chile		100	100
Groupe SEB Andean S.A.	*	Colombia		100.0	99.5
Groupe SEB Venezuela S.A.	**	Venezuela		100	100
Corporación GSV 2015, C.A.	***	Venezuela		100	100
ASIA					
CHINA					
Zhejiang Supor Co., Ltd.	*Holding company*	China		82.4	82.4
Zhejiang Shaoxing Supor Domestic Electrical Appliances	*	China		100	82.4
Wuhan Supor Pressure Cooker Co., Ltd.	*Holding company*	China		100	82.4
Wuhan Supor Cookware Co., Ltd.	*	China		100	82.4
Wuhan Supor Recycling Co., Ltd.	***	China		100	82.4
Yuhuan Supor Cookware Sales Co., Ltd.	***	China		100	82.4
Zhejiang Supor Plastic & Rubber Co., Ltd.	*	China		100	82.4
Zhejiang Supor Electrical Appliance Manufacturing Co., Ltd.	*	China		100	82.4
Hangzhou Omegna Commercial Trade Co., Ltd.	**	China		100	82.4
Shanghai Supor Cookware Marketing Co., Ltd.	**	China		100	82.4
EMSA Taicang Co. Ltd.	*	China		100	100
Zhejiang Futengbao Housewares Co., Ltd.	*	China		100	82.4
Zhejiang Shaoxing Supor Housewares Co., Ltd.	**	China		100	82.4
Zhejiang Supor Large Kitchen Appliance Manufacturing Co., Ltd.	**	China		100	82.4
Shanghaï WMF Enterprise Development Co., Ltd.	*	China		100	82.4
Zhejiang Supor Water Heaters Co. Ltd.	*	China		52	42.9
Hainan Tefal Trade Co., Ltd.	**	China		100	82.4
Hainan Supor E-Commerce Co., Ltd.	**	China		100	82.4
GS Innovation Center Co., Ltd.	***	China		100	100
WMF Shanghaï Co., Ltd.	***	China		100	100
SEB Professional (Shanghai) Co. Ltd.	**	China		100	100
WMF (He Shan) Manufacturing Co. Ltd.	*	China		100	100
Groupe SEB (Shenzen) Co. Ltd.	***	China		100	100

Company	Core business [(2)]	Headquarters	Registration no.	% voting rights	% interest
ASIA-PACIFIC					
Groupe SEB Australia PTY Ltd.	**	Australia		100	100
Groupe SEB Korea Co. Ltd.	**	South Korea		100	100
SEB Asia Ltd.	**/***	Hong Kong		100	100
Groupe SEB Japan Co. Ltd.	**	Japan		100	100
Groupe SEB Malaysia SND. BHD	**	Malaysia		100	100
Groupe SEB Singapore PTE Ltd.	**	Singapore		100	100
South East Asia Domestic Appliances PTE, Ltd.	***	Singapore		100	91.04
Groupe SEB Thailand Ltd.	**	Thailand		100	100
PT Groupe SEB Indonesia MSD	**	Indonesia		66.67	60.7
Vietnam Fan Joint Stock Company	*	Vietnam		100	100
Vietnam Supor	*	Vietnam		100	82.4
AFS Vietnam Management Co. Ltd.	***	Vietnam		100	91.04
WMF (Hong Kong) Manufacturing Co. Ltd.	*Holding company*	Hong Kong		100	100
SEB Professional Japan Corporation K.K.	**	Japan		100	100

(1) Companies within the tax consolidation group in France.
(2) Core business:
** manufacturing, sales and marketing;*
*** sales and marketing;*
**** services.*
(3) These entities claim the exemption according to paragraph 264 para. 3 HGB (German Commercial Code). This Corporate Financial Report is the liberating Financial Statement.

NOTE 34. TRANSACTIONS WITH ASSOCIATES

Company	Core business	Headquarters	Registration no.	% interest
	None			

NOTE 35. NON-CONSOLIDATED COMPANIES WHERE GROUPE SEB HAS A % INTEREST OF AT LEAST 20%

Company	Core business [(1)]	Headquarters	Registration no.	% interest
Groupe SEB Pars (whose relative size is not significant)	**	Iran		72.0
Wuhan ANZAI Kitchenware Co. Ltd. (whose relative size is not significant)	*	China		30.0
Gastromedia Sp.z.o.o.	***	Poland		20.0
Bauscher Hepp Inc.	Holding company	United States		49.0
Groupe SEB Media S.A.S.	***	France	539534792	100.0
WMF Gastronomie Service GmbH	***	Germany		100.0
4iTECH 4.0 (S.A.S.)	*	France	829128420	22.7
Repareseb S.A.S. (whose relative size is not significant)	***	France	892136920	49.0
Zebra (S.A.S.)	*	France	877821116	22.5

(1) Core business:
** manufacturing, sales and marketing;*
*** sales and marketing;*
**** services..*

5.3 Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2022

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the annual general meeting of SEB S.A.

OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of SEB SA for the year ended December 31, 2022.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2022 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Compliance Committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence requirement rules required by the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1, 2022 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

MEASUREMENT OF THE RECOVERABLE AMOUNT OF GOODWILL AND TRADEMARKS WITH INDEFINITE USEFUL LIVES

RISK IDENTIFIED

See Note 11 «Intangible assets» to the consolidated financial statements

As at December 31, 2022, goodwill and trademarks with indefinite useful lives recorded in the consolidated statement of position had respective net carrying amounts of €1,768 million and €1,123 million, representing around 32% of total consolidated assets.

In valuing these assets, the Group performs annual impairment tests on goodwill and trademarks with indefinite useful lives and whenever there is any indication of impairment according to the methods described in Notes 11.3 and 11.4 to the consolidated financial statements. For the purpose of these tests, goodwill and trademarks with indefinite useful lives are grouped into cash-generating units (CGUs) as described in Note 11.3 to the consolidated financial statements.

We deemed the measurement of the values in use used to determine the recoverable amount of goodwill and trademarks with indefinite useful lives to be a key audit matter due to:

the materiality of goodwill and trademarks with indefinite useful lives in the consolidated financial statements;

- the significant estimates underlying the calculation of their value in use, including revenue and operating income rate forecasts, the perpetual growth rates used to determine the terminal value and discount rates;
- the sensitivity of the measurement of these values in use to certain assumptions, including any changes in the discount rate, perpetual growth rate or business operating income.

OUR RESPONSE

Our work involved (i) assessing compliance of the methodology applied by Management with current accounting standards and (ii) obtaining an understanding of the internal control procedures relating to the measurement of goodwill and trademarks with indefinite useful lives.

We also assessed the main estimates adopted, considering in particular:

- the methods and parameters used by Management to determine the discount rates and perpetual growth rates applied to the estimated cash flows. With the help of our valuation specialists included the audit team, we recalculated these discount rates using the most recent external market data considering the economic and financial context specific to each CGU;
- consistency of the future cash flow projections of the CGUs with regard to past results and our knowledge of the activities;
- when a group entity is listed (as is the case for the SUPOR Group), the market value adopted in connection with the stock market price and its trend;
- the sensitivity scenarios used by Management for which we verified the mathematical accuracy.

We also assessed the appropriateness of the disclosures presented in the notes to the consolidated financial statements.

MEASUREMENT AND RECOGNITION OF PROVISIONS FOR DEFERRED REBATES

RISK IDENTIFIED	OUR RESPONSE
See Note 5 «Revenue» and Note 16 «Trade receivables» to the consolidated financial statements	
■ SEB's consolidated revenues are recognized after deduction of rebates and discounts. These include trade discounts or rebates, as well as the advertising contributions invoiced by clients and consumer promotions. ■ Management assesses the amount of provisions for deferred rebates granted to customers and offset against trade receivables based on the contractual or constructive commitments of SEB Group entities identified at the period-end. ■ Given the complex and diverse nature of the numerous existing agreements with retailers, there is a risk that the provision may be incorrectly estimated. We therefore deemed the valuation and recognition of provisions for deferred rebates to be a key audit matter.	Our work primarily involved: ■ assessing the appropriateness of the accounting rules applied with regard to the recognition of deferred rebates in line with revenue recognition principles; ■ obtaining an understanding of and assessing the internal control procedures relating to the measurement and recognition of deferred rebates in line with revenue and testing the effectiveness of key controls relating to these procedures; ■ assessing the consistency of changes in deferred rebates with changes in revenue; ■ analyzing the differences between the amounts set aside for provisions in the previous reporting period and amounts actually paid during the period and assessing the validity of reversals of provisions that may no longer be required; ■ for a defined sample, testing the calculation of the year-end provisions for deferred rebates based on the contractual terms and, in particular, (i) verifying the consistency with the accounting records of the revenue subject to rebates used to calculate the rebates, (ii) assessing compliance of the applied rebate rates with contractual rates, and (iii) verifying the mathematical accuracy of the year-end provision calculation.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verification required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial performance statement required by Article L. 225-102-1 of the French Commercial Code is included in the Group's information given in the management report, it being specified that, in accordance with Article L.823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

OTHER LEGAL AND REGULATORY VERIFICATIONS OR INFORMATION

FORMAT OF PRESENTATION OF THE FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limits inherent to the macro-tagging of consolidated financial statements in accordance with the European single electronic format, it is possible that the content of certain tags in the notes to the consolidated financial statements are not presented in an identical manner to the accompanying consolidated financial statements.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed statutory auditors of SEB SA by the Annual General Meeting held on May 20, 2021.

As at December 31, 2022, Deloitte & Associés et KPMG S.A. were both in their second year of uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it is expected to liquidate the Company or to cease operations.

The Audit and Compliance Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

REPORT TO THE AUDIT AND COMPLIANCE COMMITTEE

We submit a report to the Audit and Compliance Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Compliance Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Compliance Committee with the declaration provided for in Article 6 of regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for statutory auditors. Where appropriate, we discuss with the Audit and Compliance Committee the risks that may reasonably be thought to bear on our independence and the related safeguard.

Paris-La Défense, April 6, 2023

The Statutory Auditors

KPMG S.A.	Deloitte & Associés	
Éric ROPERT	Frédéric MOULIN	Patrice CHOQUET

5.4 History of significant consolidated items and ratios

5.4.1 HISTORY OF SIGNIFICANT CONSOLIDATED ITEMS

(in € millions)	2022	2021	2020	2019 [6]	2018	2017	2016 [5]	2015	2014	2013
PROFIT										
Sales in France	753	948	796	780	775	804	779	739	700	666
Sales outside France	7,207	7,111	6,144	6,574	6,037	5,681	4,221	4,031	3,553	3,495
Total sales	7,960	8,059	6,940	7,354	6,812	6,485	5,000	4,770	4,253	4,161
Operating Result from Activity	620	813	605	740	695	661	505	428	368	410
Operating profit	547	715	503	620	626	580	426	371	314	364
Profit attributable to SEB S.A.	316	454	301	380	420	375	259	206	170	200
Depreciation, amortization and impairment losses	274	272	274	278	179	178	123	146	123	112
Staffing costs [1]	1,405	1,407	1,315	1,373	1,286	1,250	831	802	753	737
Discretionary and non-discretionary profit sharing and bonuses	18	39	24	37	34	38	37	31	33	37
EBITDA [2]	821	987	777	899	805	765	550	508	434	475
Adjusted EBITDA [3]	874	1,041	851	966	829	808	591	533	455	485
BALANCE SHEET (AT DECEMBER 31)										
Shareholders' equity after appropriation	3,308	3,150	2,612	2,553	2,196	1,861	1,747	1,829	1,650	1,460
Net debt	1,973	1,524	1,518	1,997	1,578	1,905	2,019	316	453	416
Non-current assets	4,648	4,442	4,247	4,260	3,576	3,508	3,583	1,654	1,593	1,413
Capital expenditure	388	312	298	701	215	192	181	153	201	127
Inventories and work-in-progress	1,682	1,840	1,212	1,189	1,181	1,112	1,067	821	823	731
Trade receivables net of advances received	645	789	841	1,017	939	1,016	1,053	886	768	740
Trade payables net of advances made	933	1,514	1,205	991	999	906	915	695	637	525
Net cash from operating activities	276	573	962	682	724	457	576	376	271	298
Number of employees at December 31 *(in units)*	30,863	32,695	32,847	34,263	33,974	32,319	32,871	26,024	25,759	24,682
SHARES (IN €)										
Total number of shares outstanding *(in thousands)*	55,338	55,338	50,307	50,307	50,169	50,169	50,169	50,169	50,169	50,169
Weighted average number of shares after treasury stock *(in thousands)*	55,055	53,886	50,073	49,779	49,661	49,597	49,749	49,037	48,694	48,344
Adjusted diluted earnings per share	5.71	8.36	5.96	7.58	8.38	7.50	5.15	4.14	3.45	4.08
Net income	2.45	2.45	2.14	1.43	2.14	2.00	1.72	1.54	1.44	1.39
Yield per share *(in %)* [4]	3.13	1.79	1.44	1.08	1.90	1.29	1.34	1.63	2.34	2.12
Price range:										
High	142.00	159.20	153.30	166.80	175.90	169.90	136.00	97.45	68.99	69.50
Low	55.20	115.40	86.35	107.00	105.60	115.70	79.90	58.01	56.85	51.50
Price at December 31	78.25	136.90	149.00	132.40	112.80	154.45	128.75	94.60	61.57	65.70

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(in € millions)	2022	2021	2020	2019 (6)	2018	2017	2016 (5)	2015	2014	2013
Stock market capitalization *(in € millions)*	4,330.2	7,575.7	7,495.7	6,660.7	5,659.1	7,748.6	6,459.3	4,746.0	3,088.9	3,296.1
Average daily trading volume *(number of shares)*	77,708	64,434	68,854	53,796	56,108	53,452	60,252	79,811	56,210	75,245

(1) Excluding discretionary and non-discretionary profit sharing and matching contributions to employee savings plans, including temporary staff costs. Since the Group's transition to IFRS in 2004, the reported amounts have also included the service cost of pension and other post-employment.
(2) Earnings before interest, taxes, depreciation and amortization (including amortization and impairment of goodwill and trademarks, and depreciation and amortization expense reported under "Other operating income and expenses", financial costs and income tax).
(3) Recurring operating profit before operating depreciation and amortization.
(4) Dividend for the year expressed as a percentage of the closing share price at the year-end.
(5) The balance sheets and income statements for 2016 were restated in subsequent years. The restatements were not material.
(6) After the first application of IFRS 16 and excluding Krampouz.

5.4.2 HISTORY OF CONSOLIDATED RATIOS

(in %)	2022	2021	2020	2019 (3)	2018	2017	2016	2015	2014	2013
PROFITABILITY RATIOS										
Return on equity before appropriation of previous year's profit	9.61	16.59	11.44	16.46	21.36	20.43	13.55	11.94	11.09	13.66
Net profit / Sales	3.97	5.63	4.33	5.16	6.16	5.78	5.17	4.32	4.00	4.80
FINANCIAL RATIOS										
Net debt / shareholders' equity before appropriation (1)	57.21	46.30	55.51	76.02	68.39	96.96	109.98	16.57	26.27	27.14
Financial costs, net / Revenue	1.01	0.80	0.88	0.83	0.47	1.11	1.16	1.00	1.15	1.32
Net debt / Adjusted EBITDA (in value) (1)	2.26	1.46	1.78	2.07	1.90	2.36	3.42	0.59	1.00	0.86
INVESTMENT RATIOS (2)										
Investments/Sales	4.87	3.88	4.30	9.53	3.15	2.97	3.63	3.23	4.73	3.05

(1) As per new definition of net debt. Note 23.2.
(2) Capital expenditure on property, plant and equipment, software and development costs.
(3) After first-time adoption of IFRS 16.

6 Company financial statements

6.1 Financial statements

INCOME STATEMENT

Year ended 31 December

(in € millions)	Notes	2022	2021
Other income		2.3	2.5
Operating income		**2.3**	**2.5**
Other purchases and external charges		9.3	8.3
Taxes other than income tax		5.3	2.0
Wages and salaries		8.1	6.7
Payroll taxes		0.5	1.9
Depreciation and amortization expense		1.8	3.4
Other expenses		1.6	1.0
Operating expenses		**26.7**	**23.3**
OPERATING PROFIT (LOSS)	**2**	**(24.4)**	**(20.8)**
Financial income		**768.3**	**360.9**
Financial expenses		**592.6**	**221.8**
FINANCE COSTS AND OTHER FINANCIAL INCOME AND EXPENSES	**3**	**175.7**	**139.1**
PROFIT (LOSS) FROM ORDINARY ACTIVITIES		**151.3**	**118.4**
Non-recurring income		**78.6**	**82.3**
Non-recurring expenses		**75.8**	**69.1**
EXCEPTIONAL PROFIT	**4**	**2.8**	**13.2**
Income taxes (income)	5	(27.9)	(31.1)
PROFIT FOR THE PERIOD		**182.0**	**162.6**

BALANCE SHEET

Year ended 31 December

Assets *(in € millions)*	Notes	2022 Gross	2022 Depreciation/ Amortization	2022 Net	2021 Net
Patents, licenses and other rights		0.1	0.1	0.1	0.1
Financial investments		2,037.1	334.6	1,702.5	1,658.8
Loans to subsidiaries and affiliates		2,779.5	3.4	2,776.1	2,494.9
Other non-current assets		0.2		0.2	0.1
NON-CURRENT ASSETS	**6**	**4,816.9**	**338.1**	**4,478.8**	**4,153.9**
Accounts receivable		20.6		20.6	6.9
Other receivables	7	160.0		160.0	502.9
Investment securities	8	312.3		312.3	506.4
Liquid assets and cash instruments		142.7		142.7	636.4
Prepaid expenses		0.5		0.5	0.2
CURRENT ASSETS		**636.1**		**636.1**	**1,652.7**
Deferred financing costs	9	5.1		5.1	6.7
Bond redemption premium	9	2.2		2.2	3.2
Conversion losses		7.4		7.4	10.2
TOTAL ASSETS		**5,467.7**	**338.1**	**5,129.6**	**5,826.7**

Liabilities (before appropriation of profit) *(in € millions)*	Notes	2022	2021
Share capital		55.3	55.3
Additional paid-in capital		114.9	114.9
Revaluation reserve		16.9	16.9
Legal reserve		5.5	5.5
Regulatory reserves		0.8	0.8
Revenue reserves		7.9	7.9
Retained earnings		1,004.9	982.3
Profit (loss) for the period		182.0	162.6
SHAREHOLDERS' EQUITY	**10**	**1,388.1**	**1,346.2**
Provisions for contingencies equity		70.7	97.1
Provisions for charges		130.9	133.0
PROVISIONS FOR CONTINGENCIES AND CHARGES	**11**	**201.6**	**230.0**
Bank borrowings	12	1,712.7	2,213.5
Other borrowings	12	1,622.8	1,948.8
Trade payables		3.2	3.0
Accrued taxes and employee benefits expenses		2.1	5.0
Other liabilities	13	169.9	67.5
LIABILITIES		**3,510.8**	**4,237.8**
Conversion gains		29.1	12.6
TOTAL LIABILITIES		**5,129.6**	**5,826.7**

6.2 Notes to the SEB S.A. financial statements

SIGNIFICANT EVENTS OF THE YEAR

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS

The Annual General Meeting of SEB S.A. of 19 May 2022 voted in favor of the:

- reappointment of Delphine Bertrand as a director;
- appointment of BPIFRANCE INVESTISSEMENT as an independent director to replace Jean-Noël Labroue, whose term of office expired at the end of the Annual General Meeting.

As of 31 December 2022, the Board of Directors had 16 members:

- the Chairman;
- seven directors representing the Founder Group:
  - four directors from VENELLE INVESTISSEMENT,
  - two directors from GÉNÉRACTION,
  - one director from FÉDÉRACTIVE;
- five independent directors;
- two directors representing employees;
- one director representing employee shareholders.

CHANGE IN GOVERNANCE

Following the proposal of its Chairman and the recommendations of the Governance and Remuneration Committee, at its meeting of 10 February 2022, the Board of Directors decided to separate the functions of Chairman and Chief Executive Officer.

The Board decided to retain Thierry de La Tour d'Artaise as Chairman of the Board of Directors, a position he has held since 2000, and appoint Stanislas de Gramont as Chief Executive Officer from 1 July 2022.

The Board of Directors firmly believes that the proposed change will ensure the sustainability of the Group's performance, values and commitments, as well as the quality of its governance. This dual governance, based on the relationship of trust established between Thierry de La Tour d'Artaise and Stanislas de Gramont, will allow the Group to combine forward-looking prospects with operational excellence.

Stanislas de Gramont, who has regularly taken on additional responsibilities as part of the active pairing formed with Thierry de La Tour d'Artaise since joining the Group, will be able to achieve his full potential by becoming the Group's Chief Executive Officer.

LAC1 FUND MANAGED BY BPIFRANCE ACQUIRES STAKE IN SEB S.A.

On 23 March 2022, the Lac1 fund, managed by Bpifrance on behalf of French and international investors, announced that it had acquired a stake in SEB. This investment (its fifth investment since the creation of the fund in 2020) in a family-owned, industrial, French company is fully in line with the Lac1 fund's investment strategy: to support French listed world leaders that offer strong value creation potential while addressing today's environmental and societal challenges. With this investment, Lac1 affirmed its commitment to the Group's strategy and its desire to be closely involved with the Group over the long term.

The Board of Directors of Groupe SEB decided to propose the appointment of Lac1's representative BPIFRANCEt as a director of SEB. This appointment was submitted to the Annual General Meeting of 19 May 2022. On the proposal of the Governance and Remuneration Committee, the Board nominated Anne Guérin, Executive Director, Funding and Network Management at Bpifrance, to serve on the Board as a permanent representative of Bpifrance.

FINANCING

Repayment of the bond issue

On 25 August 2022, SEB S.A. exercised its early repayment option at par three months prior to the maturity of its €500 million bond issue taken out in November 2015.

Extension of its syndicated credit facility

On 15 December 2022, SEB S.A. exercised its option to extend the maturity by one year on the €990 million syndicated credit facility, which was granted by the nine banks on this credit facility. The new maturity on this €990 million facility was therefore changed to 14 December 2027

Contract for the sale of receivables

SEB S.A. signed a contract during the financial year for the sale of some of its subsidiaries' debt securities. This contract had no impact on the company's financial statements over the financial year.

SUBSIDIARIES

Acquisition of majority stakes, through SEB Internationale, in Zummo

On 27 July 2022, SEB Internationale, a direct subsidiary of SEB S.A., acquired Zummo, the Spanish world-leading maker of automatic fruit juice extraction machines.

Founded in Valencia, Zummo began operations in 1992 and is now the world leader in the design, manufacture and distribution of automatic juicing machines for fresh fruit and vegetables. The technologies it has developed over time have given Zummo has a significant competitive advantage in an extremely dynamic market. The Group will capitalize on Zummo's recognized expertise, its management team and its 130 skilled employees.

Recapitalization of its subsidiary Calor

On 9 March 2022, SEB S A. recapitalized its subsidiary Calor by increasing the share capital by €150 million. This recapitalization was fully paid up in the form of debt conversion and contributions in cash.

NOTE 1. ACCOUNTING PRINCIPLES

Note 1.1. Principles

General accounting conventions were applied, in line with the principle of prudence and in compliance with the general rules on the preparation and presentation of annual financial statements set out in French law and France's Chart of Accounts (*Plan Comptable Général*) governed by regulation 2014-03 issued by the French Accounting Standards Authority (*Autorité des Normes Comptables*, "ANC") on 5 June 2014.

Note 1.2. Cash and cash equivalents and financial instruments

SEB S.A. takes care of cash management and risks related to the Group's financing. Several notes to the financial statements in this appendix refer to the following principles:

- SEB S.A. takes care of the Group's long-term and short-term financing needs. With respect to the financing of subsidiaries, SEB S.A. has set up an automatic daily bank balance reporting system for some subsidiaries, while for others cash requirements or surpluses are transferred manually. Short-term loans or borrowings between Group companies and SEB S.A. pay interest at the spot base rate for the currencies concerned, plus or minus an intermediation margin;
- SEB S.A. takes care of the Group's medium- and long-term financing needs. SEB S.A. has therefore set up medium- or long-term loans for some of its subsidiaries. The interest rate applied to these loans is either a fixed rate or a swap rate for the currency plus a margin;
- SEB S.A. raises capital on the financial markets and/or from financial institutions in euros. SEB S.A. buys and sells foreign exchange hedges that enable it to convert its euro financing into its subsidiaries' local currency. Exposure to currency risks on the financing of non-euro subsidiaries is hedged in this way;

- the company puts competitiveness and transactional hedges in place to cover its subsidiaries' exposure to currency risks. The hedged transactions are recorded for the guaranteed price by SEB S.A. for the operating subsidiaries and in their own currency for market subsidiaries. A provision may be set aside to cover the unhedged portion of the risk.

Clarification of ANC regulation no. 2015-05:

- foreign exchange hedges linked to current accounts, intra-Group loans/borrowings, and foreign currency bank accounts are revalued on the balance sheet to offset the revaluation at the closing rate of these items. The premium/discount is taken to profit or loss over the term of the hedge;
- the competitiveness and transactional hedges taken out with banking counterparties are backed in accounting terms by foreign exchange hedges granted to Group subsidiaries. In the event of a significant difference between the rates realized with the banking counterparties and the rates granted to the subsidiaries, any gains or losses realized by SEB S.A. will be passed on to the subsidiaries that initiated the hedging requests;
- currency translation adjustments on hedges and hedged items are classified in the income statement under Net financial income and expense. The company does not engage in optimization transactions that entail additional risks for the business;
- financial income and expenses relating to interest rate hedges are recognized in the income statement symmetrically to the income and expenses generated by the hedged item;
- the company centrally manages raw materials price increase risks by entering into raw materials derivative contracts on behalf of Group subsidiaries. Realized gains and losses on derivatives entered into with bank counterparties are written back to the subsidiaries that initiated the hedging requests;
- the fair value of the instruments and information on the volume and nature of the instruments (type of income/underlyings) and the amount of deferred realized gains and losses on the balance sheet are disclosed in Note 16.

Clarification of conversion and valuation procedures:

Cash and short-term bank loans denominated in foreign currency at the period-end are converted into local currency at the exchange rate on the last business day of the period, and foreign exchange translation adjustments are recognized in profit for the period under “Foreign Exchange gains” or “Foreign Exchange losses”.

NOTE 2. OPERATING PROFIT

(in € millions)	2022	2021
Other income	2.3	2.5
Operating income	**2.3**	**2.5**
Other purchases and external charges	9.3	8.3
Taxes other than income tax	5.3	2.0
Wages, salaries and payroll taxes	8.6	8.5
Depreciation, amortization and impairment losses	1.8	3.4
Other expenses	1.6	1.0
Operating expenses	**26.7**	**23.3**
OPERATING PROFIT (LOSS)	**(24.4)**	**(20.8)**

Operating profit for the financial year was -€24.4 million, compared with -€20.8 million in 2021.

Operating expenses consisted primarily of external expenses of €9.3 million and personnel expenses of €8.6 million. These personnel costs were generally stable over the financial year due to the effects of the €2.1 million reduction in personnel expenses, the €1.2 million increase in expenses related to performance shares, and the €1.2 million premium paid to the pension management fund.

Operating income and expenses include transactions with related companies, carried out under normal market conditions.

NOTE 3. FINANCIAL RESULT AND OTHER FINANCIAL INCOME AND EXPENSES

(in € millions)	2022	2021
Dividends	240.0	173.9
Interest expenses	(46.1)	(42.4)
Interest income	74.0	34.2
Other financial income (expenses)	(6.5)	(26.5)
Net reversal/increase in provision for impairment of financial items	(85.6)	
TOTAL	**175.7**	**139.1**

Dividends received during the financial year totaled €240 million, compared with €173.9 million in 2021. They mainly came from SEB Internationale (€150 million), Groupe SEB France (€35 million), Tefal (€32.3 million), and Groupe SEB Export (€13.3 million).

Financial interest income consisted primarily of remuneration from loans and current accounts of subsidiaries; they rose sharply over the financial year due to the increase in remuneration rates in most countries, including Brazil, Russia, Colombia, and Mexico.

Other financial income and expenses consist primarily of foreign exchange income for the period, i.e. a net loss of -€6.5 million (including -€29.7 million in hedging costs, compared with -€16 million in 2021).

Lastly, the valuation of the subsidiaries' portfolios led the company to make a provision of €85.6 million for impairment of financial elements (€109.3 million of which was for provisions and €23.7 million for reversals on current accounts).

NOTE 4. EXCEPTIONAL PROFIT

(in € millions)	2022	2021
Gains/(losses) on sales of treasury shares	(35.5)	(24.5)
Reversal (increase) in provision for losses on treasury shares	23.6	(7.2)
Net income from subsidiaries	12.7	43.9
Other non-recurring income and expenses		(0.1)
Reversal (increase) in provision for charges for tax group	2.0	1.1
TOTAL	**2.8**	**13.2**

Over the year, the sale of treasury shares generated a total net loss of €35.5 million, compared with €24.5 million in 2021 (255,431 treasury shares were sold over the period, including 15,081 under the liquidity contract and 240,350 as part of performance share programs).

Discounting over the period of the provision for unrealized losses on treasury shares resulted in a net provision reversal of -€23.6 million for the financial year, compared with a net allocation of €7.2 million in 2021.

Over the year, other revenue from subsidiaries consisted in particular of the balance of rebillings of capital losses on treasury shares incurred over the period in question of €24.9 million and -€16.8 million for the coming period.

NOTE 5. INCOME TAX

Note 5.1. Analysis of income tax

Since 2015, SEB S.A. has signed a tax group agreement with all its subsidiaries benefiting from the tax group system, setting the rules for the tax group. The contract specifies that the tax group will take effect retroactively from 1 January 2013 and, pursuant to the provisions of Article 223 A et seq. of the French General Tax Code, will be tacitly renewed for additional five-year periods.

The agreement also provides that subsidiary companies which are members of the tax group should be placed in a situation during consolidation comparable to the situation that they would have been in if the Group did not exist.

With regard to the calculation of tax liability, each subsidiary "shall pay the parent company, by way of contribution to the Group's income tax, irrespective of the actual amount of said tax, a sum equal to the tax that it would have paid on earnings and/or net long-term capital gains for the financial year had it been taxed separately, minus all the tax deductions to which the subsidiary would have been entitled in the absence of consolidation, including its tax loss carryforwards".

The agreement also states that at the "end of a loss-making financial year, the subsidiary shall not be entitled to make any claim on the parent company on this basis, even if the parent company establishes a claim against the French Treasury by opting to carry back the total loss".

Concerning tax credits, the subsidiaries' liability to the parent company shall be reduced:

- for tax credits that cannot be carried forward and cannot be refunded. If the subsidiary is loss-making, these claims shall be offset by the parent company against the income tax owed by the Group;
- for all tax credits that cannot be carried forward but can be refunded. The fraction of the claim in excess of the income tax owed by the subsidiary shall be repaid to the subsidiary by the parent company.

Lastly, if the subsidiary leaves the tax group, the agreement provides that compensation shall be paid insofar as it can be determined, by mutual agreement, that the subsidiary has paid too much tax as a result of its membership of the Group.

Income tax for the financial year ended 31 December 2022 breaks down as follows:

(in € millions)	Before tax	Tax	Profit for the period
Profit (loss) from ordinary activities	151.3	6.6	157.9
Exceptional profit	2.8	1.2	4.0
Tax loss carryforwards generated/(used)		(4.0)	(4.0)
Tax group		26.4	26.4
Other income and expenses		(2.2)	(2.2)
TOTAL	**154.1**	**27.9**	**182.0**

SEB S.A.'s tax expense is partially offset through tax credits valueted to €5.2 million (of which €4.8 million linked to income from foreign sources).

Note 5.2. Tax group

The tax group recorded a profit for the 2022 financial year.

The €26.4 million in tax savings was recognized in the company's financial statements as current tax income, breaking down as follows:

- income of €22.3 million for tax losses by consolidated subsidiaries used in the financial year;
- income of €1.6 million connected with tax credits not allocated by loss-making subsidiaries;
- a tax saving of €2.4 million resulting from the application of the specific tax group rules for determining the individual profit or loss.

In addition, under the tax agreement signed with member companies, the tax savings made by the Group as a result of the tax group are retained by the parent company.

Since the agreement was implemented, provisions have not been recorded in the financial statements of SEB S.A. to cover the tax loss carryforwards generated by members of the tax group other than SEB S.A. Only reversals of provisions are recorded when tax loss carryforwards are used. In this regard, the company recorded a provision reversal of €2 million.

Note 5.3. Deferred tax assets and liabilities

At 31 December 2022, deferred tax assets totaled €7.5 million (compared with €3.3 million at 31 December 2021), corresponding to unrealized exchange gains deductible the year following their recognition.

NOTE 6. NON-CURRENT ASSETS

The gross amount of shares in subsidiaries and affiliates on the balance sheet is the sum of the purchase price (after statutory revaluation if necessary) plus additional charges.

Impairment tests are conducted at each year-end to check that the net book value does not exceed the net asset value. If the net asset value is inferior to the net book value, a provision for impairment is observed, equal to the amount of the difference.

The net asset value can be pegged to the value in use and determined according to the share of the net assets, adjusted where applicable for potential capital gains on intangible assets (brands and technologies), land assets or financial assets, or, if it is considered more relevant, on the basis of discounted cash flow.

Treasury shares are classified in the two following ways:

- all treasury shares bought back for allocation under existing or future stock option or performance share plans are classified as "investment securities";
- all other classes of treasury shares – mainly treasury shares held under a liquidity contract – are classified as "other non-current assets".

At year-end, an impairment loss is recognized in connection with the liquidity agreement whenever the average purchase price of treasury shares held in the portfolio is higher than the average share price for the last month of the year.

(in € millions)	2021	Increase	Decrease	2022
Patents, licenses and other rights	0.2			0.2
Financial investments	1,887.0	150.0		2,037.0
Loans to subsidiaries and affiliates	2,519.1	728.3	467.9	2,779.5
Other non-current financial assets	0.1	0.1		0.1
GROSS VALUE	**4,406.4**	**878.4**	**467.9**	**4,816.91**
Patents, licenses and other rights	(0.1)			(0.1)
Provisions for investments and related receivables	(252.4)	(109.3)	(23.7)	(338.0)
PROVISIONS	**(252.5)**	**(109.3)**	**(23.7)**	**(338.1)**
TOTAL NET VALUE	**4,153.9**	**769.1**	**444.2**	**4,478.8**

- SEB S.A.'s holdings consist of securities held directly by the company in French and foreign subsidiaries. The change during the financial year consisted of a €150 million capital increase allocated to Calor SAS.
- Loans to subsidiaries and affiliates consist of advances made by SEB S.A. to its French and foreign subsidiaries in connection with the Group's financial policy (see Note 1.2 under the Accounting principles).
  - At 31 December 2022, these net receivables from subsidiaries totaled €2,779.5 million, including medium- and long-term loans totaling €1,471.4 million (€236.6 million are repayable within one year) and current account advances of €1,308 million. These loans and advances were primarily provided to SEB Internationale (€397.2 million), WMF Group GmbH (€512.7 million) and Wilbur Curtis (€205.6 million).
- During the financial year, the company granted new advances totaling €728.3 million, split between new long-term loans of €217.3 million (including €36.9 million to SEB Comercial De Produtos, €76.6 million to SEB Do Brazil and €47.5 million to Groupe SEB Vostok) and an increase in current account advances to its subsidiaries of €510.7 million.
- In addition, the loans granted by the company fell over the period to total €467.9 million, mainly due to the repayment of SEB Internationale's long-term loans of €177.4 million and repayments of current account advances in the amount of €174.1 million.

- In principle, other non-current financial assets mainly include treasury shares under the liquidity agreement. At 31 December 2022, the liquidity agreement portfolio amounted to €0.1 million. Over the financial year, 16,181 shares were bought back at an average price of €132.93 and 15,081 shares were sold at an average price of €132.89 per share.
- Lastly, the valuation of the subsidiaries' portfolios led the company to make a provision on equity of €85.6 million for impairment of financial elements (€109.3 million of which was for provisions and €23.7 million for provision reversals on current accounts).

NOTE 7. MATURITIES OF OTHER LOANS

			Due by 31/12/2022		
(in € millions)	2021	**2022**	Less than 1 year	Due in 1 to 5 years	More than 5 years
Tax receivables	21.0	27.7	27.7		
Accruals of subsidiaries	67.8	51.4	17.0	34.0	
Financial instruments	39.5	45.9	45.9		
Other financial investments	374.6	35.0	35.0		
TOTAL	**502.9**	**160**	**125.6**	**34.0**	

Other financial investments are made up of financial deposits with a maturity of less than one year and with availability ranging from 32 days to 91 days. In theory, all the investment lines mature within the year.

NOTE 8. INVESTMENT SECURITIES

Treasury shares are classified as follows:

- all treasury shares bought back for allocation under existing or future stock option or performance share plans are classified as "investment securities";
- all other classes of treasury shares – mainly treasury shares held under a liquidity contract – are classified as "other non-current assets".

(in € millions)	**2022**	2021
Treasury shares	33.2	34.3
Investment securities	279.1	472.1
TOTAL	**312.3**	**506.4**

At 31 December 2022, SEB S.A. held a total of 286,666 treasury shares (compared with 230,627 at 31 December 2021) at an average price of €115.68, notably to cover current stock option plans.

At 31 December 2022, the unrealized capital gains on investment securities was not significant.

NOTE 9. DEFERRED FINANCING COSTS AND BOND ISSUE PREMIUMS

(in € millions)	2022	2021
Deferred financing costs	5.1	6.7
Bond issue premiums	2.2	3.2
TOTAL	**7.3**	**9.9**

The change in deferred financing costs corresponds to the amortization in the period according to maturity.

Charges to be deferred that have a maturity of more than one year total €1.8 million.

NOTE 10. EQUITY

Share capital

At 31 December 2022, the share capital was €55,337,770 and remained unchanged over the financial year. This was made up of 55,337,770 fully paid-up shares, representing 83,551,477 “theoretical” voting rights and 83,263,711 “effective” voting rights (excluding treasury shares).

Changes in equity

EQUITY AT 31 DECEMBER 2021 BEFORE APPROPRIATION OF PROFIT	**1,346.2**
2021 dividend paid in 2022	(140.1)
Profit (loss) for the period	182.0
EQUITY AT 31 DECEMBER 2022	**1,388.1**

NOTE 11. PROVISIONS FOR CONTINGENCIES AND CHARGES

In accordance with the principles of ANC regulation no. 2015-05, the company recognizes a provision for currency risks, on the basis of an aggregate net position determined per currency at year-end.

The company funds a provision for contingencies for expected losses on performance shares under performance share plans granted to all Group employees.

The company also records provisions on the balance sheet for the tax savings resulting from the implementation of the tax group, relating to the utilization of losses incurred by certain subsidiaries, which may have to be transferred back to them if and when they leave the consolidation group.

(in € millions)	2021	Increases	Releases of surplus provisions	Utilizations	2022
Provisions for claims and litigation					
Provisions for currency risks	10.2	7.4		10.2	7.4
Provisions for contingencies	86.9	18.0		41.6	63.3
PROVISIONS FOR CONTINGENCIES	**97.0**	**25.4**		**51.8**	**70.7**
Provisions for Tax Group	133.0			2.0	130.9
PROVISIONS FOR CHARGES	**133.0**			**2.0**	**130.9**
TOTAL	**230.0**	**25.4**		**53.8**	**201.6**

A provision for currency risks was recorded in the financial statements at 31 December 2022, in the amount of €7.4 million (compared with €10.2 million in 2021) to cover currency risk on the invoices hedged.

The provision for other contingencies represents the expected loss on performance share grants pertaining to the plans currently vesting. The total provision stood at €63.3 million in 2022, compared with €86.9 million in 2021, with the change discussed in Note 4.

Lastly, the company's financial statements continue to include a €130.9 million provision, to address the risk of having to refund the tax used by the tax group to the subsidiaries. During the financial year, the company made a reversal of €2 million.

In addition, Management reassessed the risk and now considers that, in the event of a negotiation with its subsidiaries regarding an exit from the tax group, the tax saving to be considered would be the saving that the subsidiary could achieve in the future.

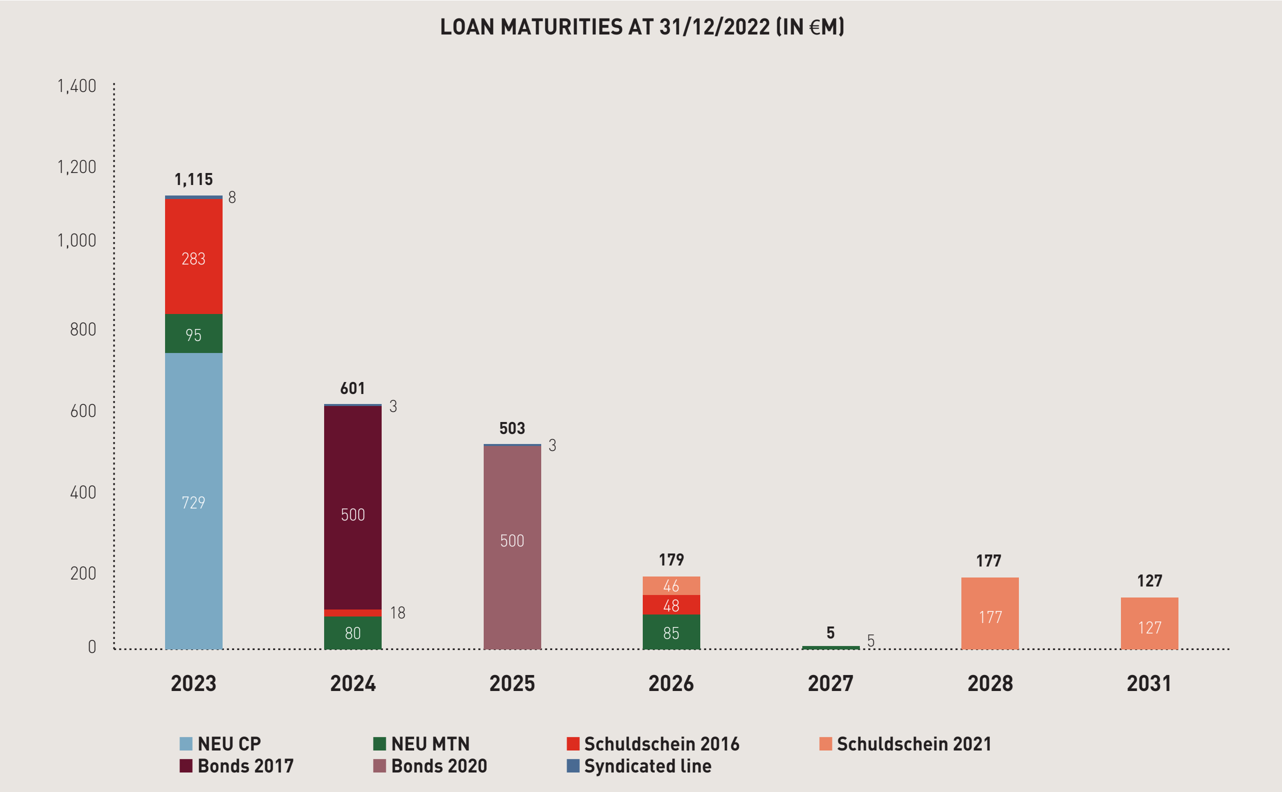
NOTE 12. MATURITIES OF BORROWINGS

			Due by 31/12/2022		
(in € millions)	2021	2022	Less than 1 year	Due in 1 to 5 years	More than 5 years
Bonds	1,509.4	1,008.2	8.2	1,000.0	
Other financial debts (including private placements)	701.7	699.6	283.6	112.0	304.0
Bank borrowings	2.5	4.9	4.9		
Bank borrowings	**2,213.5**	**1,712.7**	**296.7**	**1,112.0**	**304.0**
NEU Commercial Paper	863.0	729.0	729.0		
NEU Medium Term Notes	220.0	265.0	95.0	170.0	
Group borrowings	853.9	620.5	620.5		
Employee profit-sharing	11.9	8.3	3.2	5.1	
Other borrowings	**1,948.8**	**1,622.8**	**1,447.7**	**175.1**	
TOTAL	**4,162.3**	**3,335.5**	**1,744.4**	**1,287.1**	**304.0**

On 25 August 2022, SEB S.A. exercised its early repayment option at par three months prior to the maturity of its €500 million bond issue taken out in November 2015.

Furthermore, NEU MTN totaled €265 million at 31 December 2022 (up €45 million compared with 31 December 2021) and NEU CP totaled €729 million (down €134 million compared with 31 December 2021).

This NEU CP was issued as part of a €1,250 million NEU CP program, which has a short-term rating of A2 awarded by Standard & Poor's. Furthermore, the NEU MTN program amounted to €500 million.



NOTE 13. DEBT MATURITY SCHEDULE

(in € millions)	2021	2022	Due by 31/12/2022		
			Less than 1 year	Due in 1 to 5 years	More than 5 years
Trade payables	3.0	3.2	3.2		
Accrued taxes and employee benefits expenses	5.0	2.1	1.8	0.3	
Other liabilities	67.5	169.9	169.9		
TOTAL	**75.5**	**175.2**	**174.9**	**0.3**	**-**

Other liabilities consisted primarily of receivables payable to customers totaling €95.8 million, liability cash instruments totaling €36.4 million and subsidiaries' current income tax accounts totaling €24.5 million.

OTHER INFORMATION

NOTE 14. EMPLOYEES

The average number of employees was two (same as with the previous financial year).

NOTE 15. STOCK OPTION AND PERFORMANCE SHARE PLANS

The change in performance share assets over the period was as follows:

At 31/12/2022	Date		Number of shares				
Type	of grant	of vesting	granted	vested	canceled	Outstanding	Share price on the grant date
Performance shares	22/05/2019	22/05/2022	248,645 (1)	240,550	8,095		155.9
Performance shares	19/05/2020	19/05/2023	213,148 (2)	-	3,675	209,473	112.3
Performance shares	20/05/2021	20/05/2024	200,000		750	199,250	151.3
Performance shares	19/05/2022	19/05/2025	218,360			218,360	100.4
TOTAL			**880 153**	**240 550**	**12 520**	**627 083**	

(1) Of which 22,145 shares awarded under the free share award transaction, 1 share in return for 10 held as of 03/03/2021.
(2) Of which 19,268 shares granted as part of the free award transaction, 1 share in return for 10 held as of 03/03/2021.

As part of its share buyback program, approved by the Combined Annual General Meeting of 19 May 2022, SEB S.A. entered into further transactions for 140,000 treasury share options (tunnel). These transactions were conducted to partially cover the performance share award plans for employees, subject to performance conditions, maturing in 2023 and 2024 and approved by the 20th resolution of this meeting.

As the plans for 2023 to 2025 involve a maximum number of shares, SEB S.A. may enter into other such transactions up to the overall amount of the plans should it wish to increase the level of coverage.

NOTE 16. FINANCIAL COMMITMENTS

	31/12/2022		31/12/2021	
(in € millions)	Notional amount	Market value	Notional amount	Market value
TOWARDS				
COMMITMENTS ON THE BALANCE SHEET				
FX hedges for competitiveness and transactional risk				
Forward sales of foreign currencies	369.6	11.2	457.6	(9.9)
Forward purchases of foreign currencies	(418.7)	3.7	(821.8)	23.6
Optional currency sale strategy	47.7	0.4	(11.7)	0.3
Optional currency purchase strategy	67.4	3.8	(11.7)	1.5
Financial FX hedges				
Currency swaps	385.4	(0.6)	301.6	
Optional currency sale strategy				
Optional currency purchase strategy				
Cross-currency swaps	167.6	(18.8)	181.7	(8.8)
Forward financial sales/purchases	21.0	0.2	14.9	(0.1)
OTHER HEDGES				
Puts on treasury shares (including premiums paid)		(7.0)		(1.8)
OFF-BALANCE SHEET COMMITMENTS				
FX hedges for competitiveness				
Forward sales of foreign currencies	379.7	4.0	505.0	(4.6)
Forward purchases of foreign currencies	(571.7)	0.9	(678.3)	33.2
Optional currency sale strategy	141.7		(337.4)	2.2
Optional currency purchase strategy	625,1	(4.7)	(337.4)	21.2
Financial FX hedges				
Forward financial sales	373.3	3.8	28.7	(0.8)
Forward financial purchases			(253.3)	(4.5)
Optional currency sale strategy	136.5	(0.7)	229.0	2.5
Optional currency purchase strategy			229.0	
Other hedges				
Fixed-rate payer swaps	(207.5)	5.0	(224.5)	(2.2)
Cross-currency swaps	167.6	20.7	181.7	2.8
Raw materials derivatives	108.7	(7.2)	177.0	17.5

(in € millions)	31/12/2022 Notional amount	31/12/2022 Market value	31/12/2021 Notional amount	31/12/2021 Market value
WITH SUBSIDIARIES				
COMMITMENTS ON THE BALANCE SHEET				
Revaluation of intra-Group transactions	(121.0)	4.5	(225.0)	(10.9)
OFF-BALANCE SHEET COMMITMENTS				
Raw materials derivatives	108.7	(7.2)	177.0	17.5

The use and accounting treatment of financial instruments are disclosed under the Accounting principles. Notional amounts represent the notional amounts of the contracts. The market value of financial instruments represents the gain or loss that would have been recognized had the contracts been settled on the market at 31 December 2021. It is estimated based on the exchange rate and interest rate at 31 December 2021, or obtained from the counterparty banks with which the commitments were made.

Commitments received by SEB S.A.

The company has an unused confirmed credit facility available under the following terms:

- a €990 million undrawn syndicated credit facility that expires in December 2027 (during the financial year, SEB S.A. exercised its option to extend the maturity by one year on the syndicated credit facility, which was granted by the nine banks on this credit facility, thereby prolonging the maturity of the credit facility by 12 months).

The company also has the following programs:

- a €500 million NEU MTN program, €269 million of which has been used;
- a €1,250 million NEU CP program, €729 million of which has been used.

Commitments given by SEB S.A.

The company has given guarantees to various banking counterparties to cover banking commitments totaling €47.9 million. It also granted Groupe SEB Ré a guarantee covering the annual reinsurance commitment of €4 million.

NOTE 17. PENSION COMMITMENTS

The following table provides an analysis of the compensation and benefits paid to SEB S.A. executive officers:

(in € millions)	2022	2021
SHORT-TERM BENEFITS		
Fixed remuneration	1.8	1.8
Variable remuneration	0.6	1.9
Remuneration as a member of the Board of Directors	0.03	0.03
OTHER BENEFITS		
Share-based payments (stock options/year N-3)	2.7	2.6
Value of the performance shares awarded for the period	1.8	3.9
Benefit in kind	0.07	0.05

Pension commitments

Executive officers are members of the collective supplementary pension plan set up for Groupe SEB's senior managers on French contracts (members of the Executive Committee).

For senior managers in office on 3 July 2019, the provisions of Order no. 2019-697 of 3 July 2019 on supplementary work pension plans forced the Group to freeze and close this plan as of 31 December 2019.

This scheme complemented the statutory schemes and was composed as follows:

- a defined-benefit deferred compensation plan, under which beneficiaries are subject to seniority and presence conditions. The amount of benefits payable under this plan in addition to the applicable statutory schemes represents up to 25% of a reference remuneration calculated on the average of the target remuneration for the past three years;
- a supplementary defined-benefit plan, subject to seniority and service conditions, with the potential benefits accruing per year of service being 0.8% of the reference compensation calculated on the average of the annual target compensation over the preceding three years and capped at 20 years' service, i.e. a maximum of 16% of the reference compensation.

Groupe SEB executives became potentially eligible for the defined benefit plans after eight years of service on the Groupe SEB Executive Committee, and subject to completion of their careers within the Group.

This collective supplementary pension plan of the Chairman and Chief Executive Officer has been in liquidation since 1 July 2022 (date of liquidation of his pension under the general plan).

At its meeting of 16 December 2021, the Board of Directors laid out a new plan for this group of individuals that was in keeping with France's PACTE law on business growth and transformation and with Ordinance no. 2019-697.

The new plan was presented to the staff representative body (CSE) on 20 December 2021 and implemented the following day, i.e., 21 December 2021, with retroactive effect from 1 January 2020 for Groupe SEB senior managers on French contracts (members of the Executive Committee) who were in office on that date and met the eligibility conditions and from 1 January 2022 for the new Chief Executive Officer.

Groupe SEB's goal for the old plan is to outsource all commitments through contributions to a collective fund to which payments are made on a regular basis.

For the new plan implemented on 21 December 2021 (supplementary pension plan with defined benefits and certain entitlements, pursuant to Article L. 137-11-2 of the French Social Security Code), Groupe SEB aims to outsource all commitments to a collective fund to which payments are made annually.

New plan "L. 137-11-2"

Following the freeze and closure of the previous plan and the publication of the Department of Social Security's directive of 23 December 2020, the implementation of a new plan with defined benefits and certain rights, meeting the conditions set out in Article L. 137-11-2 of the French Social Security Code, was decided by the Board of Directors on 16 December 2021, on the recommendation of the Governance and Remuneration Committee of 9 December 2021.

This new plan applies to members of the General Management Committee and/or the Executive Committee, with the exception of those who have received an additional pension corresponding to the maximum entitlements under the previous plan and/or who benefit from an equivalent retirement plan in another country.

This new plan provides for payment to the beneficiary, at the earliest of the date on which they have liquidated their pension under a mandatory pension plan to which they have contributed, or from the statutory retirement age referred to in Article L. 161-17-2 of the French Social Security Code, of a life annuity with the possibility of reversion.

The reference remuneration used to calculate entitlements in respect of the year in question only includes the fixed portion of the salary taken into account when calculating social security contributions and the bonus paid subject to contributions, in application of Article L. 242-1 of the French Social Security Code.

The annual entitlements correspond to 1% of the reference remuneration defined above.

Annual entitlements are conditional on compliance with conditions related to the annual assessment of the beneficiary's professional performance. Performance is calculated on the basis of the Business Revenue and Operating Result from Activity objectives set by the Board of Directors over the year in question. This calculation is defined annually by the Governance and Remuneration Committee at the start of the year when calculating the C1, which is also used to calculate the variable portions for the Group's corporate executive officers as specified above. If actual performance is equal to or greater than 100%, the entitlements will equal 1% of the reference remuneration. If actual performance is between 0% and 100%, the entitlements will be prorated. Therefore, entitlements may be nil (0%). Annual entitlements may not exceed 3% of the reference remuneration. Furthermore, the total percentage points applied to the same beneficiary is capped at 30 points over their entire career and all their employers combined.

Entitlements are revalued annually by a coefficient equal to the changes in the social security ceiling. In the event of departure from the company and prior to drawing their pension, the entitlements are revalued annually in the same way. In addition, in the event of the death of the beneficiary before they draw their pension, entitlements are retained for the benefit of the beneficiaries.

The amount payable is financed exclusively by premiums paid by Groupe SEB to an insurance company. With regard to the social security contributions associated with payment of the annuity, the company is obliged to pay a contribution based on premiums paid to the insurance company at the rate of 29.7% set by the French Social Security Code.

The various conditions of the pension plan meant that Thierry de La Tour d'Artaise is able to receive, at his retirement, a gross replacement ratio (including statutory plans) of 30.36% of his reference remuneration. This corresponds to a replacement ratio of 22.73% of his reference remuneration (not counting statutory plans). Thierry de La Tour d'Artaise is not eligible to join the new plan of 21 December 2021 as he has reached the maximum amount of entitlement applicable under the previous plan.

The various conditions of the former pension plan imply that at 31 December 2022 Stanislas de Gramont will be able to receive, at the legal retirement age, a gross replacement ratio (including statutory plans) of 14.30% of his reference remuneration as Chief Executive Officer. This would correspond to a replacement ratio of 3.99% of his reference remuneration (not counting statutory plans). Stanislas de Gramont joined the new plan implemented on 21 December 2021 on 1 January 2022. This information was subject to ex-ante/ex-post approval at the Annual General Meeting of 19 May 2022. The replacement ratios under the new plan were being calculated at the time this document was published.

Severance allowance and non-compete payments

FOR THIERRY DE LA TOUR D'ARTAISE

Thierry de La Tour d'Artaise is not entitled to a severance allowance in the event that his corporate office is terminated.

His employment contract, which had been in force since he joined Groupe SEB in 1994 and was last amended when he was appointed Chief Executive Officer of the company, was suspended on 1 March 2005 for the duration of his term of office. This employment contract ended on 1 July 2022, when his pension was liquidated under the legal system.

This contract stipulated that in the event of termination of employment at the employer's initiative, except on grounds of serious misconduct or gross negligence, or forced departure as a result of a change in the control of Groupe SEB, Thierry de La Tour d'Artaise would receive, by way of settlement, a total severance allowance equivalent to two years' remuneration. In accordance with the provisions set forth in Article L. 225-42-1 of the French Commercial Code, an amendment to the contract had been signed making the termination benefits subject to performance conditions.

Thierry de La Tour d'Artaise's employment contract did not contain a non-compete clause. This employment contract ended on 1 July 2022, when his pension was liquidated under the legal system.

Entitlement to stock options in the event of termination:

The last stock option plan (known as the "15 June 2012 stock option plan") lapsed on 16 June 2020 at the end of its eight-year term. The clause relating to the terms and conditions of holding stock options is therefore no longer relevant for the 2022 financial year.

FOR STANISLAS DE GRAMONT

Stanislas de Gramont is entitled to a severance allowance in the event that his corporate office is terminated.

The reference remuneration used to calculate the severance allowance consists of the last two years of fixed and variable remuneration that Stanislas de Gramont received in his capacity as Chief Operating Officer and Chief Executive Officer as of 1 July 2022.

In accordance with the provisions set forth in Article L. 225-42-1 of the French Commercial Code, payment of the severance allowance shall be subject to performance conditions, assessed as follows:

- the severance allowance shall be adjusted for the rate of achievement of targets, in said capacity, for the period limited to the last four financial years (in the event of a term of office exceeding four years);
- if the average percentage achieved is below 50%: no termination benefit is paid;
- if the average actual performance represents 50% to 100% of the targets: the termination benefit is comprised between 75% and 100%, based on a straight-line calculation;
- if the average percentage achieved is above 100%: 100% of the benefit is paid.

As his service within the company exceeded 24 months, the maximum amount of termination benefits reached the cap of 24 months' remuneration in December 2020.

Furthermore, termination benefits are only paid in the event of forced departure, and will still be capped at two years' remuneration (fixed and variable received). This includes the non-compete clause.

Pursuant to the non-compete agreement, in case of termination of his appointment of office as Chief Operating Officer, by means of dismissal or resignation, he shall be prohibited for a one-year period (renewable once) from working in any manner with a competitor of Groupe SEB, on a worldwide basis.

In consideration for this non-compete clause and for its entire duration, Stanislas de Gramont will receive a monthly non-compete payment amounting to 50% of his monthly average fixed and variable remuneration (paid or due depending on the circumstances) over his last 12 months of service within the Group.

The Board of Directors may release Stanislas de Gramont from this obligation by waiving the non-compete clause.

This corporate mandate agreement dated 12 December 2018, which includes the non-compete clause, and the severance terms and conditions described above, were approved by the shareholders at their Annual General Meeting of 19 May 2022, in accordance with "ex-ante and ex-post *Say-on-Pay*" procedures.

Continuation of employment contract

Thierry de La Tour d'Artaise began his career at Groupe SEB in 1994 and was appointed Vice-Chairman in 1999. He was appointed Chairman and CEO in 2000. In accordance with changing governance practice, his employment contract was suspended in 2005.

In accordance with the provisions of the AFEP-MEDEF Code, the Board of Directors reexamined the situation of Thierry de La Tour d'Artaise at its meetings of 17 February 2012 and 19 May 2016 and agreed that his employment contract should remain suspended due to his age, his personal situation and his seniority within Groupe SEB. This employment contract ended on 1 July 2022, when his pension was liquidated under the legal system.

With regard to Stanislas de Gramont, who was appointed Chief Operating Officer on 3 December 2018, the Board of Directors of 23 October 2018 decided to hire him solely under a corporate mandate **(so no applicable employment contract).**

The remuneration policy and components applicable to these two individuals were approved at the Annual General Meeting of 19 May 2022, in accordance with the "ex-ante and ex-post Say-on-Pay" procedure, and are described in detail in Chapter 2.5 "Remuneration policy" of the Universal Registration Document.

NOTE 18. POST-BALANCE SHEET EVENT

On 16 February 2023, Groupe SEB announced the acquisition of La San Marco, a family business specializing in the production and distribution of professional coffee machines. This acquisition will allow Groupe SEB to consolidate its activities in the professional coffee segment with a wealth of recognized expertise and genuine synergy with its existing offering.

On the date these financial statements were approved by the Board of Directors, on 22 February 2023, no other subsequent material event had occurred.

NOTE 19. LIST OF SUBSIDIARIES AND AFFILIATES

Note 19.1. Detailed information concerning subsidiaries and affiliates

19.1.1. Subsidiaries (more than 50%-owned)

(in € millions)	Share capital[(1)]	Reserves and retained earnings	Percentage share of capital held	Gross carrying amount of shares in other subsidiaries and affiliates	Aggregate carrying amount of shares in other subsidiaries and affiliates	Loans and advances granted by the company	Guarantees and bonds given	Dividends received by the company over the period
Calor S.A.S.	44.0	13.7	100%	233.9	122.1	3.8		
S.A.S. SEB	19.4	(7.9)	100%	195.5	97.7	72.9		
Tefal S.A.S.	7.1	33.0	100%	6.6	6.6	97.3		32.3
Rowenta France S.A.S.	8.0	(22.2)	100%	29.6	23.5	48.9		
SEB Développement S.A.S.	3.3	1.6	100%	18.0	18.0			3.4
Rowenta Invest B.V.	55.3	241.2	100%	211.8	211.8			
SEB Internationale S.A.S.	830.0	1196.9	100%	963.4	963.4	397.2		150.0
Groupe SEB France	42.0	90.4	98%	73.9	73.9			35.1
Groupe SEB Export	5.8	25.0	100%	38.0	38.0	40.6		13.4
Groupe SEB Moulinex	20.0	(7.3)	100%	176.8	59.7	90.6		
Groupe SEB Retailing	1.0	0.7	100%	3.0	2.9			2.0
SEB Alliance	30.0	(17.9)	100%	30.0	30.0	117.9		
Immobilière Groupe SEB	37.5	2.9	100%	50.0	50.0	104.8		
Ethera[(2)]	2.4	(8.0)	63.5%	1.6	0.0	7.2		
Groupe SEB RE (Captive)	4.4	0.0	99.0%	4.3	4.3		4.0	

(1) The equity of subsidiaries does not include net profit (loss) for the period, as the company financial statements were not finalized at the date of publication of this document
(2) Ethera's current account depreciated in part to €3.4 million at the end of the financial year.

19.1.2 Affiliates (10% to 50%-owned)

(in € millions)	Share capital	Reserves and retained earnings	Percentage share of capital held	Gross carrying amount of shares in other subsidiaries and affiliates	Aggregate carrying amount of shares in other subsidiaries and affiliates	Loans and advances granted and received by the company
S.I.S.	0.8	0.326	46.8%	0.5	0.5	20.06

The company considers that disclosure of results of individual subsidiaries could be seriously prejudicial to its interests. Additional information analyzed by geographic segment is provided at consolidated level. Group consolidated revenue generated by direct and indirect subsidiaries and affiliates totaled €7,959.7 million, and profit attributable to owners of the parent came to €316.2 million.

Note 19.2. General information concerning other subsidiaries and affiliates

The carrying amount of securities of other subsidiaries and affiliates totals €0.2 million.

6.3 Five-year financial summary

(in € thousands)	2022	2021	2020	2019	2018
SHARE CAPITAL AT YEAR-END					
a) share capital	55,338	55,338	50,307	50,307	50,169
b) number of shares outstanding	55,337,770	55,337,770	50,307,064	50,307,064	50,169,049
c) number of convertible bonds outstanding	0	0	0	0	0
OPERATIONS AND PROFIT (LOSS) FOR THE PERIOD					
a) net revenue, excluding tax					-
b) profit before tax, depreciation, amortization and provisions	214,092	145,400	98,073	103,585	111,271
c) income taxes	(27,911)	(31,077)	(27,178)	(28,881)	(29,899)
b) profit after tax, depreciation, amortization and provisions	181,969	162,611	124,594	130,402	99,557
e) dividend payout	140,200*	139,989	123,237	74,603	110,377
EARNINGS PER SHARE (IN UNITS)					
a) profit after tax but before depreciation, amortization and provisions	4.37	3.19	2.49	2.63	2.81
b) profit after tax, depreciation, amortization and provisions	3.29	2.94	2.48	2.59	1.98
c) dividend per share	2.45	2.45	2.14	1.43	2.14
EMPLOYEES					
a) number of employees	2.00	2.00	2.00	2.00	1.83
b) total payroll	8,109.33	6,641.20	8,154.49	5,961.35	2,495.40
c) employee benefits paid (payroll taxes)	530.99	1,892.80	1,626.93	1,698.79	960.20

* *Provisional amount.*

6.4 Statutory auditors' report on the financial statements

For the year ended December 31, 2022

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of SEB S.A.

OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of SEB SA for the year ended December 31, 2022.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2022 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Compliance Committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from January 1, 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of regulation (EU) No 537/2014.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

VALUATION OF INVESTMENTS IN SUBSIDIARIES

RISK IDENTIFIED	OUR RESPONSE
See Note 6 «Non-current assets» to the annual financial statements	
At December 31, 2022, investments in subsidiaries are booked for a net carrying amount of €1,702.5 million, which represents around 33% of total assets. At the year-end, investments in subsidiaries are valued by the Company using the balance sheet amount that can be obtained with reference to values in use, determined based on the share of net assets, adjusted, where necessary, for potential capital gains arising from intangible (brands and technologies), real estate or financial assets, or discounted cash flows if deemed more relevant, as described in Note 6 - "Non-current assets" to the annual financial statements. If this balance sheet amount is lower than the net carrying amount, a provision for impairment is recorded for the difference. We have considered the valuation of investments in subsidiaries to be a key audit matter due to: ■ the materiality of these assets in the SEB S.A. balance sheet, ■ the need for Management to use estimates and assumptions to determine the balance sheet amount, and ■ the sensitivity of this valuation to some of these assumptions.	Our work consisted mainly in (i) assessing the compliance of the methodology adopted by Management with current accounting standards and (ii) obtaining an understanding of the internal control procedures relating to the valuation of investments in subsidiaries. We also reviewed the methods used by Management to determine the balance sheet amount based on the estimates obtained and documented according to the various criteria described below. For valuations based on the share of net assets, we verified that the shareholders' equity amount matched the audited accounts of the relevant entities. Where applicable, for estimates based on forecast data, we: ■ verified the consistency of the assumptions used in the cash flow forecasts with past performances and the economic environment, ■ compared some of these assumptions with market data or documented evidence, ■ analyzed the methods and parameters used to determine the present value of estimated cash flows, ■ verified the mathematical accuracy of these estimates.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

INFORMATION GIVEN IN THE MANAGEMENT REPORT AND IN THE OTHER DOCUMENTS WITH RESPECT TO THE FINANCIAL POSITION AND THE FINANCIAL STATEMENTS PROVIDED TO THE SHAREHOLDERS

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to the payment deadlines mentioned in Article D.441-6 of the French Commercial Code.

INFORMATION RELATED TO CORPORATE GOVERNANCE

We attest that the Board of Directors' report on corporate governance contains the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code relating to remunerations and benefits received or awarded by the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies within the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L.22-10-11 of the French Commercial Code, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

OTHER INFORMATION

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

OTHER LEGAL AND REGULATORY VERIFICATIONS OR INFORMATION

FORMAT OF THE PRESENTATION OF THE FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed statutory auditors of SEB SA by the Annual General Meeting held on May 20, 2021.

As at December 31, 2022, Deloitte & Associés et KPMG S.A. were both in their second year of uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it is expected to liquidate the Company or to cease operations.

The Audit and Compliance Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

Statutory auditors' responsibilities for the audit of the financial statements

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT TO THE AUDIT AND COMPLIANCE COMMITTEE

We submit a report to the Audit and Compliance Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Compliance Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Compliance Committee with the declaration provided for in Article 6 of regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for statutory auditors. Where appropriate, we discuss with the Audit and Compliance Committee the risks that may reasonably be thought to bear on our independence and the related safeguard.

Paris-La Défense, April 6, 2023

The Statutory Auditors

KPMG S.A.

Eric ROPERT

Deloitte & Associés

Frédéric MOULIN

Patrice CHOQUET

7 Information concerning the company and its share capital

7.1 Information concerning the company

NAME: SEB S.A.

Registered office: Campus SEB – 112 chemin du Moulin Carron
69130 Écully – France

Tel.: +33 (0) 472 18 18 18 Fax: +33 (0) 472 18 16 55

Business registration number: 300 349 636 RCS Lyon

Industrial classification (NACE) code: 6 420 Z

LEI code: 969500WP61NBK098AC47

SEB share ISIN code: FR0000121709

Form: société anonyme (public limited company)

Financial year: 1 January to 31 December

Legislation: French

Duration: 99 years from 27 December 1973

CONSULTATION OF LEGAL DOCUMENTS

The company's bylaws, minutes of Annual General Meetings and other company documents may be consulted at the company's registered office.

Company regulatory documents may be consulted on the Groupe SEB website: *www.groupeseb.com*

CORPORATE PURPOSE (ARTICLE 3 OF THE BYLAWS)

The purpose of the company in France and abroad covers:

- investment in any company involved in any form of business and, therefore, the acquisition or subscription of all types of shares, debentures, capital holdings and interests, all types of marketable securities, as well as the disposal of the said investments and marketable securities;
- all operations concerning the financing of its subsidiaries and other companies in which it owns or may acquire a holding;
- the acquisition and registration of all patents for inventions and the granting of all forms of licenses for the use of these patents;
- the acquisition, construction, management of real estate and its disposal;
- all operations contributing to the development of the company and to the achievement of the purpose specified above.

ALLOCATION OF PROFITS (ARTICLES 46 AND 47 OF THE BYLAWS)

Profits are allocated in accordance with legal requirements and regulations. Dividends are drawn, as a priority, from distributable profits.

The Annual General Meeting may offer shareholders a choice between payment of dividends in cash or in new shares whose price is set beforehand as provided for by law.

A supplementary dividend payment per share of 10% of the unit value of the reference dividend, which may be rounded down to the nearest even number of euro cents, will be paid in respect of shares registered without interruption by the same shareholder in the nominal register for at least two financial years preceding the dividend payment, and which are still registered on the ex-dividend date. For any one shareholder, this supplement is limited to a number of shares that may not exceed 0.5% of the share capital. The supplementary dividend may be modified or canceled by a decision of the Extraordinary General Meeting, which will decide the terms and conditions thereof.

The General Meeting may, in addition, decide to distribute sums drawn from the reserves at its disposal; in this case, the decision will expressly indicate the reserve items from which the deductions have been made.

From 1 January 2023, should the Board of Directors, acting on the authorization of the Annual General Meeting, decide to increase the share capital by capitalization of reserves, profits or premiums, shares held in registered form for at least two years at 31 December preceding the transaction and which remain registered until the day before the share allocation, would entitle their holders to a share allocation increased by 10%, this number being rounded down in the case of fractional shares. The new shares thus created will carry the same rights (higher dividend and double voting rights) as the original shares. Pursuant to the law, the number of securities eligible for these increases may not exceed 0.5% of the company's share capital for any one shareholder.

ANNUAL GENERAL MEETINGS (ARTICLE 28 ET SEQ. OF THE BYLAWS)

Shareholders are notified of Annual General Meetings in accordance with the law.

All shareholders have the right to attend Annual General Meetings or to be represented at them, regardless of the number of shares they hold, provided that their shares are fully paid up and registered either in their name or in the name of the intermediary registered on the shareholder's behalf, by midnight, French time, on the second business day preceding the meeting, either in the registered share accounts held by the company or in the bearer share accounts held by the authorized intermediary.

DOUBLE VOTING RIGHTS (ARTICLE 35 OF THE BYLAWS)

Each member attending the Annual General Meeting is entitled to exercise one vote for every share they own or represent. Double voting rights are granted to all fully paid-up shares, provided they are held in registered form in the name of the same shareholder for a certain period of time. This holding period, set by the founders at two years when the company was incorporated in 1973, was extended to five years at the Annual General Meeting of 15 June 1985. Double voting rights expire if the share is converted to a bearer share or if ownership is transferred, except in cases where the transfer involves a change of name in the register subsequent to a family inheritance or gift. In the event of a capital increase by capitalization of reserves, profits or share premiums, double voting rights are conferred, as soon as they are issued, on registered shares allocated free of charge to a shareholder in respect of the shares already held for which they benefit from the said right.

LIMITATION OF VOTING RIGHTS

There is no statutory limitation on voting rights.

THRESHOLD CLAUSE (ARTICLE 8 OF THE BYLAWS)

Article 8 of the company's bylaws provides that any natural or legal person, acting alone or in concert, who comes to hold, directly or indirectly, as defined by Articles L. 233-7 and L. 233-9 of the French Commercial Code, 0.5% of the share capital or voting rights, or any multiple of that percentage, shall be required to notify the company of the total number of shares they hold within a period of four trading days of crossing one of these thresholds or any other threshold provided for in law.

The notification must be repeated each time a further threshold of 0.5% of the share capital or voting rights is crossed, whether upward or downward.

Failure to comply with these reporting obligations and upon request, duly recorded in the minutes of the Annual General Meeting, by one or more shareholders holding at least 0.5% of the share capital or voting rights, will result in the shares in excess of the amount that has not been properly reported being stripped of their voting rights until such time as the situation is rectified and for any Shareholders' Meetings that may take place within a period of two years after the date on which they are properly reported.

IDENTITY OF BEARER SHAREHOLDERS

In accordance with the legal and regulatory provisions in force, the company may at any time request the following from Euroclear France, the organization responsible for clearing the securities:

- the personal name or company name, year of birth, address and nationality of company shareholders;
- the number of securities they each hold;
- where applicable, any restrictions to which these shares may be subject.

SEB S.A. makes such a request on 31 December every year.

SHARE CAPITAL AT 31 DECEMBER 2022

At 31 December 2022, the share capital amounted to €55,337,770 and consisted of 55,337,770 fully paid-up shares with a par value of €1, representing 83,551,477 total "theoretical" voting rights and 83,263,711 total "effective" voting rights (excluding treasury shares).

There are no stricter conditions than the law for modifying shareholders' rights.

FACTORS WHICH COULD AFFECT A TAKEOVER BID

Pursuant to Article L. 22-10-11 of the French Commercial Code, the factors that could affect a takeover bid are as follows:

STRUCTURE OF THE COMPANY'S SHARE CAPITAL

See following page: "Breakdown of share capital and voting rights at 31 December 2022".

SHAREHOLDER AGREEMENTS OF WHICH THE COMPANY IS AWARE

See paragraph: "Shareholder agreements – Action in concert".

POWERS OF THE BOARD OF DIRECTORS IN THE EVENT OF A TAKEOVER BID

The Annual General Meeting of 19 May 2022 authorized the Board of Directors to implement a share buyback program for the company's shares and to use financial delegations to increase the share capital during a public offer period, subject to the legal and regulatory provisions.

OTHER

At 31 December 2022, SEB S.A. held 82.44% of the share capital of Chinese company Zhejiang Supor Co, Ltd., whose shares are listed on the Shenzhen Stock Exchange. Considering its value and strategic importance, this shareholding constitutes an essential asset of SEB S.A. within the meaning of Article L. 433-3, III of the French Monetary and Financial Code; consequently, any proposed takeover bid for SEB S.A. falling within the scope of this Article will give rise to the filing of an irrevocable and fair takeover bid for the entire share capital of Zhejiang Supor Co., Ltd. under the terms and conditions of the aforementioned Code.

7.2 Information on the share capital

BREAKDOWN OF SHARE CAPITAL AND VOTING RIGHTS AT 31 DECEMBER 2022

	Share capital		Votes			
At 31/12/2022	Total shares	%	EGM	% theoretical	OGM	% theoretical
I. SHAREHOLDERS FROM THE FOUNDER GROUP						
I.1. FAMILY VOTING BLOCK	**18,555,341**	**33.53%**	**32,732,365**	**39.18%**	**32,732,365**	**39.18%**
VENELLE (1)	8,239,737	14.89%	16,390,400	19.62%	16,390,400	19.62%
GÉNÉRACTION (2)	5,730,377	10.36%	11,320,411	13.55%	11,313,925	13.54%
HRC (3)	4,049,905	7.32%	4,049,910	4.85%	4,049,910	4.85%
OTHER CONCERT PARTIES (4)	535,322	0.97%	971,644	1.16%	978,130	1.17%
I.2. OTHER FAMILY SHAREHOLDERS						
FÉDÉRACTIVE (5)	3,967,401	7.17%	7,912,552	9.47%	7,912,552	9.47%
OTHER FAMILY SHAREHOLDERS (6)	816,931	1.48%	1,633,281	1.95%	1,633,281	1.95%
II. OTHER SHAREHOLDERS						
LAC I SLP (7)	2,900,000	5.24%	2,900,000	3.47%	2,900,000	3.47%
FSP	2,620,575	4.74%	5,241,150	6.27%	5,241,150	6.27%
PEUGEOT INVEST ASSETS	2,223,674	4.02%	4,447,348	5.32%	4,447,348	5.32%
EMPLOYEES	1,553,818	2.81%	2,492,265	2.98%	2,492,265	2.98%
INVESTORS	18,627,343	33.66%	20,814,292	24.91%	20,814,292	24.91%
INDIVIDUALS	3,784,921	6.84%	5,090,458	6.09%	5,090,458	6.09%
TREASURY SHARES	287,766	0.52%	287,766	0.34%	287,766	0.34%
TOTAL	**55,337,770**		**83,551,477**		**83,551,477**	

(1) *VENELLE includes SAS VENELLE INVESTISSEMENT, its associates and members, natural or legal persons, who are members of the Founder Group, in concert with GÉNÉRACTION and OTHER CONCERT PARTIES.*
(2) *GÉNÉRACTION includes the shareholder association GÉNÉRACTION and its members, natural or legal persons, who are members of the Founder Group, in concert with VENELLE and OTHER CONCERT PARTIES.*
(3) *HRC is an investment vehicle made up exclusively of shareholders who are members of the family voting block, and whose purpose is to increase the concert party's holdings of SEB S.A. shares.*
(4) *The OTHER CONCERT PARTIES category includes a number of SEB S.A. shareholders, natural and legal persons, who are members of the Founder Group, in concert with VENELLE and GÉNÉRACTION but who are not affiliated with either of these two groupings.*
(5) *FÉDÉRACTIVE includes SAS FÉDÉRACTIVE, its associates and members, both natural and legal persons, from the Founder Group.*
(6) *Family shareholders not affiliated to a specific grouping.*
(7) *Represented by BPIFRANCE INVESTISSEMENT.*

As a reminder, voting rights attached to stripped shares belong to the bare owner for decisions covered by the Extraordinary General Meeting ("EGM") and to the beneficial owner for those covered by the Ordinary General Meeting ("OGM"), in accordance with Article 35 of the company's bylaws. Registered nominal shares held for at least five years by the same shareholder confer entitlement to double voting rights. Apart from double voting rights, all shareholders have the same voting rights attached to their shares.

The total number of "theoretical" voting rights is 83,551,477 at 31 December 2022. This number includes, within the meaning of Article 223-11 of the AMF general regulation, all shares with voting rights attached, as well as shares without voting rights.

The term "Shareholders from the Founder Group" used in the table above refers to a group of natural persons who are either direct descendants of the Lescure family or related to the family through marriage, and any legal entities that they control.

Some individuals who are partners of FÉDÉRACTIVE have temporarily contributed usufructs of shares to FÉDÉRACTIVE, a holding company that controls asset ownership.

Some individuals who are part of VENELLE and FÉDÉRACTIVE have granted the usufruct of their shares to foundations.

In order to improve the readability of the information communicated, the presentation of the table calls for the following clarifications:

- in the "Share capital" column, the distinction between OGM and EGM is not made insofar as the fraction of the capital corresponding to the split shares belongs to bare owners; a single "Share capital" column is shown without distinction between OGM and EGM, simply reflecting the breakdown of the share capital;
- in the "Voting rights" column, the distinction between (i) theoretical voting rights and (ii) "effective" voting rights or voting rights "exercisable at the General Meeting" has been removed. As the difference between the two is no longer significant, only theoretical voting rights are now mentioned. Should this difference become significant again in the future, the distinction would be reinstated in accordance with AMF recommendations.

Moreover, voting rights attached to shares for which usufruct was granted to Foundations have always, once stripped, been assigned (without specific instruction) to the relevant bare owners at each Annual General Meeting. As this historical practice is intended to continue as agreed with the said Foundations, it makes more sense to record the corresponding voting rights for the relevant bare owners, as has been done in the presentation above.

It is specified that, with the exception of HRC, none of the members of the Concert Party or FÉDÉRACTIVE holds more than 5% of the share capital or voting rights of SEB S.A..

CROSSING OF LEGAL THRESHOLDS

Apart from the shareholders mentioned in the breakdown of share capital and voting rights above, and to the best of the company's knowledge, there are no other shareholders that directly or indirectly hold more than 5% of the capital or voting rights at 31 December 2022.

The following shareholders declared that they had crossed above or below the legal thresholds during 2022:

			Positions at the date of declaration			
Date of declaration	Shareholder	Threshold crossing direction	Share capital	% of share capital	Voting rights	% of voting rights
27/04/2022	LAC I SLP (BPIFRANCE INVESTISSEMENT)	Above – 5% threshold	2,832,706	5.12%	2,832,706	3.45%

SHAREHOLDER AGREEMENTS – ACTION IN CONCERT

SHAREHOLDERS' AGREEMENT

On 27 February 2019, VENELLE INVESTISSEMENT, the associates and members of VENELLE INVESTISSEMENT, GÉNÉRACTION, the members of GÉNÉRACTION and the holding company HPP (see below) entered into a new shareholders' agreement (the "Agreement"), in the presence of SEB, which replaced the various shareholders' agreements previously signed (in particular the agreement of 19 November 2016) for the parties involved.

At the same time, the family holding company VENELLE INVESTISSEMENT, GÉNÉRACTION, and their associates and members confirmed their continued intention to the French Financial Markets Authority (Autorité des Marchés Financiers) to implement a sustainable management policy for Groupe SEB in order to ensure the longevity of their control, thus maintaining the action in concert initiated in May 1989 by the members of the Founder Group.

The Agreement, which has an initial term of four years and a broader scope than previous shareholder agreements, is intended to stabilize SEB's capital by strengthening the ties between its signatories (more than 260 people, including the seventh generation of the Founder Group) and to ensure the long-term control of family shareholders over Groupe SEB, notably through a right of first offer and full tag-along rights.

The Agreement also aims to preserve proprietary interests and values of its members and strengthens the consultation process between them as well as improving the monitoring of their shareholdings with a timely and effective procedure.

The main provisions of the Agreement were notified to the Autorité des Marchés Financiers (AMF), which published a summary thereof in accordance with the applicable regulations (AMF notice no. 219C0415 of 7 March 2019).

They relate in particular to the following aspects:

- information on transfers, acquisitions and holding of SEB shares: the parties have undertaken to favor registration in pure registered form for all of the SEB shares they hold or may come to hold, subject to certain exceptions. They also undertake to communicate with each other on any movement of securities (purchase, sale, donation, pledge, etc.);
- first offer procedure: the parties agree mutually and as a matter of priority a right of first offer applicable to any transfer of SEB shares, in any way whatsoever, regardless of whether or not there is an offer from a third party acquirer;
- consultation: The parties have undertaken to consult each other prior to certain decisions, projects and events through meetings of the pact council which are convened by the Chairman of the Board of Directors of SEB on his own initiative or on that of VENELLE INVESTISSEMENT or GÉNÉRACTION.

FÉDÉRACTIVE, its associates and members, who are not parties to the Agreement, have decided discontinue participation in the action in concert referred to above. However, FÉDÉRACTIVE, its associates and members, who have terminated the FÉDÉRACTIVE shareholders' agreement entered into on 9 July 2008, have declared that they will continue to act in concert, maintaining their commitment to implement a common sustainable management policy for SEB.

Following the signing of the Agreement on 27 February 2019, shareholders from the Founder Group now comprise:

- the concert party combining VENELLE INVESTISSEMENT, its associates and members, GÉNÉRACTION and its members, and other family shareholders including HRC;
- the concert party comprised of FÉDÉRACTIVE, its associates and its members;
- other shareholders having declared that they will no longer be part of FÉDÉRACTIVE at the end of 2021.

HRC (HOLDING DE RENFORCEMENT DU CONTRÔLE)

HRC (Holding de Renforcement du Contrôle) is an investment vehicle created on 15 March 2021 and composed exclusively of shareholders who are members of VENELLE and GÉNÉRACTION. Its purpose is to increase the concert party's holdings of SEB S.A. shares. Its former corporate name was HPP, a company already included in the concert party declared between VENELLE INVESTISSEMENT, GÉNÉRACTION, their respective associates and members and other family shareholders (see above).

NUMBER OF REGISTERED AND BEARER SHAREHOLDERS

At 31 December 2022, 8,065 shareholders held SEB registered shares and 32,992 shareholders held SEB bearer shares.

PURE REGISTERED ISSUER SHARES USED AS COLLATERAL AT 31 DECEMBER 2022

33 individual and corporate shareholders used pure registered SEB shares as collateral to guarantee loans to their financial intermediaries. This concerned a total of 3,490,965 shares, i.e. 6.31% of the share capital.

COLLECTIVE COMMITMENTS TO HOLD SHARES

COLLECTIVE COMMITMENTS TO HOLD SHARES

	2016			2021		
Agreements in force during 2022	Dutreil	Jacob	Jacob	Dutreil Transmission	Dutreil Transmission	Dutreil Transmission
Regime	Art. 885 I bis of the French General Tax Code	Art. 787 B of the French General Tax Code	Art. 787 B of the French General Tax Code	Art. 787 B of the French General Tax Code	Art. 787 B of the French General Tax Code	Art. 787 B of the French General Tax Code
Date of signature	01/12/2016	01/12/2016	01/12/2016	26/05/2021	26/05/2021	26/05/2021
Term of collective commitment	6	4	6	2	4	6
Commitment expiration date	05/12/2022	05/12/2020	05/12/2022	27/05/2023	27/05/2025	27/05/2027
Renewal terms	1 year by tacit renewal	None	Tacite renewal	None	None	None
Shares pledged upon signing the agreement, as a percentage of the share capital	26.48	26.48	26.48	24.67%	24.67%	18.31%
Shares pledged upon signing the agreement, as a percentage of the voting rights	36.43	36.43	36.43	28.94%	28.94%	24.61%
Names of signatory senior managers	Thierry de La Tour d'Artaise	Thierry de La Tour d'Artaise	Thierry de La Tour d'Artaise	Thierry de La Tour d'Artaise	Thierry de La Tour d'Artaise	Thierry de La Tour d'Artaise
				Stanislas de Gramont	Stanislas de Gramont	Stanislas de Gramont
Names of signatories holding at least 5% of the company's share capital and/or voting rights	-	-	-	HRC	HRC	-

CHANGE IN THE BREAKDOWN OF CAPITAL AND VOTING RIGHTS FROM PREVIOUS YEARS

	Share capital		Votes			
At 31/12/2021	Total shares	%	EGM	% theoretical	OGM	% theoretical
I. SHAREHOLDERS FROM THE FOUNDER GROUP						
I.1. FAMILY VOTING BLOCK	**18,044,412**	**32.61%**	**31,839,209**	**38.80%**	**31,839,209**	**38.80%**
VENELLE (1)	8,229,041	14.87%	16,377,408	19.96%	16,377,408	19.96%
GÉNÉRACTION (2)	5,374,401	9.71%	10,614,944	12.94%	10,608,458	12.93%
HRC (3)	3,924,978	7.09%	3,924,983	4.78%	3,924,983	4.78%
OTHER CONCERT PARTIES (4)	515,992	0.93%	921,874	1.12%	928,360	1.13%
I.2. OTHER FAMILY SHAREHOLDERS						
FÉDÉRACTIVE (5)	3,970,712	7.18%	7,919,108	9.65%	7,919,108	9.65%
OTHER FAMILY SHAREHOLDERS	1,179,785	2.13%	2,358,895	2.87%	2,358,895	2.87%
II. OTHER SHAREHOLDERS						
FSP	2,620,575	4.74%	5,241,150	6.39%	5,241,150	6.39%
PEUGEOT INVEST ASSETS	2,223,674	4.02%	4,447,348	5.42%	4,447,348	5.42%
EMPLOYEES	1,397,614	2.53%	2,303,235	2.81%	2,303,235	2.81%
INVESTORS	22,295,562	40.29%	23,119,607	28.17%	23,119,607	28.17%
INDIVIDUALS	3,374,809	6.10%	4,600,622	5.61%	4,600,622	5.61%
TREASURY SHARES	230,627	0.42%	230,627	0.28%	230,627	0.28%
TOTAL	**55,337,770**		**82,059,801**		**82,059,801**	

(1) *VENELLE includes SAS VENELLE INVESTISSEMENT, its associates and members, natural or legal persons, who are members of the Founder Group, in concert with GÉNÉRACTION and OTHER CONCERT PARTIES.*
(2) *GÉNÉRACTION includes the shareholder association GÉNÉRACTION and its members, natural or legal persons, who are members of the Founder Group, in concert with VENELLE and OTHER CONCERT PARTIES.*
(3) *HRC is an investment vehicle made up exclusively of shareholders who are members of the family voting block, and whose purpose is to increase the concert party's holdings of SEB S.A. shares.*
(4) *The OTHER CONCERT PARTIES category includes a number of SEB S.A. shareholders, natural and legal persons, who are members of the Founder Group, in concert with VENELLE and GÉNÉRACTION but who are not affiliated with either of these two groupings.*
(5) *FÉDÉRACTIVE includes SAS FÉDÉRACTIVE, its associates and members, both natural and legal persons, from the Founder Group.*
(6) *Family shareholders who have declared that they are no longer members of FÉDÉRACTIVE.*

	Share capital		Votes			
At 31/12/2020	Total shares	%	EGM	% theoretical	OGM	% theoretical
SHAREHOLDERS FROM THE FOUNDER GROUP						
VENELLE (1)	9,658,591	19.20%	19,235,376	24.82%	19,235,376	24.82%
GÉNÉRACTION (2)	5,779,451	11.49%	11,231,778	14.49%	11,225,880	14.49%
OTHER CONCERT PARTIES (3)	595,416	1.18%	1,039,283	1.34%	1,045,181	1.35%
ACTION IN CONCERT	**16,033,458**	**31.87%**	**31,506,437**	**40.66%**	**31,506,437**	**40.66%**
FÉDÉRACTIVE (4)	4,712,935	9.37%	9,356,388	12.07%	9,356,388	12.07%
OTHER SHAREHOLDERS						
FSP	2,633,876	5.24%	5,267,752	6.80%	5,267,752	6.80%
FFP INVEST (5)	2,021,522	4.02%	4,043,044	5.22%	4,043,044	5.22%
EMPLOYEES	1,432,256	2.85%	2,231,526	2.88%	2,231,526	2.88%
INVESTORS	20,590,928	40.93%	21,193,719	27.35%	21,193,719	27.35%
INDIVIDUALS	2,736,761	5.44%	3,748,048	4.84%	3,748,048	4.84%
TREASURY SHARES	145,328	0.29%	145,328	0.19%	145,328	0.19%
TOTAL	**50,307,064**		**77,492,242**		**77,492,242**	

(1) *VENELLE includes SAS VENELLE INVESTISSEMENT, its associates and members, natural or legal persons, who are members of the Founder Group, in concert with GÉNÉRACTION and OTHER CONCERT PARTIES.*
(2) *GÉNÉRACTION includes the shareholder association GÉNÉRACTION and its members, natural or legal persons, who are members of the Founder Group, in concert with VENELLE and OTHER CONCERT PARTIES.*
(3) *The OTHER CONCERT PARTIES category includes a number of SEB shareholders, natural or legal persons, who are members of the Founder Group, in concert with VENELLE and GÉNÉRACTION but who are not affiliated with either of these two groupings.*
(4) *FÉDÉRACTIVE includes SAS FÉDÉRACTIVE, its associates and members, natural or legal persons, from the Founder Group.*
(5) *FFP Invest became PEUGEOT INVEST ASSETS on 31 March 2021.*

CHANGE IN SHARE CAPITAL OVER THE LAST FIVE FINANCIAL YEARS

Year	Type of capital increase	Amount of change in shares	Nominal amount *(in €)*	Issue premium *(in €)*	Successive amounts of capital *(in €)*
2018	No change in capital				50,169,049
2019	Capital increase reserved for employees	138,015	138,015	15,565,495	50,307,064
2020	No change in capital				50,307,064
2021	Free share award (1 per 10 held)	5,030,706	5,030,706		55,337,770
2022	No change in capital				55,337,770

POTENTIAL SHARE CAPITAL AT 31 DECEMBER 2022

There are no stock options granted to employees that can be exercised, no convertible bonds that can be exchanged or redeemed in securities giving access to capital, and no securities that do not represent capital.

CHANGES IN THE BREAKDOWN OF CAPITAL AND VOTING RIGHTS OVER THE LAST THREE YEARS

In 2020:

- in July, FFP Invest, which became Peugeot Invest Assets on 31 March 2021, declared that on 30 July 2020, following the sale of 500,000 SEB S.A. shares on the market, it had fallen below the legal and statutory threshold of 5% of the capital of SEB S.A. and held, on that date, 2,021,522 SEB S.A. shares representing 4,043,044 voting rights (based on the declaration of share capital and voting rights of 30 April 2020), i.e. 4.02% of the company's share capital and 5.24% of its voting rights. This sale involved securities with double voting rights;
- in a letter received on 29 June 2020, Invesco Ltd (Invesco Head Quarters, Two Peachtree Pointe, 1555 Peachtree Street, N.E, Suite 1800, Atlanta, Georgia 30309, United States), acting on behalf of funds it manages, declared that on 26 June 2020, following a sale of shares on the market, it had fallen below the legal and statutory threshold of 5% of the capital of SEB S.A. and held, on that date, on behalf of the said funds, 2,498,152 SEB S.A. shares representing the same number of voting rights, i.e. 4.97% of the share capital and 3.21% of the voting rights of SEB S.A.;
- in September, 331,450 voting rights attached to the shares held by FCL Investissements were doubled after being held for five years in registered form. This strengthened the voting power of GÉNÉRACTION, to which the holding company is connected;
- in November, Invesco Ltd, acting on behalf of funds it manages, declared that it had fallen below the statutory threshold of 2.5% of the company's share capital. On 12 November, on behalf of the said funds, Invesco Ltd declared that it held 1,257,551 SEB S.A. shares, representing the same number of voting rights, i.e. 2.49% of the company's share capital and 1.62% of its voting rights;
- some of the temporary grants of the usufructs of shares to FÉDÉRACTIVE expired and were not renewed;
- other changes in the breakdown of capital in 2020: See paragraph: "Shareholder agreements – Action in concert".

In 2021:

- on 3 March 2021, the company made a bonus share issue, giving all shareholders one bonus share for every ten shares they held. This resulted in a capital increase of 5,030,706 shares with a par value of €1. All shares making up the share capital, or 50,307,064 shares, carry the same allocation right of one new share per ten existing shares. The new shares will bear rights on 1 January 2020 and will be immediately assimilated to existing shares. They carry the same rights as the original shares in terms of double voting rights and dividend loyalty bonus. They gave right to a dividend in respect of 2020 financial year, paid in 2021;
- on 15 March 2021, HRC, an investment vehicle made up exclusively of shareholder members of the family voting block, sent the Autorité des Marchés Financiers and the company a threshold crossing declaration. HRC declared that it held 6.36% of the company's share capital and 4.25% of its voting rights on that date. Since 15 March 2021, HRC has steadily increased its positions and held 7.09% of the company's share capital and 4.78% of the voting rights as at 31 December 2021;
- some of the temporary grants of the usufructs of shares to FÉDÉRACTIVE expired and were not renewed. Some shareholders (2.13% of the capital) announced that they would cease to be members of FÉDÉRACTIVE at the end of these periods.

In 2022:

- the proportion of the capital and votes held by members of the Concert Party increased over the course of 2022. This change can be explained partly by HRC's purchase of securities, in line with its intended purpose, but also by the fact that shareholders from the Founder Group are members of GÉNÉRACTION and, consequently, parties to the Shareholders' Agreement;
- in December, 1,450,418 voting rights attached to shares held by shareholders in the "Investors" category were doubled, after having been held in registered form for five years, thereby diluting the proportion of the voting rights represented by other categories.

7.3 Financial authorizations

EXISTING AUTHORIZATIONS RELATING TO THE SHARE CAPITAL AND SHARE EQUIVALENTS

Type of operation	Resolution no.	Authorization date	End of authorization	Maximum authorized	Used at 31/12/2022
Treasury share purchases in 2022 at a maximum price of €240 per share	13 (2021 Annual General Meeting)	20/05/2021	20/07/2022	5,533,777 shares	250,568 shares (buyback plan)
				€1,162,093,170	Purchase of 16,181 shares Sale of 15,081 shares (liquidity contract)
Treasury share purchases in 2022 at a maximum price of €240 per share	15	19/05/2022	19/07/2023	5,533,777 shares	45,821 shares (buyback plan)
				€1,328,106,480	0 share (liquidity contract)
Cancellation of treasury shares	16	19/05/2022	19/07/2023	5,533,777 shares	
Issue of all shares or share equivalents with pre-emptive subscription rights (1)	17	19/05/2022	19/07/2023	Shares: €5.5 million par value	
				Debt securities: €1,500 million	
Issue of all shares or share equivalents without pre-emptive subscription rights (1)	18/19	19/05/2022	19/07/2023	Shares: €5.5 million par value	
				Debt securities: €1,500 million	
(1) Blanket ceiling on the two authorizations to issue shares or share equivalents	20	19/05/2022	19/07/2023	€11 million par value	
Capital increase through capitalization of reserves, profits, premiums or additional paid-in capital	21	19/05/2022	19/07/2023	€11 million par value	
Authorization to award free performance shares to Group executive officers and employees	22	19/05/2022	19/07/2023	0.39756% of the share capital 220,000 shares	218,360 shares
Share capital increases restricted to members of a company or Group Savings Scheme	23	19/05/2022	19/07/2023	par value of €553,377	
Halving the par value of shares	24	19/05/2022	19/07/2023		

AUTHORIZATION FOR THE COMPANY TO TRADE IN ITS OWN SHARES

The Annual General Meeting of 19 May 2022 authorized the Board of Directors to trade in the company's shares.

In accordance with the authorizations granted to the Board of Directors at the 2021 and 2022 Annual General Meetings and pursuant to Article L. 22-10-62 of the French Commercial Code, the company:

- definitively awarded 240,350 performance shares for the 2019 plan.

As part of the buy-back program:

- 296,389 shares were acquired on behalf of the company by an investment services provider, at an average price of €116.13.

In addition, in connection with the execution of the liquidity contract, the company:

- acquired 16,181 shares at an average price of €132.93;
- sold 15,081 shares at an average price of €132.89.

As of 1 July 2021 and for a period of one year, renewable automatically, SEB S.A. has entrusted ROTHSCHILD MARTIN MAUREL with the implementation of a liquidity contract in accordance with the provisions of the current legal framework, in particular regulation (EU) no. 596/2014 of the European Parliament and of the European Council of 16 April 2014, Commission Delegated regulation (EU) 2016/908 of 26 February 2016, Articles L. 225-209 et seq. of the French Commercial Code, Decision no. 2018-01 of the Autorité des Marchés Financiers of 2 July 2018 (the "AMF Decision") and the texts referred to therein.

The purpose of this contract is for ROTHSCHILD MARTIN MAUREL to ensure the liquidity of SEB shares on Euronext Paris.

For the implementation of this contract, €2,000,000 in cash was allocated to the liquidity account.

Groupe SEB set up options on treasury shares (tunnels) from July 2019 to partially cover its performance share plans. During 2022, 140,000 options vested. At 31 December 2022, the company had open positions in derivatives amounting to 258,195 options, taking into account the change in the number of options acquired in 2020 following the free share allocation of 3 March 2021.

At 31 December 2022, the company held 287,766 treasury shares with a par value of €1 and a gross value of €33,300,579. These treasury shares represented 0.52% of the company's share capital, including 286,666 under the buyback agreement and 1,100 under the liquidity contract.

With the current authorization expiring in July 2023, the company will ask the Annual General Meeting of 17 May 2023 to grant a new authorization to allow the company to buy back treasury shares (see Chapter 8) for a period of 24 months at a maximum purchase price per share of €240 excluding fees.

The authorization would cover a maximum of 10% of the share capital. The company could buy back its own shares with a view to:

- maintaining a liquid market for the company's shares through an investment service provider acting on a fully independent basis;
- allocating shares to eligible employees and executive officers of the company;
- canceling shares in order to increase return on equity and earnings per share or to offset the dilutive impact of any capital increases on existing shareholders' interests;
- delivering or exchanging shares in connection with any future external growth transactions;
- allocating shares on the exercising of rights attached to share equivalents.

In accordance with the law, these shares have been stripped of their voting rights.

7.4 Employee share ownership

STAFF MUTUAL INVESTMENT FUND AND DIRECT EMPLOYEE SHAREHOLDING

In accordance with the provisions of Article L. 225-102 of the French Commercial Code, the management report referred to in the second paragraph of Article L. 225-100 of the Code that the Board of Directors presents to the Annual General Meeting provides an annual summary of the status of employee shareholding in the company's share capital on the last day of the year and shows what percentage of the share capital belongs to employees of the company and to employees of related parties within the meaning of Article L. 225-180.

At 31 December 2022, employees held 1,323,790 shares, of which 862,340 shares were owned via a mutual investment fund and 461,450 were directly owned, representing 2.39% of the capital and 2.54% of the voting rights.

With the addition of SEB shares held by employees outside the savings scheme, employees held a total of 2.81% of the share capital and 2.98% of the voting rights at 31 December 2022.

STATUTORY AND DISCRETIONARY EMPLOYEE PROFIT-SHARING

To attract and retain competent and motivated employees at all levels of responsibility, in addition to its remuneration and career management policies Groupe SEB has always had a policy of long-term staff participation in profits, through:

- an exceptional Group profit-sharing agreement that gives all employees of French companies a joint share of the profit. In 2022, the legal formula was applied;
- a Group profit-sharing agreement, which is based on a statutory plan but is discretionary. This Group-level agreement allows a fair distribution of sums from the bonus plan between the employees of the various French companies, regardless of their business sector and performance.

In 2022, expenses recognized for profit-sharing and incentive schemes amounted to € 18.1 million.

The sums allocated over the past five years were as follows:

(in € millions)	2018	2019	2020	2021	2022
Amount allocated	33.6	35.6	24.2	40.0	18.1
Of which employer's social tax contribution	5.6	5.9	4	6.4	3

STOCK OPTION AND PERFORMANCE SHARE ALLOCATION POLICY

There are two types of allocation:

- periodically, an allocation to members of management, extended to the Group's various entities, according to their individual responsibilities, performance and potential;
- occasionally, a broader allocation with a view to rallying employees around a specific project.

Furthermore, all beneficiaries of stock options and/or performance shares receive an internal directive each year for the following reporting period, defining the blackout periods in accordance with the recommendations of the Autorité des Marchés Financiers, according to the company's accounting calendar and in particular the periods for announcement of earnings. The Market Ethics Charter also reminds recipients of the rules governing the use of insider information with regard to stock market regulations.

CHARACTERISTICS OF THE PERFORMANCE SHARES AWARDED

The Group began awarding performance shares in 2009.

Shares are awarded to beneficiaries at the end of a three-year vesting period, subject to performance and continued employment conditions. Beneficiaries of the 2016 program should hold the shares for a further two years. With effect from the 2017 plan, the additional lock-up period has been abolished.

The performance criteria are linked to the achievement of targets for Revenue and Operating Result from Activity over the vesting period.

CHARACTERISTICS OF THE STOCK OPTIONS AWARDED

The Group awarded stock options until 2012. The last stock option allocation plan was definitively closed on 15 June 2020.

PERFORMANCE SHARES AWARDED TO STAFF

Date of meeting	22/05/2019	19/05/2020	20/05/2021	19/05/2022
Number of shares authorized by the General Meeting	234,000	200,000	220,000	220,000
Authorization period	14 months	14 months	14 months	14 months
Date of Board of Directors' Meeting	22/05/2019	19/05/2020	20/05/2021	19/05/2022
Number of shares granted:	226,500	193,880	200,000	218,360
of which to executive officers	29,000	29,000	27,000	19,500
of which to the Management/Executive Committee (excluding executive officers)	48,500	48,500	63,500	64500
of which to employee recipients of the ten largest amounts (excluding executive officers/Executive Committee/Management Committee)	16,700	18,800	14,800	18,400
Number of initial beneficiaries:	473	311	297	326
of which to executive officers	2	2	2	2
of which to the Management/Executive Committee (excluding executive officers)	10	9	13	13
of which to employee recipients of the ten largest amounts (excluding executive officers/Executive Committee/Management Committee)	10	13	12	10
Award date	22/05/2019	19/05/2020	20/05/2021	19/05/2022
Vesting date	22/05/2022	19/05/2023	20/05/2024	19/05/2025
Expiration date of lock-up period	22/05/2022	19/05/2023	20/05/2024	19/05/2025
Number of shares obtained in the 1 per 10 transaction of 03/03/2021	22,145	19,268	-	-
Number of shares canceled	8,095	3,675	750	0
Number of vested shares	240,550	0	0	0
BALANCE OF SHARES YET TO BE VESTED	**0**	**209,473**	**199,250**	**218,360**

OPTIONS GRANTED IN 2022

Share subscription or purchase options granted to the top ten non-executive employees with the highest number of options granted
None

OPTIONS EXERCISED IN 2022

Share subscription or purchase options exercised by the top ten non-executive employees with the highest number of options exercised
None

7

PERFORMANCE SHARES GRANTED IN 2022

Performance shares granted to the top ten non-executive employees with the highest number of shares granted

Date of the plan	19/05/2022
Amount	62,000

PERFORMANCE SHARES VESTED IN 2022

Performance shares vested by the top ten non-executive employees with the highest number of vested shares

Date of the plan	22/05/2019
Amount	58,300

7.5 Securities market, dividend

SECURITIES MARKET

The company's shares are listed on compartment A of Euronext Paris under ISIN code FR0000121709. They are listed in the Euronext category "Household Equipment and Products" (ICB code: 40202025).

STOCK MARKET DATA FOR THE PAST THREE YEARS

	2022	2021	2020*	2019*
Market capitalization at 31 December *(in € millions)*	4,330	7,576	7,496	6,661
Highest price during the session	€142.00	€159.20	€140.91	€151.64
Lowest price during the session	€55.20	€115.40	€78.50	€97.27
Closing price on the last trading day	€78.25	€136.90	€135.45	€120.36
Average of the last 30 prices for the year	€77.90	€134.98	€133.20	€124.49
Average of the closing prices for the year	€96.43	€141.08	€120.72	€131.03
Average daily trading volume (number of shares)	77,708	64,434	75,739	59,175

* *Corrected historical data taking into account the 1 per 10 operations of 3 March 2021.*

TRANSACTIONS IN 2022 ON NYSE EURONEXT

	Highest price during the session *(in €)*	Lowest price during the session *(in €)*	Number of securities traded	Capital traded *(in € thousands)*
			Daily averages	
2022	**142.00**	**55.20**	**77,708**	**7,267**
January	142.00	123.80	50,494	6,695
February	139.00	124.90	63,099	8,398
March	129.90	116.50	81,075	10,012
April	128.10	113.10	68,617	8,406
May	115.10	96.30	109,664	11,388
June	101.40	87.55	75,048	7,000
July	97.00	78.80	68,136	5,975
August	81.90	73.35	61,693	4,806
September	73.65	61.50	86,523	5,842
October	67.90	55.20	107,148	6,712
November	78.55	63.30	77,081	5,592
December	83.60	75.10	81,781	6,482

DIVIDEND – DIVIDEND SUPPLEMENT

It is SEB S.A.'s policy to ensure that its shareholders are given a fair return on the capital they invest in it. The Board of Directors aims to ensure regular and continuous growth in dividend payments.

At its meeting of 22 February 2023, the Board of Directors proposed to distribute a dividend of €2.45 per share in respect of the 2022 financial year.

A 10% dividend supplement, rounded down to the nearest even number of euro cents, will be paid in 2023 to long-term shareholders in respect of shares registered in the same shareholder's name since at least 31 December 2020 and still held on the ex-dividend date of 31 May 2023. No single shareholder will be entitled to this supplementary dividend on any shares in excess of 0.5% of the company's share capital.

Years of payment	Number of remunerated securities	Dividend per share *(in €)*
2020 for the 2019 financial year		
Dividend	50,143,340	1.43
Dividend supplement	20,266,785	0.143
2021 for the 2020 financial year		
Dividend	55,135,143	2.14
Dividend supplement	20,220,134	0.214
2022 for the 2021 financial year		
Dividend	55,095,825	2.45
Dividend supplement	20,402,820	0.245

A net dividend of €2.45 per share will be proposed to the Annual General Meeting of 17 May 2023 based on the results for 2022.

The ex-dividend date will be 31 May 2023 and the dividend will be paid as from 2 June 2023.

8 Annual General Meeting

8.1 Agenda for the Combined Annual General Meeting of 17 May 2023

RESOLUTIONS TO BE SUBMITTED TO THE ORDINARY ANNUAL GENERAL MEETING

1. Approval of the separate financial statements for the year ended 31 December 2022.
2. Approval of the consolidated financial statements for the year ended 31 December 2022.
3. Allocation of the result for the year ended 31 December 2022 and setting of the dividend.
4. Reappointment of Jean-Pierre Duprieu, as a Director.
5. Reappointment of William Gairard, as a Director.
6. Reappointment of GENERACTION, represented by Caroline Chevalley, as a Director.
7. Reappointment of Thierry Lescure, as a Director.
8. Reappointment of Aude de Vassart, as a Director.
9. Approval of information about the remuneration of all executive officers referred to in Article L. 22-10-9 I of the French Commercial Code.
10. Approval of fixed, variable and exceptional components of the total remuneration and benefits of all kinds, paid or allocated for the 2022 financial year to Thierry de La Tour d'Artaise.
11. Approval of fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid or allocated for the 2022 financial year to Stanislas de Gramont.
12. Approval of the remuneration policy for the Chairman of the Board of Directors for the 2023 financial year.
13. Approval of the remuneration policy for the Chief Executive Officer for the 2023 financial year.
14. Approval of the remuneration policy for directors.
15. Authorization to be granted to the Board of Directors for the Company to buy back its own shares.

RESOLUTIONS TO BE SUBMITTED TO THE EXTRAORDINARY ANNUAL GENERAL MEETING

16. Authorization to be granted to the Board of Directors to grant performance shares.
17. Powers to carry out formalities.

8.2 Draft resolutions and Board of Directors' report to the Combined Annual General Meeting of 17 May 2023

This chapter presents the Board of Directors' report on the draft resolutions as well as the full text of the resolutions, finalized by the Board of Directors that will be submitted to the Combined Annual General Meeting of SEB S.A.. The shareholders of SEB S.A. are invited to attend the Combined General Meeting (Ordinary and Extraordinary) to be held on Wednesday, 17 May 2023, at 2.30 p.m. at Maison de la Chimie, 28 Bis rue Saint Dominique, 75007 Paris.

The 2023 Annual General Meeting of SEB S.A. will be broadcast live and delayed on the Company's website, https://www.groupeseb.com/en, unless technical reasons make it impossible or disrupt the broadcast.

The agenda and draft text of the resolutions of the SEB S.A. Combined General Meeting of 17 May 2023 were set out in the notice of meeting published in the Bulletin des Annonces Légales Obligatoires. The agenda and draft text of the resolutions finalized by the Board of Directors and to be submitted to the SEB S.A. Combined Annual General Meeting of 17 May 2023, are set out below:

ORDINARY RESOLUTIONS

RESOLUTIONS 1, 2 AND 3: APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS (SEPARATE AND CONSOLIDATED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022, ALLOCATION OF THE RESULT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 AND SETTING OF THE DIVIDEND

Board of Directors' report

By voting on Resolutions 1 and 2, the Board of Directors invites the shareholders to approve:

- the separate financial statements for the financial year ended 31 December 2022, which show a net profit of €181,969,480, compared with €162,611,076 for 2021;
- the consolidated financial statements for the financial year ended 31 December 2022, which show a net profit attributable to owners of the parent of €316,215,448.6, compared with €453,825,387 for 2021.

Details of these financial statements appear in the 2022 Annual Financial Report, the main elements of which are contained in the meeting notice relating to the Annual General Meeting of 17 May 2023.

The aim of Resolution 3 is to invite the shareholders to allocate the net result for 2022 and to set the dividend amount as follows:

- a net ordinary dividend of euros 2.45 per share having a par value of €1;
- a supplementary dividend of 10% or €0.245 per share having a par value of €1.

The supplementary dividend will be paid on shares registered prior to 31 December 2020 and continuing to be registered in the name of the same holder until the ex-dividend date of 31 May 2023. These shares represent 53.11% of the outstanding total. No single shareholder will be entitled to the supplementary dividend on any shares in excess of 0.5% of the company's share capital.

The ex-dividend date will be 31 May 2023. The dividend will be paid as from 2 June 2023.

The dividend and the supplementary dividend qualify for the exemption referred to in Article 158-3.2 of the French General Tax Code.

Resolution 1: Approval of the separate financial statements for the year ended 31 December 2022

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the report of the Board of Directors and of the Statutory auditors on the company's operations and results for the financial year ended 31 December 2022, approves the financial statements as presented, which show a net profit of €181,969,480.

Resolution 2: Approval of the consolidated financial statements for the year ended 31 December 2022

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the report of the Board of Directors and the Statutory auditors, approves the consolidated financial statements for the year ended 31 December 2022, which show a net profit attributable to owners of the parent of €316,215,448.6.

Resolution 3: Allocation of the result for the year ended 31 December 2022 and setting of the dividend

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, on the proposal of the Board of Directors, resolves to appropriate the net profit for the 2022 financial year of €181,969,480 as follows:

Net profit	181 969 480
Legal reserve	-
Retained earnings brought forward from prior year	1 004 858 041
Dividends on treasury shares credited to retained earnings	705 027
Profit available for distribution	1 187 532 548
Dividend	134 872 511
Dividend supplement	5 057 957
Retained earnings	1 047 602 080

The amount distributed to shareholders represents a dividend of €2.45 per share having a par value of €1.

The ex-dividend date will be 31 May 2023 and the dividend will be paid as from 2 June 2023.

Furthermore, as provided for in Article 46 of the Company's bylaws, a supplementary dividend of 10% of the dividend, amounting to €0.245 per share having a par value of €1, will be paid on shares registered in the name of the same holder throughout the period between 31 December 2020 and the ex-dividend date, 31 May 2023.

However, no single shareholder will be entitled to the supplementary dividend on any shares in excess of 0.5% of the company's capital.

The dividends distributed will qualify for the 40% exemption for natural persons who are tax residents of France, as per Article 158.3-2° of the French General Tax Code.

The Annual General Meeting acknowledges that dividends distributed for the last three years were as follows:

Financial year	Dividend per share	Premium per share	Dividend qualifying for 40% exemption		Dividend not qualifying for 40% exemption
			Dividend	Premium	
2019	1.43	0.143	1.43	0.143	-
2020	2.14	0.214	2.14	0.214	-
2021	2.45	0.245	2.45	0.245	-

RESOLUTIONS 4 TO 8: REAPPOINTMENT OF DIRECTORS

Board of Directors' report

We hereby inform you that your Board of Directors has taken note that the terms of office of five directors expire at the end of your Annual General Meeting.

Acting on the recommendation of the Governance and Remuneration Committee, the Board of Directors has decided to submit for your approval:

- the reappointment of Jean-Pierre Duprieu as a director for a four-year term (Resolution 4).

Jean-Pierre Duprieu, aged 71 on the date of the 2023 Annual General Meeting, is an agronomic engineer with a master's degree in Food Industry from the Institut National Agronomique (AgroParisTech). He is also a graduate of the Institut de Contrôle de Gestion and the International Forum (Wharton). He joined the Air Liquide Group in 1976. He spent his entire career at Air Liquide holding various commercial, operational, strategic and general management positions, first as International Marketing Director, then as Sales and Marketing Director for France and then as Executive Vice-president of Air Liquide France. In 2000, Jean-Pierre Duprieu was appointed Senior Vice-president and member of the Group's Executive Committee in charge of Europe, Africa and the Middle East. For five years, he was based in Tokyo as a member of the Executive Committee, Director of the Asia Pacific region and of the World Electronics Business Line. Upon returning from Asia in 2010, he was named Deputy Chief Executive Officer of the Air Liquide Group.

- the reappointment of William Gairard as a director for a four-year term (Resolution 5)

William Gairard, aged 42 on the date of the 2023 Annual General Meeting, is a graduate of EM Lyon and holder of an IUP master's degree in Management Sciences from the Université Jean Moulin Lyon III. Gairard spent seven years as Management and Auditing Controller at Pernod Ricard S.A. In 2012, he moved to Mexico where he became an entrepreneur. Today, he is a partner and Chief Financial Officer of Zumit (Mexico), a company specializing in the automation of digital processes.

- the reappointment of GENERACTION, represented by Caroline Chevalley, as a director for a four-year term (Resolution 6)

GÉNÉRACTION is a Swiss association that brings together the shareholders of SEB S.A. registered on 16 April 2017 in the Trade and Companies Register. It is represented on the Board of Directors of SEB S.A. by Caroline Chevalley.

Caroline Chevalley, aged 60 on the date of the 2023 Annual General Meeting, holds a law degree from the University of Lausanne and is Vice-Chair of FCL Investissements S.A., a financial holding company. She is co-founder and Chairman of GÉNÉRACTION, an association of shareholders of SEB S.A., created in May 2017.

- the reappointment of Thierry Lescure as a director for a four-year term (Resolution 7)

Thierry Lescure, aged 49 on the date of the 2023 Annual General Meeting, holds a master's degree in Business Law and Taxation from the University of Paris, Panthéon Assas Faculty, and a master's in Business Administration from IAE Paris. He also completed an Investment Strategies and Portfolio Management program at Wharton School and an Advanced Asset Management program at INSEAD. After working as a consultant at Tefal UK in London, he joined Yahoo France in 2001 as a Finance Producer in charge of the Yahoo Finance channel, before serving as Head of E-Commerce. He then joined Yahoo Europe in 2004 where he was in charge of Yahoo Autos. He left this company in 2006 to become Chief Digital Officer at Reed Business Information (Reed Elsevier Group) to create new growth drivers in France and Europe. He then went on to support the development of start-ups. In 2016, he joined the family office of Geneva-based Premium Assets S.A. as Senior Asset Manager.

- the reappointment of Aude de Vassart as a director for a four-year term (Resolution 8)

Aude de Vassart, aged 44 on the date of the 2023 Annual General Meeting, holds a degree from ISEP and an MBA from HEC. She began her career in 2001 as an electrical engineer in the United Kingdom at STMicroelectronics, then at SuperH. She returned to France in 2003 and joined Texas Instruments, where she held several positions in R&D and then in marketing, before becoming Head of Marketing at Oberthur Technologies for six years. From 2018 to 2021, Aude de Vassart managed the urban mobility business line at IDEMIA, handling the manufacture and marketing of transportation cards at the leading augmented identity company. Since February 2021, Aude de Vassart has been Vice-president of Sales & Customer Excellence at Linxens.

Composition of the Board at the end of the Annual General Meeting:

Subject to the approval of Resolutions 4 to 8 submitted for the vote of the shareholders, the Board of Directors will be composed of 16 members at the end of the 2023 Annual General Meeting

Resolution 4: Reappointment of Jean-Pierre Duprieu as a director

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the Board of Directors' report, reappoints Jean-Pierre Duprieu as a director for a period of four years expiring at the close of the Ordinary Annual General Meeting to be held to approve the financial statements for the financial year ended 31 December 2026.

Resolution 5: Reappointment of William Gairard as a director

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the Board of Directors' report, reappoints William Gairard as a director for a period of four years expiring at the close of the Ordinary Annual General Meeting to be held to approve the financial statements for the financial year ended 31 December 2026.

Resolution 6: Reappointment of GENERACTION, represented by Caroline Chevalley, as a director

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the Board of Directors' report, reappoints GENERACTION, represented by Caroline Chevalley, as a director for a period of four years expiring at the close of the Ordinary Annual General Meeting to be held to approve the financial statements for the financial year ended 31 December 2026.

Resolution 7: Reappointment of Thierry Lescure as a director

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the Board of Directors' report, reappoints Thierry Lescure as a director for a period of four years expiring at the close of the Ordinary Annual General Meeting to be held to approve the financial statements for the financial year ended 31 December 2026.

Resolution 8: Reappointment of Aude de Vassart as a director

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the Board of Directors' report, reappoints Aude de Vassart as a director for a period of four years expiring at the close of the Ordinary Annual General Meeting to be held to approve the financial statements for the financial year ended 31 December 2026.

RESOLUTION 9: APPROVAL OF INFORMATION ABOUT THE REMUNERATION OF ALL EXECUTIVE OFFICERS REFERRED TO IN ARTICLE L. 22-10-9 I OF THE FRENCH COMMERCIAL CODE

Board of Directors' report

Pursuant to Article L. 22-10-34 I of the French Commercial Code, the Ordinary Annual General Meeting votes on a draft resolution on the information relating to the remuneration of the executive officers mentioned in Article L. 22-10-9 I of the French Commercial Code. These items appear in the corporate governance report and more specifically in Chapter 2.5 of the 2022 Universal Registration Document.

Resolution 9: Approval of information about the remuneration of all executive officers referred to in Article L. 22-10-9 I of the French Commercial Code

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the corporate governance report, approves, pursuant to Article L. 22-10-34 I of the French Commercial Code, the information referred to in Article L. 22-10-9 I of the French Commercial Code presented therein, as it appears in Chapter 2.5 of the 2022 Universal Registration Document.

RESOLUTIONS 10 AND 11: APPROVAL OF FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS, PAID OR ALLOCATED FOR THE 2022 FINANCIAL YEAR TO THIERRY DE LA TOUR D'ARTAISE AND STANISLAS DE GRAMONT

Board of Directors' report

Pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the previous financial year or allocated for the same financial year to Thierry de La Tour d'Artaise and Stanislas de Gramont must be approved by the Annual General Meeting.

Details of the various remuneration components are provided in the sections of the 2022 Universal Registration Document, Chapter 2 dealing with "Corporate governance" and "Say on Pay – Remuneration components paid or allocated in respect of the financial year ended 31 December 2022".

Resolution 10: Approval of fixed, variable and exceptional components of the total remuneration and benefits of all kinds, paid or allocated for the 2022 financial year to Thierry de La Tour d'Artaise

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the corporate governance report, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the 2022 financial year or allocated for the same financial year to Thierry de La Tour d'Artaise as set out in Chapter 2.5 of the 2022 Universal Registration Document.

Resolution 11: Approval of fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid or allocated for the 2022 financial year to Stanislas de Gramont

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the corporate governance report, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the 2022 financial year or allocated for the same financial year to the Stanislas de Gramont, as set out in Chapter 2.5 of the 2022 Universal Registration Document.

RESOLUTIONS 12, 13 AND 14: APPROVAL OF THE REMUNERATION POLICY FOR ALL EXECUTIVE OFFICERS

Board of Directors' report

Pursuant to Article L. 22-10-8 II of the French Commercial Code, the purpose of Resolutions 12, 13 and 14 is to submit for your approval the remuneration policy for executive officers. This policy is consistent with the company's corporate interests, contributes to its long-term future and is part of its overall strategy. It describes all the components of fixed and variable remuneration and explains the decision-making process for its determination, revision and implementation.

These principles and criteria are adopted by your Board of Directors on the recommendation of the Governance and Remuneration Committee. All of these items are presented to you in detail in the corporate governance report and more specifically in Chapter 2.5 of the Universal Registration Document 2022.

Resolution 14 concerns the approval of the remuneration policy for directors.

These policies will apply from the 2023 financial year until such time as the Annual General Meeting decides on a new remuneration policy. The texts of these remuneration policies established by the Board of Directors can be found in Chapter 2.5 of the 2022 Universal Registration Document.

Resolution 12: Approval of the remuneration policy for the Chairman for the 2023 financial year

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the corporate governance report, approves the remuneration policy for the Chairman for the 2023 financial year as presented in Chapter 2.5 of the 2022 Universal Registration Document.

Resolution 13: Approval of the remuneration policy for the Chief Executive Officer for the 2023 financial year

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the corporate governance report, approves the remuneration policy for the Chief Executive Officer for the 2023 financial year as presented in Chapter 2.5 of the 2022 Universal Registration Document.

Resolution 14: Approval of the remuneration policy for directors

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the Board of Directors' report, approves the remuneration policy for the directors as presented in Chapter 2.5 of the 2022 Universal Registration Document.

RESOLUTION 15: AUTHORIZATION TO BE GRANTED TO THE BOARD OF DIRECTORS FOR THE COMPANY TO BUY BACK ITS OWN SHARES

Board of Directors' report

The Annual General Meeting of 19 May 2022 authorized the Board of Directors to trade in the company's shares. In 2022, 240,350 performance shares were vested by the company under the 2019 plan. In addition, under the liquidity contract, 16,181 shares were acquired at an average price of €132.93 and 15,081 shares were sold at an average price of €132.89. Under the buy-back program, the company acquired 296,389 shares at an average price of €116.13 through its investment services provider.

At 31 December 2022, the company held 287,766 treasury shares with a par value of €1 and a gross value of €33,300,579. These treasury shares represented 0.52% of the company's share capital, including 286,666 under the buyback agreement and 1,100 under the liquidity contract.

These transactions are also described in Chapter 7 of the Universal Registration Document, "Information on the company and its share capital".

Since the existing authorization is due to expire at the end of the 2023 Annual General Meeting, Resolution 15 therefore invites the shareholders to once more authorize the Board of Directors, for a period of 18 months, to trade in the company's shares at a maximum price of €240 per share, excluding trading fees.

The authorization would cover a maximum of 10% of the share capital. The company could buy back its own shares with a view to:

- maintaining a liquid market for the company's shares through an investment service provider acting on a fully independent basis;
- allocating shares to eligible employees and executive officers of the company;
- canceling shares in order to increase return on equity and earnings per share or to offset the dilutive impact of any capital increases on existing shareholders' interests;
- delivering or exchanging shares in connection with any future external growth transactions;
- allocating shares on the exercising of rights attached to share equivalents.

In accordance with the law, these shares have been stripped of their voting rights.

Resolution 15: Authorization to be granted to the Board of Directors for the Company to buy back its own shares

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Ordinary Annual General Meetings, having considered the Board of Directors' report:

- resolves to terminate the share buyback program authorized by the Combined Annual General Meeting of 19 May 2022;
- resolves to adopt the program described below, and accordingly:
  - to authorize the Board of Directors, or any representative of the Board empowered to act on the Board's behalf, in accordance with Articles L. 22-10-62 et seq. of the French Commercial Code, to buy back shares of the Company representing up to 10% of the share capital, subject to the limits set down by law,
  - that the shares may be bought back for the following purposes:

i) to maintain a liquid market for SEB's shares through an independent investment service provider under a liquidity contract that complies with the AMAFI Code of Ethics recognized by the Financial Market Authority,

ii) for allocation to eligible employees and executive officers of the Company or the Group in the form of performance shares governed by Articles L. 22-10-59 et seq. of the French Commercial Code, or in payment of statutory employee profit-shares, or in connection with an employee stock ownership or stock saving plan,

iii) for cancellation, in order to increase return on equity and earnings per share and/or to offset the dilutive impact of any capital increase on existing shareholders' interests, provided that such cancellation is authorized by the Extraordinary Annual General Meeting,

iv) for delivery or exchange in connection with any future external growth transactions initiated by the Company, up to a limit of 5% of the capital,

v) for allocation on the exercising of rights attached to share equivalents that are convertible, exercisable, redeemable or exchangeable for the assignment of Company shares, in accordance with the applicable stock market regulations;

  - that shares may not be bought back under this authorization for more than €240 per share, excluding trading fees,
  - that the Board of Directors may adjust the above price, in the case of any change in the share's par value, by capitalizing reserves, any stock-split or reverse stock-split, any return of capital or capital reduction, any distribution of reserves or assets, or any other corporate action, to take into account the effect thereof on the share price. In this case, the price will be adjusted based on the ratio between the number of shares outstanding before and after the corporate action,
  - that the total amount invested in the share buyback program may not exceed €1,328,106,480,
  - that the shares may be bought back by any appropriate method and accordingly that all or part of the program may be implemented on the market or through block purchases – and, if appropriate, through over-the-counter sales – or by means of public buyback or exchange offers, or through the use of options and derivative instruments. The buybacks may be carried out at any time at the Board's discretion, subject to compliance with the applicable securities regulations. The shares purchased under this authorization may be kept, sold or transferred by any method, including through block sales, at any time including while a public tender offer is in progress,
  - to give full powers to the Board of Directors, including the power of delegation, to:

i) carry out the transactions and set the related terms and conditions,

ii) place all orders on or off the stock market,

iii) adjust the maximum purchase price of the shares to take into account the effect on the share price of any of the corporate actions referred to above,

iv) enter into any and all agreements for the keeping of a register of share purchases and sales or for any other purpose,

v) fulfill any and all reporting obligations with the Autorité des Marchés Financiers and any other bodies,

vi) carry out any and all formalities;

  - that this authorization will be granted for a period of 18 months as from this Annual General Meeting.

EXTRAORDINARY RESOLUTIONS

RESOLUTION 16: AUTHORIZATION TO BE GRANTED TO THE BOARD OF DIRECTORS FOR THE GRANTING OF PERFORMANCE SHARES

Board of Directors' report

In order to provide an ongoing incentive to Group employees by offering them an opportunity to share in the Group's growth and results, shareholders will be asked, in **Resolution 16,** to authorize the Board to grant bonus shares representing up to 220,000 shares or 0.39756% of the share capital (the same percentage level as in 2021), comprising existing shares bought back for this purpose by the Company. The grants would be made to some or all employees of the Company and its subsidiaries, or to certain categories of those employees and/or to the senior managers referred to in Article L. 225-197-1, II of the French Commercial Code.

All performance shares will vest only if certain performance targets for revenue and Operating Result from Activity are met, as set by the Board of Directors each year, based on budgetary objectives assigned to the Group.

The number of shares allocated to the Chief Executive Officer, Stanislas de Gramont, will be limited to 12,000 shares or 0.02168% of the share capital. We would ask shareholders to set the operational performance measurement period at three years, following which the shares shall vest for the beneficiary.

The Board of Directors feels that assessing performance criteria over a sufficiently long period, namely three years, is in accordance with the Group's long-term outlook while remaining a source of motivation for the beneficiary.

We would ask shareholders to fully empower the Board of Directors to set the terms and conditions of these grants, including in order to determine the identity of the beneficiary of the performance share grants.

This authorization would be given for a period of 14 months from the date of the Annual General Meeting.

Resolution 16: Authorization to be granted to the Board of Directors to grant performance shares

The Annual General Meeting, voting in accordance with the quorum and majority voting requirements for Extraordinary Annual General Meetings, having considered the Board of Directors' report and the Statutory auditors' special report:

- authorizes the Board of Directors, in accordance with Articles L. 225-197-1 to L. 225-197-5 of the French Commercial Code, to award existing bonus shares in the Company on one or more occasions, to employees of the Company or certain categories of employee and/or to the senior managers referred to in Article L. 225-197-1 II of the French Commercial Code, and to employees and senior managers of Companies or economic interest groupings affiliated to the Company within the meaning of Article L. 225-197-2 of the French Commercial Code;
- resolves that the total number of shares that may be granted may not exceed 220,000 shares (or 0.39756% of the company's share capital on the date of this Annual General Meeting), with the understanding that the number of shares granted to the Chief Executive Officer, Stanislas de Gramont, may not exceed 12,000 shares (or 0.02168% of the company's share capital on the date of this Annual General Meeting).

The Annual General Meeting authorizes the Board of Directors to make stock grants, within the limits set out in the preceding paragraph, using shares bought back by the Company in accordance with Articles L. 22-10-61 and L. 22-10-62 of the French Commercial Code.

The Annual General Meeting resolves to set a vesting period of three years with effect from the date of grant by the Board of Directors during which period the rights shall not be transferable and at the end of which the rights shall vest to the beneficiaries, provided the performance targets for revenue and Operating Result from Activity, assessed over the three-year vesting period, have been met, in accordance with Article L. 225-197-3 of the French Commercial Code.

The Annual General Meeting fully empowers the Board of Directors, within the limits set out above, to:

- draw up the list of beneficiaries or decide the category/categories of beneficiaries, bearing in mind that no shares may be allocated to employees or executive officers who individually hold over 3% of the share capital and that the bonus shares may not have the effect of raising the interest held by any such person to above the 3% ceiling;
- determine, on one or more occasions and whenever deemed appropriate, the share allocation rights by the expiration date of this authorization;
- set the criteria and any other conditions of eligibility for share awards, including but not limited to years of service and continued employment by the company or continuation of the corporate mandate throughout the vesting period;
- set the vesting period, within the limits specified above by the Annual General Meeting;
- if any of the financial transactions governed by Article L. 228-99 I of the French Commercial Code are carried out during the vesting period, take any and all appropriate measures to protect and adjust

the rights of grantees, in accordance with the provisions of said Article. In accordance with Articles L. 225-197-4 and L. 225-197-5 of the French Commercial Code, the Board of Directors shall prepare a special report for each Ordinary Annual General Meeting on the transactions carried out under this authorization.

The Annual General Meeting sets this authorization granted to the Board of Directors at a period of 14 months and consequently decides that this authorization cancels all authorizations given previously for the same purpose.

RESOLUTION 17: POWERS TO CARRY OUT FORMALITIES

Board of Directors' report

Resolution 17 is a customary resolution whose purpose is to submit for shareholder approval the powers given in order to carry out any public announcements and legal formalities that result from the decisions of the meeting.

Resolution 17: Powers to carry out formalities

The Annual General Meeting gives full powers to the bearer of an original, extract or copy of the minutes of this meeting to carry out any and all formalities required by law.

8.3 Statutory auditors' report on regulated agreements

Shareholders' Meeting for the approval of the financial statements as of December 31, 2022

This is a free translation into English of the Statutory Auditors' Report on regulated agreements that is issued in French and is provided solely for the convenience of English speaking readers. This report on regulated agreements should be read in conjunction, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

To the Shareholders' meeting of SEB S.A.,

In our capacity as statutory auditors of your Company, we hereby present our report on the regulated agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of the agreements of which we have been informed or of which we became aware in the course of our engagement. We are not required to determine whether they are useful or appropriate or to ascertain whether any other agreements exist. It is your responsibility, under the terms of article R.225-31 of the French Commercial Code, ("Code de commerce"), to evaluate the benefits resulting from these agreements prior to their approval.

In addition, we are required, if applicable, in accordance with article R.225-31 of the French Commercial Code, to inform you of agreements which were approved by the Shareholders meeting during previous years and continued to apply during the financial year.

We performed the procedures we considered necessary in accordance with French professional guidance issued by the "Compagnie Nationale des Commissaires aux Comptes" (National Association of Statutory Auditors), relating to this engagement. Our work consisted in verifying that the information provided to us was consistent with the documentation from which it was derived.

AGREEMENTS SUBJECT TO THE APPROVAL OF THE SHAREHOLDER'S MEETING

AGREEMENTS AUTHORIZED DURING THE YEAR

We inform you that we have not been advised of any agreements entered into or authorized in the year ended December 31, 2022 that would require Shareholders' meeting approval, under the terms of article L.225-38 of the French Commercial Code ("Code de Commerce").

AGREEMENTS ALREADY APPROVED BY THE SHAREHOLDER'S MEETING

AGREEMENTS APPROVED DURING PREVIOUS YEARS WHICH CONTINUED TO APPLY DURING THE FINANCIAL YEAR

In accordance with article R.225-30 of the French Commercial Code ("Code de Commerce"), we have been informed of the following agreement, which was already approved by the Shareholders' meetings in previous years and continued to apply during the financial year.

WITH COMPANY ZHEJIANG SUPOR CO LTD

Director involved: Mr Thierry de LA TOUR D'ARTAISE, Chairman and Chief Executive Officer (until June 30, 2022) of your company and Chairman of the Board of Directors of Zhejiang Supor Co Ltd.

Nature: "Master Joint Research and Development Agreement" aimed at conducting joint research and development projects on products and technologies of interest to both SEB S.A. and Zhejiang Supor Co Ltd, so as to pool the experience and know-how of both parties with respect to cookware and electrical cooking appliances.

Terms: The "Master Joint Research and Development Agreement" covers reciprocal exclusivities in relation to projects developed jointly. Industrial property rights that may be registered will be jointly managed and registered by Zhejiang Supor Co Ltd and SEB S.A. in their respective territories. For its manufacturing needs, SEB S.A. will nevertheless be granted a free and permanent license for rights registered in Zhejiang Supor Co Ltd territories.

This agreement was authorized by the Board of Directors on 13 April 2012.

For the 2022 financial year, the cooperation agreement resulted in the progressive termination of all projects launched during prior years in the Home & Personal Care and Cookware categories.. No new project was started in 2022.

This agreement expired on April 14, 2022, as both parties did not wish to extend it.

Furthermore, upon management's request, we include in this report the following commitment which continued to apply during the year. It corresponded to a regulated agreement according to article L. 225-90-1 of the French Commercial Code ("Code de Commerce") until Order (ordonnance) n° 2019-1234 of 27 November 2019.

WITH MR THIERRY DE LA TOUR D'ARTAISE, CHAIRMAN AND CHIEF EXECUTIVE OFFICER UNTIL JUNE 30, 2022

Nature: Supplementary and top-up retirement plan.

Terms: Mr Thierry de LA TOUR D'ARTAISE was a member of the Executive and Management Committee until June 30, 2022. As with all other members, he was entitled to a supplementary and top-up retirement plan.

This scheme complemented the statutory schemes and was composed as follows:

- a defined-benefit deferred compensation plan, under which beneficiaries are subject to seniority and presence conditions. The amount of benefits payable under this plan in addition to the applicable statutory schemes represents up to 25% of a reference remuneration calculated on the average of the target remuneration for the past three years;
- a defined-benefit supplementary pension plan, under which beneficiaries are also subject to seniority and presence conditions. Entitlements under this plan vest at an annual rate of 0.8% of a reference remuneration calculated on the average of the target remuneration for the past three years and capped at 20 years' seniority.

This scheme guaranteed an annuity equivalent to a compensation replacement rate of maximum 41%, including the benefits of statutory retirement plans. However, the reference salary, which is used as the basis for calculating the retirement benefits, is limited to 36 times the French Social Security ceiling prevailing at the date of calculation.

Payment was subject to the following conditions:

- The executive officer must be at least 60 years of age, having definitively stopped working and having settled the basic retirement entitlements of the supplementary and mandatory AGIRC and ARCCO plans.
- The executive officer shall only receive the guaranteed rate upon leaving the Group to claim his retirement benefits. However, he shall be entitled to benefits in the event his employment contract be terminated after he is 55, if he subsequently ceases to exercise a professional activity.
- The executive officer must have sat on the Executive or the Management Committee for eight years. The maximum duration of the vesting period is 20 years.

For senior executives, including Mr. Thierry de LA TOUR D'ARTAISE, present on July 3, 2019, the provisions of Order No. 2019-697 of July 3, 2019 relating to supplementary occupational pension schemes obliged the Group to freeze and close this scheme on December 31, 2019. Following the freezing and closing of this pension scheme, a new defined benefit pension plan was set up by the Board of Directors of December 16, 2021, under article L.137-11-2 of the Social Security Code ("*Code de la sécurité sociale*").

With regards to the former collective supplementary retirement plans of executive directors, Mr. Thierry de LA TOUR D'ARTAISE has reached the maximum of the rights that he could acquire and does not benefit from the new defined benefit pension plan set up by your company.

The Board of Directors decided to separate the roles of Chairman and Chief Operating Officer on February 10, 2022. Pursuant to this decision, Mr. Thierry de LA TOUR D'ARTAISE ceased his role of Charmain and Chief Operating Officer on June 30, 2022. He asked in parallel to retire from his then suspended employment contract, starting on July 1, 2022.

In this context, his supplementary and top-up retirement plan took effect on July 1, 2022, on the same date as his general regime retirement plan.

On July 1, 2022, the pension rights from both defined benefit plans were estimated to be total of €442,598 (limited to a maximum of 36 annual ceilings as defined by the French Social Security).

AGREEMENTS APPROVED DURING PREVIOUS YEARS WHICH DID NOT APPLY DURING THE FINANCIAL YEAR

We were informed that the following agreements approved by the Shareholders' Meeting during previous years were maintained, but did not apply during the financial year. We specify that upon management's request, we include in this report several commitments taken regarding Mr Thierry de LA TOUR D'ARTAISE, Chairman and Chief Executive Officer of your company until June 30, 2022 and Mr Stanislas de GRAMONT, Deputy Chief Executive Officer of your company until June 30, 2022, which corresponded to regulated agreements according to article L. 225-90-1 of the French Commercial Code ("Code de Commerce") until Order (ordonnance) n° 2019-1234 of 27 November 2019.

WITH MR THIERRY DE LA TOUR D'ARTAISE, CHAIRMAN AND CHIEF EXECUTIVE OFFICER UNTIL JUNE 30, 2022

The agreements previously approved between Mr Thierry de LA TOUR D'ARTAISE and the company, were renewed during (i) the renewal of his term of office as director at the Shareholders' Meeting of 19 May 2020 (4th resolution), (ii) the approval of the renewal of the agreement by the same Shareholders' Meeting (8th resolution) and, (iii) the renewal, by the Board of Directors on 19 May 2020, of his office as Chairman and Chief Executive Officer.

In the event the employment contract (suspended on March 1, 2005) was terminated at the employer's initiative, except on grounds of serious misconduct or gross negligence, or due to forced departure as a result of a change in the control of Groupe SEB, Mr. Thierry de LA TOUR D'ARTAISE benefited from termination benefits equivalent to two years' compensation, payable subject to the performance criteria described in the Report on Corporate governance prepared by the Board of Directors for the year 2022.

As mentioned above, Mr. Thierry de LA TOUR D'ARTAISE asked to retire from July 1, 2022. His suspended employment contract ended on that date, without triggering the payment of such termination benefit. The compensation of Mr. Thierry de LA TOUR D'ARTAISE as Chairman, from July 1, 2022, is subject to Order (ordonnance) n° 2019-1234 of 27 November 2019 ("Say on Pay").

WITH MR STANISLAS DE GRAMONT, DEPUTY CHIEF EXECUTIVE OFFICER UNTIL JUNE 30, 2022

Following his appointment as Deputy Chief Executive Officer as of 3 December 2018, a corporate officer agreement was taken in favour of Mr Stanislas de GRAMONT, which includes the following:

1. Nature: Termination compensation in the event of revocation of his corporate appointment

Terms: In the event his duties were terminated, Mr Stanislas de GRAMONT shall receive a severance payment equivalent to two years' compensation (fixed and variable) less any amounts due to be paid as a result of a non-competition clause, the payment of which is conditioned to performance criteria described in the second agreement below.

The compensation used as a reference for the calculation of the termination compensation is made up of the last two years of fixed and variable compensation received by Mr. Stanislas de GRAMONT as Deputy Chief Executive Officer.

2. Nature: Determination of the performance criteria governing the payment of termination benefits to the Deputy Chief Executive Officer in the event of the revocation of his mandate

Terms: The termination benefit, equivalent to two years' compensation, will be adjusted based on actual performance in relation to targets over the last four years of service:

- if the average rate is below 50%, no termination compensation shall be paid;
- if the average rate is between 50% and 100%, termination compensation shall range from 75% to 100% of the base used for calculation, determined on a straight-line basis;
- if the average rate is higher than 100%, termination compensation shall equal 100% of the base used for the calculation.

3. Nature: Non-competition compensation in the event of revocation or dismissal

Terms: In the event of the termination of his mandate, by revocation or dismissal, Mr Stanislas de GRAMONT, Deputy Chief Executive Officer, agrees not to practice any form of professional activity for a Groupe SEB competitor engaged in the development, manufacture or commercialization of products which have, are or shall be developed, manufactured or commercialized in the future by Groupe SEB. In return for the fulfillment of this obligation, and for the period for which it is applicable (one year renewable once), Mr Stanislas de GRAMONT will receive a monthly amount of non-competition compensation from the company equal to 50% of the average monthly salary (fixed and variable) paid to him over the last twelve months of his presence within the Group.

The Board of Directors can release Mr Stanislas de GRAMONT from this obligation by waiving the non-competition clause.

4. Nature: Individual death insurance plan in favour of Mr Stanislas de GRAMONT, Deputy Chief Executive Officer.

Terms: In addition to the Group's collective benefits plan, Mr Stanislas de GRAMONT may benefit from individual death insurance with a capital totaling €2,239,424. The expense recorded for the year ended December 31, 2022 totals €13,055.

5. Nature: Supplementary and top-up retirement plan (former and new schemes).

Terms: All members of the Executive and Management Committees, including Mr Stanislas de GRAMONT, are entitled to a supplementary and top-up pension plan as describe above in the third commitment with Mr Thierry DE LA TOUR D'ARTAISE.

For senior executives, including Mr. Stanislas de GRAMONT, present on 3 July 2019, the provisions of Order No. 2019-697 of 3 July 2019 relating to supplementary occupational pension schemes obliged the Group to freeze and close this scheme on 31 December 2019 to the newcomers. Following the freezing and closing of this pension scheme for the newcomers, a new defined benefit pension plan was set up by the Board of Directors of 16 December 2021, under article L.137-11-2 of the Social Security Code ("Code de la sécurité sociale") and applies to Mr Stanislas de GRAMONT from 1 January 2022. The benefits from this former and new schemes were included in the Compensation package of the Deputy Chief Executive Officer (and Chief Executive Officer in 2022), decided by the Board of Directors on 24 February 2022, which has to be approved by the Shareholders' meeting to be held on 19 May 2022.

However, in accordance with the provisions of the Order of 3 July 2019 on the reform of supplementary pension scheme in application of the French Pact law (« Loi Pacte »), Mr Stanislas de GRAMONT was maintained in the former pension scheme. A new scheme was set up in December 2021, and will apply to him from 1 January 2022, given that he has not reached the maximum of the rights that he could acquire under the former scheme and will not reach these maximum rights by the end of his carreer, in compliance with the maximum threshold defined by the Social security Code ("Code de la Sécurité Sociale").

Consequently, no change has occurred in the content of the regulated agreement concluded with Mr. Stanislas de GRAMONT as approved by the Shareholders' Meeting of 22 May 2019.

For the period from January 1, 2022 to June 30, 2022, the reasons justifying the approval from the Board of Directors remained applicable, these agreements were not questioned. They were maintained during this period but did not apply during the period.

As a consequence of the change of role of Mr. Stanislas de GRAMONT, this agreement and the above-mentioned engagements expired on June 30, 2022, as planned upon the separation of the roles of Charmain and Chief Operating Officer decided by the Board of Directors on February 10, 2022. The compensation of Mr. Stanislas de GRAUMONT as Chief Executive Officer, from July 1, 2022, are subject to Order (ordonnance) n° 2019-1234 of 27 November 2019 ("Say on Pay").

Paris la Défense, 6 April 2023

The Statutory auditors

French original signed by

KPMG S.A.	**Deloitte & Associés**	
Éric Ropert *Partner*	Patrice Choquet *Partner*	Frédéric Moulin *Partner*

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9 Additional information

9.1 Glossary

Adjusted EBITDA

Adjusted EBITDA is equal to Operating Result from Activity minus discretionary and non-discretionary profit-sharing, to which are added operating depreciation and amortization.

AFEP-MEDEF Code

Corporate governance standards developed by AFEP and MEDEF since 1995. This Code enables listed companies to improve their operations and management in a very transparent manner and to fulfill the expectations of investors and the general public. Followed by almost all the companies in the SBF 120, it provides a set of recommendations on corporate governance and notably, on the remuneration of their senior executive and non-executive officers. The code was last revised in January 2020.

Bearer shares

Shares are held in a securities account by the shareholder's financial intermediary. The name of the shareholder is not, therefore, directly known to Groupe SEB. In this case, the purchase and ongoing management of their securities are entrusted to the financial intermediary of their choice.

BtoB

Business to Business: Refers to the range of commercial activities that take place between two companies, as opposed to activities that take place between a company and an individual.

Business Unit (BU)

An organizational unit within the company that focuses on a certain area of business. A BU is managed independently and has its own objectives and resources.

CIR (crédit d'impôt recherche, research tax credit)

The CIR is a tax incentive which purpose is to promote innovation and competitiveness of french companies. Through this tax credit, companies can incur research and development expenses and receive partial reimbursement for these expenses.

Click & Mortar

Refers to retailers that have added online activities (click) to their traditional models (mortar). This retail model is the opposite of that of pure players, like Amazon in online sales.

Code of Ethics

Since 2012, Groupe SEB's Code of Ethics has documented the 18 fundamental ethical principles that the Group wants all its employees to observe, in all circumstances and in all countries. It is available from the following address:

https://www.groupeseb.com/en/our-code-ethics

Customer/Consumer

Within the Group, whose business model is generally BtoB, the term customer refers to a retailer and the term consumer refers to the ultimate consumer. Where sales are made direct to the consumer, particularly through the Group's retail network, the term customer refers to the consumer.

Dividend supplement

This is paid for any shares registered before 31 December of any year, which are held in this form for two consecutive financial years in the same shareholder's name, up to a statutory maximum shareholding of 0.5%. The amount of the dividend supplement is equal to 10% of the ordinary dividend, the maximum amount authorized by current legislation.

Double voting rights

Double voting rights are allocated to any fully paid-up share provided that it has been held in registered form in the name of the same shareholder for a period of 5 years. Double voting rights are defined in article 35 of the Group's bylaws. See page 343.

DPEF déclaration de performance extra-financière, non-financial performance report

The DPEF is current legal and regulatory framework for the publication of sustainable development information for companies in France, as set out in Order No. 2017-1180 of 19 July 2017 on the disclosure of non-financial information by certain large undertakings and groups. It replaces the existing mechanism for the publication of sustainable development information in France (called "Grenelle II" reporting, by reference to Law No. 2010-788 of 12 July 2010 on national commitment for the environment, sometimes called the "Grenelle II" law).

Duty of Vigilance

The duty of vigilance is an obligation imposed upon principal contractors to anticipate the social, environmental and governance risks associated with their operations, but which may also extend to the activities of their subsidiaries and commercial partners (subcontractors and suppliers).

EGM

Extraordinary General Meeting

Executive officers

Until June 30, 2022, these are the Chairman and Chief Executive Officer and the Chief Operating Officer, as well as the members of theBoard of Directors of SEB SA.

From July 1, 2022, these are the Chairman of the Board of Directors and the Chief Executive Officer, as well as the members of the Board of Directors of SEB S.A.

Family shareholders

The family shareholding represents all the shareholders from the Group's founding family.

The majority of shareholders from the Founder Group are represented by three family holdings/organizations: VENELLE INVESTISSEMENT, GÉNÉRACTION and FÉDÉRACTIVE.

Their shareholder strategy gives family shareholders influence over company policy and governance. Certain family shareholders operate a concerted voting block through a shareholder agreement: see page 326 of Chapter 7 of the Universal Registration Document: Shareholder agreement - Concerted voting block.

Free cash flow

Free cash flow corresponds to adjusted EBTIDA, after considering changes in operating working capital, recurring capital expenditures (CAPEX), taxes and financial expenses, and other non-operating items.

Growth Drivers

Growth drivers include all the levers, including advertising, marketing and innovation, that a company can put into action to successfully market its product or brand.

Home & Cook

Home & Cook is a Groupe SEB store selling products from its various brands (e.g. Calor, Rowenta, Moulinex, Seb, Tefal, Krups, Lagostina, etc.).

IFRS

International Financial Reporting Standards. Accounting standards with which listed companies are required to comply when preparing their accounts, in order to harmonize the presentation of their financial statements.

IFRS 16

New accounting standard for leases that requires a liability and a right of use to be recognized in the balance sheet for leases meeting certain criteria (term of lease, materiality, etc.).

ISO 14001

ISO 14001 is a standard applied to environmental management systems to address the environmental concerns of consumers. It was created by the International Standards Organization (ISO). It applies to any entity wishing to implement an ecologically-friendly system. The entity will be required to update its environmental policy in order to improve its performance in this area and to ensure it complies with the standard.

ITO

An Independent Third-party Organization responsible for confirming that the information published in the Group's non-financial performance report is complete and accurate. The Group's independent third-party organization is Mazars, the company's statutory auditor.

Loyalty program (LP)

These programs, led by the distribution retailers, consist in promotional offers in a product category to loyal consumers who have made a series of purchases within a short period of time. The promotional programs enable distributors to boost footfall in their stores, and consumers to access our products at discounted prices.

LTIR/LTIRi

Lost Time Injury Rate / Lost Time Injury Rate with temporary workers. Safety performance indicator. It counts the number of accidents with a direct causal link with work and relates it to the number of hours worked.

MSCI

A ratings and financial and non-financial research agency of international renown that specializes in the analysis of environmental, social and corporate governance factors.
www.msci.com

Net indebtedness

This term refers to all recurring and non-recurring financial debt minus cash and cash equivalents, as well as derivative instruments linked to Group financing. It also includes financial debt from application of the IFRS 16 standard "Leases" in addition to short-term investments with no risk of a substantial change in value but with maturities of over three months.

OGM

Ordinary General Meeting

On a like-for-like basis (LFL) - Organic

The amounts and growth rates at constant exchange rates and consolidation scope in a given year compared with the previous year are calculated:

- using the average exchange rates of the previous year for the period in consideration (year, halfyear, quarter);
- on the basis of the scope of consolidation of the previous year.

This calculation is made primarily for sales and Operating Result from Activity.

Operating margin/ORFA margin

Ratio of ORFA to net sales

Operating Result from Activity (ORfA)

Operating Result from Activity (ORfA) is Groupe SEB's main performance indicator. It corresponds to sales minus operating costs, i.e. the cost of sales, innovation expenditure (R&D, strategic marketing and design), advertising, operational marketing as well as commercial and administrative costs. ORfA does not include discretionary and non-discretionary profit-sharing or other non-recurring operating income and expense.

ORNAE

Bonds with optional reimbursement in cash and/or existing shares (from the French, Obligations à Option de Remboursement en Numéraire et/ou en Actions Existantes).

These bonds were issued on 17 November 2016 (ISIN code FR0013218807) in the amount of €150 million, maturing on 17 November 2021.

This type of convertible bond does not require new shares to be issued as, in the event of the exercise of the share allotment right, holders will receive an amount in cash and, where appropriate, an amount payable in existing shares.

Performance shares

Bonus shares allocated by the Board of Directors to the executive officers, members of the Executive Committee and directors and managers of the Group, on expiry of a vesting period and subject to the associated performance conditions having been met.

These shares reward the achievement of the Group's long-term objectives, and their allocation is entirely subject to the performance conditions having been fulfilled.

These performance conditions cover revenue and Operating Result from Activity targets and are assessed on an annual basis over a three-year period. The achievement rates are set each year by the Board of Directors on a proposal of the Governance and Remuneration Committee.

Pre-emption rights

A benefit conferred by Article 225-132 of the French Commercial Code to shareholders of a limited company, that enables them to exercise a preferential right to acquire new shares issued during a share capital increase, within a given timescale and in accordance with the conditions set out by the Extraordinary General Meeting.

Profit attributable to owners of the parent

This corresponds to the total consolidated net profit (profits generated by all the companies in the Group), minus the share that belongs to the third-party shareholders of subsidiaries that the Group does not fully own.

Pure players

A pure player is an actor or company operating exclusively online, as opposed to actors who have a presence several distribution channels.

Registered shares

As opposed to bearer shares, registered shares give the company a better understanding of its shareholders and promote direct contact with them.

There are two ways registered shares can be held:

- Direct registration: the shares are registered in shareholder's name with the SEB Share Service, where they are held and managed free of charge;
- Administered registration: the shares are held and managed by a financial intermediary. They are also registered with Groupe SEB's Share Service.

Registered securities entitle the holder to certain benefits, including the granting of a dividend supplement equal to 10% of the dividend for all registered shares held for more than 2 years.

SAPIN II

French law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernization of economic life.

SEA

Small Electrical Appliances.

SEB

The Société d'Emboutissage de Bourgogne (Burgundy Stamping Company). SEB refers to Groupe SEB, while Seb refers to the Group's product brand (pressure cooker, Actifry, etc.).

Senior Executive Officers

These are the Chairman and Chief Executive Officer and the Chief Operating Officer until June 30, 2022. Since July 1, 2022, these are the Chairman of the Board of Directors and the Chief Executive Officer.

SDE

Small Domestic Equipment.

Specialist stores

Specialist superstores are large stores, usually located close to hypermarkets, that specialize in the sale of cookware or electrical appliances.

Traditional stores

Traditional stores are conveniance stores in most cases, still very established in emerging countries. Given the limited storage space, the selections on offer are more limited than in large specialist stores or through online commerce. Here, the consumer is primarily looking for proximity, convenience and human contact, which have been maintained despite the rise of new stores.

URD

Universal Registration Document. This new document, arising as a result of the entry into force on 21 July 2019 of Regulation (EU) 2017/1129, known as "Prospectus 3", replaces the registration document. In addition to its new name, this document meets the objective of improving readability for shareholders and investors by adding more detailed information on:

- strategy;
- non-financial information;
- risk factors.

9.2 Declaration by the person responsible for the Universal Registration Document containing the annual report

I hereby declare that the information contained in this Universal Registration Document is, to the best of my knowledge, consistent with the facts and contains no omission likely to affect its import.

I hereby declare that, to my knowledge, the financial statements have been prepared in accordance with relevant accounting standards and provide a true and fair view of the assets, financial situation and performance of the company and of all companies included under the Consolidated Financial Statements. I furthermore declare and that the elements of the Management Report contained in this document, as specified in the concordance table in section 9.4, present a true and fair picture of changes in the business, performance and financial situation of the company and all companies included under the Consolidated Financial Statements, as well as a description of the main risks and uncertainties they face.

6 April 2023.

CEO

Stanislas de Gramont

9.3 Statutory auditors and audit fees

STATUTORY AUDITORS

- **KPMG Audit, represented by:**

Eric ROPERT

2 avenue Gambetta CS 60055 92066 PARIS-La Défense Cedex,

appointed by the Ordinary General Meeting of 20 May 2021.

Term: Ordinary General Meeting of 2027.

- **Deloitte & Associés, represented by:**

Frédéric MOULIN and Patrice CHOQUET

6 place de la Pyramide 92908 Paris-La Défense Cedex

appointed by the Ordinary General Meeting of 20 May 2021.

Term: Ordinary General Meeting of 2027.

Each of these Statutory auditors is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.

FEES PAID TO STATUTORY AUDITORS

The breakdown of fees paid to statutory auditors and members of their networks is as follows:

	Deloitte				KPMG			
	Amount (excluding tax)		In%		Amount (excluding tax)		In%	
(in € thousands)	2022	2021	2022	2021	2022	2021	2022	2021
AUDIT								
Statutory auditor, certification, review of individual and consolidated financial statements	2,168	1,828	87%	96%	2,469	1,982	95%	87%
Other services performed by the networks for fully integrated subsidiaries	315	75	13%	4%	133	293	5%	13%
TOTAL	**2,483**	**1,903**	**100%**	**100%**	**2,602**	**2,275**	**100%**	**100%**

9.4 Cross-reference table for the Annual Financial Report, Management Report and Corporate Governance Report

	Page numbers	Annual Financial Report	Management report
Commentary on the financial year			
Objective and exhaustive analysis of developments in the company's and Group's business, performance and financial position	239-258	X	X
Key non-financial performance indicators relevant to the company's specific business activity	137-233		X
Significant stakes acquired during the financial year in companies headquartered in France	256	X	X
Significant events that occurred between the financial year-end and the date on which the report was drawn up	258	-	X
Foreseeable developments regarding the position of the company and the Group	258	X	X
Dividends distributed over the three preceding financial years and amount of income distributed for these years	374		X
Supplier and customer payment schedules	256-257		X
Presentation of the Group			
Description of the main risks and uncertainties faced by the company	49-63	X	X
The company's use of financial instruments: objectives and policy in relation to financial risk management	302-315	X	X
Company's exposure to price, credit, liquidity or cash flow risks	312-315	X	X
Social and environmental consequences of business (including "Seveso" facilities)	137-233		X
Research and development activities	24-27	X	X
Information on the company and its share capital			
Rules applicable to the appointment and replacement of members of the Board of Directors or Management Board, as well as to changes in the Company's bylaws	67; 91-97		X
Powers of the Board of Directors or Management Board, in particular concerning the issue or buyback of shares	368-369	X	X
Purchases and sales of treasury stock during the financial year	368-369	X	X
Adjustments for share equivalents in the event of share buybacks or financial transactions	-	-	-
Structure of and changes to the company's share capital	363-367	X	X
Statutory limitations on the exercise of voting rights and transfer of shares or clauses in agreements brought to the attention of the company	360-367	X	X
Direct or indirect shareholdings in the company of which the company is aware	360-367	X	X
Employee shareholding in the company's share capital on the last day of the financial year and portion of the share capital represented by the shares held by employees under the company savings scheme and by the employees and former employees under employee mutual investment funds	370-372		X
Holders of any securities conferring special control rights and a description of those rights	-		-
Control mechanisms within any employee shareholding system, where control rights are not exercised by the employees	-		-
Agreements between shareholders of which the company is aware and which may give rise to restrictions on share transfers and voting rights	364-365	X	X
Agreements entered into by the company that are amended or terminated in the event of a change in control, with the exception of those agreements whose disclosure would seriously harm its interests	-		-
Agreements providing for indemnities payable to employees or members of the Board of Directors or Management Board if they resign or are dismissed without real or serious cause or if their employment contract is terminated as a result of a public tender offer	101-136		X
Injunctions or fines as a result of anti-competitive practices	-		-

	Page numbers	Annual Financial Report	Management report
Financial statements			
Changes in the presentation of the financial statements or in the valuation methods used	265	X	
Profit over the last five financial years	353	X	
Consolidated financial statements	259-330	X	
Company financial statements	259-358	X	
Statutory auditors' reports on the company and Consolidated Financial Statements	326-330; 354-358	X	
Fees paid to the Statutory auditors	396	X	
Corporate governance report			X
Information on the composition, operation and powers of the Board of Directors:			
Reference to a Corporate Governance Code	67		
Composition of the Board of Directors and conditions governing the preparation and organization of meetings	67-98		
Principle of gender balance	67		
List of the offices and positions of each director	70-84		
Agreements signed between a director or a shareholder holding more than 10% of the voting rights and a subsidiary	88		
Table summarizing the outstanding delegations granted by the Annual General Meeting of shareholders to the Board of Directors to increase the share capital, showing the use made of these delegations during the financial year			
Conditions governing the exercise of executive powers	66		
Conditions governing shareholder participation in Annual General Meetings	97		
Information on the remuneration of executive officers:	101-136		
Remuneration policy (ex-ante say on pay)			
Total compensation and benefits of any kind paid to each executive officer during the financial year, and reference to the resolutions voted for through an ex-ante vote			
Stock options granted, subscribed or purchased during the financial year by the executive officers and the ten highest-earning non-executive employees of the company, and stock options granted to all eligible employees, by category			
Conditions for the exercise and retention of stock options by executive officers			
Conditions for the retention of performance shares awarded to executive officers			
Transactions by senior managers and associated persons involving the company's shares			
Commitments of any kind made by the company for the benefit of its executive officers, such as remuneration, compensation or benefits due or likely to become due when, or after, they assume, cease or change positions			
Information on factors which could affect a takeover bid	362		
Statutory auditors' report on the Corporate governance report	355-356	X	X
Report by one of the statutory auditors on the consolidated human resources, environmental and social information included in the management report	234-238	X	X
Statutory auditors' report on regulated agreements and commitments	386-390	X	
Declaration by the person responsible for the Annual Financial Report	395	X	

9.5 Cross-reference table for the Universal Registration Document

Cross-reference table for the Universal Registration Document - Annex 1 and 2 of the european delegated regulation 2019/980 of March 14, 2019 completing the european regulation 2017/1129 of June 14, 2017	Pages
11 – PROFIT FORECASTS OR ESTIMATES	N/A
12 – ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT	
12.1 Administrative and management bodies	67-98
12.2 Conflicts of interest within administrative and management bodies	90
13 – REMUNERATION AND BENEFITS	
13.1 Amount of remuneration paid and benefits in kind	101-135
13.2 Total amounts set aside or accrued to provide pension, retirement or similar benefits	106-110; 114-115
14 – PRACTICES OF ADMINISTRATIVE AND MANAGEMENT BODIES	
14.1 Date of expiry of current terms of office	87
14.2 Service contracts binding the members of the administrative bodies	88
14.3 Information about the Audit and Compliance Committee, the Governance and Remuneration Committee and the Strategy and CSR Committee	92-96
14.4 Statement of compliance with the regime of corporate governance	67; 90-96; 98
14.5 Potential impacts on the corporate governance	65-136
15 – EMPLOYEES	
15.1 Number of employees	176; 271; 331
15.2 Shareholdings and stock options of the executive officers	370-372
15.3 Arrangements for involving the employees in the capital of the issuer	292; 370-372
16 – MAJOR SHAREHOLDERS	
16.1 Shareholders owning more than 5% of the capital and voting rights	363-366
16.2 Existence of different voting rights	361; 363
16.3 Control over the issuer	363-366
16.4 Arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer	364
17 – RELATED PARTY TRANSACTIONS	318
18 – FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
18.1 Historical financial information	331-332
18.2 Interim and other financial information	260-263; 334-335
18.3 Auditing of historical annual financial information	326-330; 354-358
18.4 Proforma financial information	N/A
18.5 Dividend policy	374
18.6 Legal and arbitration proceedings	268; 295-297
18.7 Significant change in the issuer's financial or trading position	N/A
19 – ADDITIONAL INFORMATION	
19.1 Share capital	363-367
19.1.1. Amount of issued capital and number of shares	362
19.1.2. Shares not representing capital	N/A
19.1.3. Treasury shares	367
19.1.4. Convertible securities, exchangeable securities or securities with warrants	367
19.1.5. Terms governing unissued capital	N/A
19.1.6. Options on share capital	N/A
19.1.7. History of changes to share capital	363-367
19.2 Memorandum and bylaws	360
19.2.1. Corporate objects and purposes	360
19.2.2. Rights, privileges and restrictions applying to shares	360
19.2.3. Provisions likely to defer, delay or prevent a change in control	N/A
20 – MATERIAL CONTRACTS	N/A
21 – DOCUMENTS ON DISPLAY	360

The following information is incorporated by reference in this Universal Registration Document:

- The Universal Registration Document for the 2021 financial year was filed with the French Financial Markets Authority on 7 April 2022,under number D.22-0255. The Consolidated Financial Statements appear on pages 240 to 306 and the corresponding audit report appears on pages 307 to 311 of this document;
- The Universal Registration Document for the 2020 financial year was filed with the French Financial Markets Authority on 6 April 2021,under number D.21-0261. The Consolidated Financial Statements appear on pages 225 to 292 and the corresponding audit report appears on pages 293 to 297 of this document;

The information on the Group's website (www.groupeseb.com), with the exception of that incorporated by reference, is not part of this Universal Registration Document.

As such, this information has not been reviewed or approved by the AMF.

9.6 Cross-reference table, Grenelle II, GRI and global compact

Indicators	Grenelle 2 – Article 225	GRI 3.1	Global Compact	References: Universal Registration Document	References: Website sustainable development section
SOCIAL PERFORMANCE INDICATORS					
Employment					
Total employees	1.a-1	LA1		page 176	Key figures
Breakdown of employees by gender	1.a-1	LA1/LA13		page 179	
Breakdown of employees by age group	1.a-1	LA13		page 181	
Breakdown of employees by geographical region	1.a-1	LA1		page 176	
Breakdown of employees by type of work		LA1		page 179	
Breakdown of employees by employment contract type		LA1		page 177	
Hires	1.a-2	LA2		page 177	
Redundancies	1.a-2	LA2		page 177	
Remuneration	1.a-3	LA3/LA14		page 189	
Change in remuneration over time	1.a-3	LA3		page 189	
Organization of work					
Organization of working hours	1.b-1			page 192	
Absenteeism	1.b-2	LA7		page 192	
Labor relations					
Organization of employee-management dialog	1.c-1	LA4/LA5	3	page 182	
Collective bargaining agreements	1.c-2	LA4/LA5		page 182	
Health and safety					
Workplace health and safety conditions	1.d-1	LA6/LA8	4-5	pages 184-188	Health/Safety
Agreements signed with trade unions in relation to workplace health and safety	1.d-2	LA9		page 182	
Frequency and severity of workplace accidents	1.d-3	LA7		page 186	
Work-related illness	1.d-3	LA7		page 188	Health/Safety
Training					
Policies in place with regard to training	1.e-1	LA11		pages 190-191	Expertise
Total number of training hours	1.e-2	LA10		page 191	
Number of employees receiving regular performance and career development reviews		LA11		page 191	
Equal opportunity					
Measures taken to promote gender equality	1.f-1	LA14		pages 178-180	Fairness and diversity
Measures taken to promote employment opportunities for and integration of disabled people	1.f-2	LA13		pages 180-181	Fairness and diversity
Anti-discrimination policy	1.f-3	LA13		pages 178-181	Fairness and diversity
Governance					
Composition of corporate governance bodies		LA13		chapter 2	Governance
Promotion of and adherence to the ILO's fundamental conventions					
Respect for freedom of association and the right to collective bargaining	1.g-1	HR5/LA4/LA5	3	page 182	Respect for ethics
Elimination of discrimination in employment and occupation	1.g-2	HR4/LA13/LA14	6	pages 178-181	Fairness and diversity
Elimination of forced or compulsory labor	1.g-3	HR6/HR7		pages 167-168	Respect for ethics
Effective abolition of child labor	1.g-4	HR6	4 - 5	pages 167-168	Respect for ethics

				References	
Indicators	Grenelle 2 – Article 225	GRI 3.1	Global Compact	Universal Registration Document	Website sustainable development section
Other actions taken to promote Human Rights	3.e				**Respect for Human Rights**
Investment and procurement practices					Responsible purchasing
Percentage of major suppliers and contractors verified as compliant with Human Rights; measures taken		HR2		pages 171-172	
Total number of training hours for employees on policies and procedures regarding Human Rights relevant to their job; percentage of employees trained		HR3		pages 167-168	
Evaluation					Responsible purchasing, Respect for human rights
Percentage or number of activities for which the organization has conducted Human Rights reviews or impact assessments		HR10	1 and 2	page 168	
Corrective action					
Number of Human Rights grievances filed, handled and resolved according to a Human Rights grievance management procedure		HR11	1 and 2	page 168	
ENVIRONMENTAL PERFORMANCE INDICATORS					
General policy toward the environment					**Reducing environmental impacts**
Company organization to address environmental issues. Environmental evaluation or certification procedures, where applicable	2.a-1			pages 216-233	Shrink our environmental footprint
Employee training and education initiatives taken with regard to safeguarding the environment	2.a-2			page 114	
Resources allocated to prevent environmental risks and pollution	2.a-3	EN30		page 229	Eco-manufacturing
Provisions and guarantees for environmental risks (unless this information could be detrimental to the company)	2.a-4	EN28/EC2	7 à 9	page 316	
Pollution					
Measures to prevent, reduce or remedy emissions into the air, water or soil that seriously affect the environment	2.b-1	EN22/EN23/ EN24		pages 225-229	Eco-manufacturing
Measures to prevent noise pollution and any other form of pollution stemming from operations	2.b-3	EN25		page 229	Eco-manufacturing
Total discharge into water		EN21	7 to 9	page 229	
Circular Economy					**The central role of the circular economy in sustainable innovation**
Prevention and waste management					
Measures to prevent recycle, reuse, other ways of waste recovery and dispose of waste	2.b-2	EN27		page 214	Recycling for reuse
Total waste produced		EN22/EN24		pages 228-229	
Measures against food waste				pages 204-205	

Indicators	Grenelle 2 – Article 225	GRI 3.1	Global Compact	References: Universal Registration Document	References: Website sustainable development section
Sustainable use of resources					
Water consumption and supply according to local constraints	2.c-1	EN8/EN9/EN21		pages 227-228	
Consumption of raw materials	2.c-2	EN1		page 228	
Consumption of recycled materials		EN2		pages 213-214	Recycled materials
Measures taken to improve the efficient use of raw materials	2.c-2	EN10		pages 221-222	Eco-design; Eco-manufacturing
Energy consumption	2.c-4	EN1/EN3/EN4		page 223	Eco-design; Eco-manufacturing
Measures taken to improve energy efficiency and use of renewable energy	2.c-4	EN5/EN6/EN7		pages 223 and 226	Eco-design
Land use	2.c-3		7 to 9	page 229	
Climate change					
Significant sources of greenhouse gas emissions generated by Company activities, as well as by the use of the goods and services produced by the Company	2.d-1	EN16/EN17/ EN19/EN20		pages 216-219	Shrink our environmental footprintT
Adaptation to the consequences of climate change	2.d-2	EN18/EC2	7 to 9	pages 219-220	
Biodiversity protection					
Measures taken to preserve or promote biodiversity	2.e-1	EN11 to EN15/ EN25	7 to 9	pages 220-221	
Products and services					
Initiatives to reduce the environmental impact of products and services; scope of these initiatives		EN26	7 to 9	pages 214 and 221-225	Eco-design; Products end-of-life
Transport					
Significant environmental impacts stemming from the transport of products, other goods and materials used by the organization in the course of its operations and the transport of staff members		EN29	7 to 9	pages 230-233	Eco-logistics
INFORMATION ON CORPORATE CITIZENSHIP COMMITMENTS TO PROMOTE SUSTAINABLE DEVELOPMENT					
Regional, economic and social impact of the company's operations					
With regard to employment and regional development	3.a-1	EC8/EC9		pages 197-198	
On neighboring or local populations	3.a-2	EC1/EC6/SO1/ SO9/SO10		pages 197-198	
Relations with individuals or organizations that have a stake in the company's operations					
Conditions for dialog with these individuals or organizations	3.b-1			pages 161-164	
Corporate partnership or philanthropy actions	3.b-2	EC1		pages 193-197	Good corporate citizen
Contractors and suppliers					
Inclusion of social and environmental criteria in the procurement policy	3.c-1	EC6/HR2/ HR5 to 7		pages 170-173	Ethics, Responsible purchasing
Extent of sub-contracting and consideration of CSR factors in relations with suppliers and contractors	3.c-2		1 and 2	pages 170-173	Ethics, Responsible purchasing
Fair business practices					
Actions taken to prevent corruption	3.d-1	SO2 to SO4/ SO7/SO8	10	pages 168-169	Respect for ethics
Measures taken to promote consumer health and safety	3.d-2	PR1/PR2		pages 200-201	Respect of consumers
Anti-competitive practices					
Total number of legal proceedings for anti-competitive practices, violation of anti-trust laws and monopolistic practices and outcomes of these proceedings		SO7		-	

NOTES

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