



better living
2015

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Make consumers' everyday lives easier and more enjoyable and contribute to BETTER LIVING, all around the world

- By creating new products and services to make consumers' domestic lives more pleasant, harmonious and fulfilling
- By offering solutions to meet their existing needs and anticipate their personal expectations and desires.



our



mission



2015 WAS AN
EXCELLENT YEAR
FOR GROUPE SEB



How would you qualify the results for 2015?

2015 was an excellent year for Groupe SEB. In spite of sometimes highly complex market conditions and an unfavourable monetary environment, the Group has fulfilled its commitments and has largely exceeded the performance targets it set itself at the beginning of 2015.

Our sales reached €4,770 million, growing by 12% in euros and by 8% like-for-like. This solid growth was healthy and well-balanced, covering all the major product lines, all regions and all distribution channels. The core business was once again fuelled by a rich innovation dynamic, which has enabled us to stand out in the markets. Added to this were a number of loyalty programmes, which in 2015 represented sales of €130 million, noticeably higher than in previous years.

At €428 million, our Operating result from activity was up 16% in euros and 43% at constant exchange rates and consolidation scope. This is proof of the Group's ability to more than compensate a very penalizing currency effect of €100 million, mainly through price increases, competitiveness initiatives and ongoing strict cost discipline. Net profit has reached €206 million, up by 21%.

These excellent results have enabled us to generate a very high level of cash flow from operations of almost €260 million, and to reduce the Group's net debt, which at the end of December 2015 stood at €316 million.

For all these achievements, I would like to thank all our teams for their commitment and professionalism in coming together to give their very best.

What were the main growth drivers in 2015?

There was a great variety of growth drivers.

Starting with products, all our innovations and champion products were solid contributors to growth: cookware all over the world, rice cookers in China, vacuum cleaners in Europe, garment steamers in Japan, the Cookeo multicooker in France, the Cuisine Companion cooking food processor, fans in South America etc.

On a geographical level, our business expanded in 19 of the Group's top 20 leading countries. These frontrunners include mature markets (Europe, United States, Japan, South Korea etc.), as well as emerging markets, headed up by the Group's first country, China, but also including Russia and Brazil,

where in spite of a drop in demand we managed to out-perform the market.

Finally, this momentum came from all distribution channels, thanks to the permanent optimisation of in-store execution and significantly increased investment in advertising and marketing. This is particularly true for e-commerce, which is undergoing rapid growth, fuelled by the intensification of our digital campaigns.

The Group ended 2015 with a very low level of debt and a very solid balance sheet. How are you going to make use of this financial leeway?

At the end of 2015, our financial structure was very solid, with a gearing of 0.17 and a debt/EBITDA ratio of 0.6.

This very healthy situation allows us to offer a return to shareholders in the form of regularly increasing dividends.

It also provides the Group with financial flexibility allowing it to seize any strategic acquisition opportunities that arise and to remain active in the market consolidation, which will continue. Our clear objective is to keep on reinforcing our leadership, and our solid balance-sheet is a guarantee of our agility.

What is your roadmap?

Boosted by its exceptional performance in 2015, Groupe SEB is entering 2016 with confidence, whilst also remaining vigilant with regards to overall economy in the markets and to exchange rate fluctuations, which are continuing to affect our sales and results.

Our objective for 2016 is to once again achieve organic growth in our sales, although expected to be lower than the +8% achieved in 2015, and to ensure further growth in our Operating result from activity, despite a currency impact currently estimated at €-130 / -140 million.

Beyond 2016, our ambition is to continue to strengthen our positions in the markets by drawing on the pillars of our strategy, growth and competitiveness. We are aiming at being the undisputable reference of the small domestic equipment industry in the world for all our stakeholders, consumers, retailers, suppliers, employees and shareholders.



Thierry de La Tour d'Artaise
Chairman and CEO

Be the
reference
of the market



Board members are regularly invited to visit markets or factories.

Comprising fifteen directors, five of whom are independent in compliance with the AFEP-MEDEF code, the Board of Directors represents all the shareholders.

THIERRY DE LA TOUR D'ARTAISE

Member of the Founder group, aged 61.
Chairman and Chief Executive Officer of SEB SA.

BRUNO BICH

Independent Director, aged 69.
Member of the NRC.

TRISTAN BOITEUX

Member of the Founder group, member of FÉDÉRACTIVE, aged 53.

SARAH CHAULEUR

Member of the Founder group, member of FÉDÉRACTIVE, aged 44.

YSEULYS COSTES

Independent Director, aged 43.

FÉDÉRACTIVE

Member of the Founder group, shareholder investment holding company, represented by its Chairman, Pascal Girardot, aged 61.
Member of the NRC.

HUBERT FÈVRE

Member of the Founder group, member of FÉDÉRACTIVE, aged 51.
Member of the Audit Committee.

FFP - INVEST

A holding company listed on the Paris stock exchange and majority-held by the Peugeot family group,

represented by Christian Peugeot, aged 62.
Member of the Audit Committee.

FONDS STRATÉGIQUE DE PARTICIPATIONS

Independent Director. Represented by Catherine Pourre, aged 59.
President of the Audit Committee.

WILLIAM GAIRARD

Member of the Founder group, member of VENELLE INVESTISSEMENT, aged 35.

JEAN-NOËL LABROUE

Independent Director, aged 68.
President of the NRC.

CÉDRIC LESCURE

Member of the Founder group, member of FÉDÉRACTIVE, aged 48.

LAURE THOMAS

Member of the Founder group, member of VENELLE INVESTISSEMENT, aged 44.

VENELLE INVESTISSEMENT

Member of the Founder group, a family holding company, represented by Damarys Braida, aged 48.
Member of the NRC.

JÉRÔME WITTLIN

Member of the Founder group, member of VENELLE INVESTISSEMENT, aged 56.
Member of the Audit Committee.

COMMITTEES OF THE BOARD OF DIRECTORS

Since 1995, the Board of Directors has had two specialised committees to help it in areas in which specific skills and meetings are required.

The **Audit Committee** informs the Board on the identification, evaluation and handling of the main risks to which the Group may be exposed. In particular, it ensures the relevance of financial reporting methods to draw up accounts. It notifies the Board of Directors of any useful observation and recommendations, and participates in the procedure for appointing statutory auditors.

- Catherine Pourre, President, FSP Representative, Independent Director
- Hubert Fèvre, member of FÉDÉRACTIVE
- Christian Peugeot, FFP Invest Representative, Independent Director
- Jérôme Wittlin, member of VENELLE INVESTISSEMENT

The **Nominations and Remuneration Committee (NRC)** makes recommendations on the composition of the Board and on the Group's organisation and structures. It also makes proposals to the Board of Directors on the compensation policy for corporate officers and monitors that for main executive managers. Finally, it proposes the implementation and conditions for the company's performance share plans.

- Jean-Noël Labroue, President, Independent Director
- Bruno Bich, Independent Director
- Pascal Girardot, FÉDÉRACTIVE Representative
- Damarys Braidá, VENELLE INVESTISSEMENT Representative

Nomination of a new director in 2016

Acting upon a proposal from the Nominations and Remuneration Committee, the Board of Directors will propose to the AGM of 19 May 2016 the appointment of Jérôme Lescure to the position of director, replacing Jérôme Wittlin, whose term of office expires.

Jérôme LESCURE,

Aged 55, is President of APICAP, a fund management company investing in small and medium-sized businesses, and President of CAMSEL, a softwood lumber producer.



5

INDEPENDENT
DIRECTORS

7

MEETINGS IN 2015

AT 31/12/2015,
BOARD MEMBERS
HELD

23.99%

OF SHARE CAPITAL

Board of Directors



From left to right,
Cyril Buxtorf Executive Vice-President EMEA, **Luc Gaudemard** Executive Vice-President Americas,
Vincent Léonard Senior Executive Vice-President Finance,
Philippe Crevoisier Executive Vice-President Products and Innovation, **Bertrand Neuschwander** Chief Operating Officer,
Thierry de La Tour d'Artaise Chairman and Chief Executive Officer, **Frédéric Verwaerde** Executive Vice-President Asia,
Stéphane Lafrière Executive Vice-President Industrial Operations, **Harry Touret** Senior Executive Vice-President Human Resources



In a radically changing world, marked by constant new macro-economic issues and major social changes, Groupe SEB must accelerate its transformation to actively pursue its growth and consolidate its leadership. With this in mind, the Group set up a new and strengthened Executive Committee with 9 members in September 2015. Going beyond cross-functional corporate department, the Executive Committee now includes three continental Divisions in charge of the Group's commercial activities all over the world, as well as the Products and Innovation Division. This new organisation will bring us closer to our operations in the field, improve our ability to arbitrate and speed up our decision-making processes.

A strengthened Executive committee



The Group's culture has been built on a set of five fundamental values



5 values

AirBake

All-Clad

Arno

AsiaVina

Calor

Clock

Imusa

Krupps

Lagostina

Maharaja
Whiteline

Mirro

Moulinex

OBH Nordica

Panex

Rochedo

Rowenta

Samurai

Seb

Supor

Tefal

T-fal

Umco

WearEver

STRATEGY

In an unstable and uncertain global environment (economy, geopolitics, currencies etc.), Groupe SEB's strategy is based on a long-term vision that consists of finding precisely the right balance between growth and competitiveness in order to create value for all its stakeholders. Thanks to its sound fundamentals and passionate, motivated teams, the Group can get through troubled times calmly and with agility, capture all growth opportunities and focus on achieving excellence, whilst also reinforcing its competitiveness and performance.

Prioritising growth

By resolutely managing a strong and differentiating product **innovation** policy, enabling us to offer products and services that fit in perfectly with consumer expectations • By drawing on the strength and the complementary nature of our **brands**, which allow us to cover all market segments, from entry level to premium products • By managing a clear sales approach, which is well-segmented by **distribution** channel, by brand and by country, and by developing a relationship based on trust with our retailers • By pursuing a unique **international expansion**, in mature countries as well as in emerging markets, aiming at local leadership.

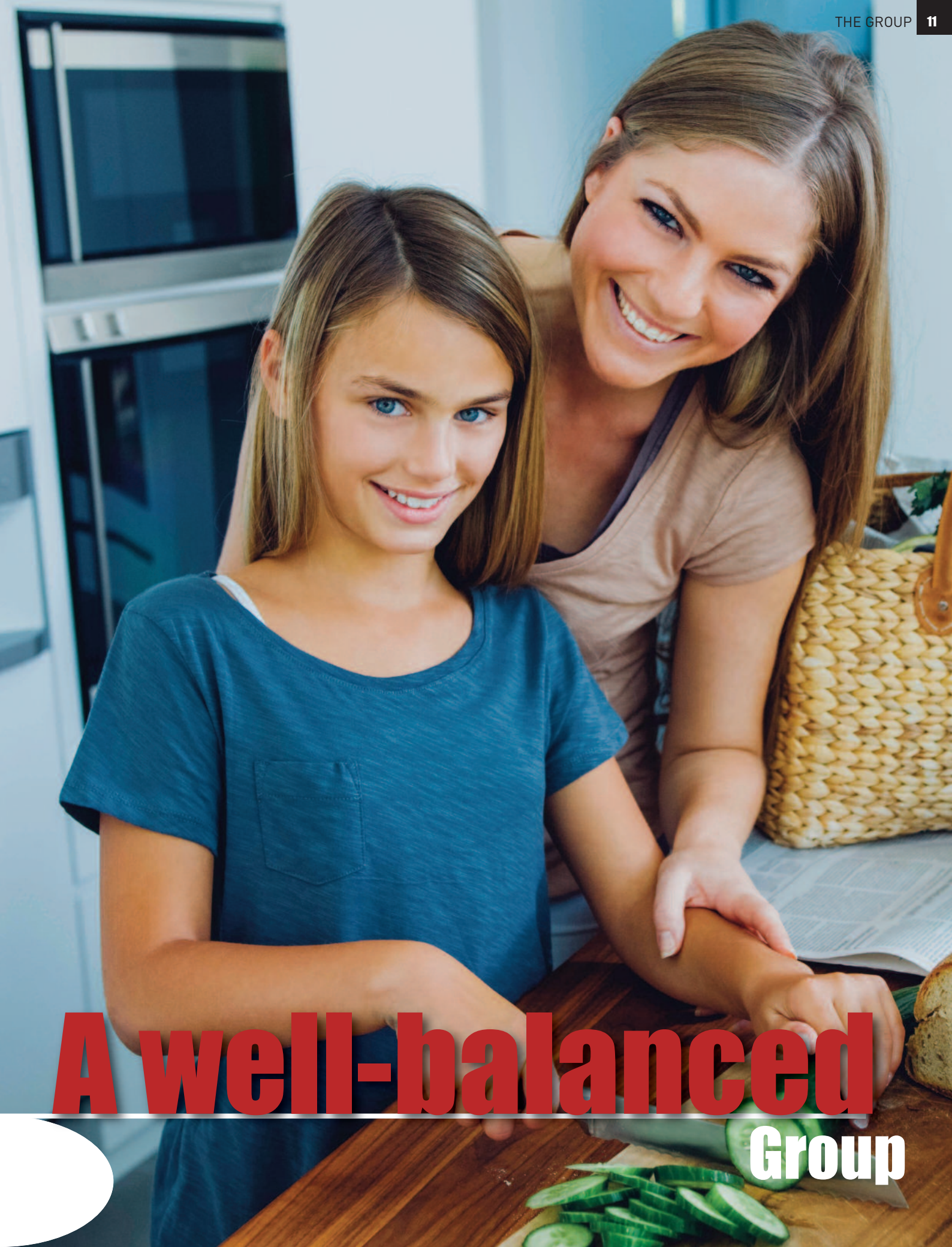
Monitoring competitiveness

Through the permanent and responsible adaptation of our industrial tool, by implementing best practices and a rigorous quality control system at a very early stage in the process • Through the strict management on a daily basis of our organisation, infrastructures and costs

- Through the constant optimisation of our supply chain.

Being responsible

By ensuring the Group's ethical principles are respected • By pursuing a social responsibility policy • By developing territories and community commitment • By creating sustainable innovations to meet consumer needs • By reducing our environmental impact.



A well-balanced Group

A strategy based on balance



PRODUCT OFFERING

The product offering is the driver in the small domestic equipment industry. A world reference in this sector, the Group needs to offer the widest range in terms of product families, with an approach that is both global and local. To achieve this, it draws on one hand on the strength of its innovations, which generate value and give it a lead over the competition. On the other hand, the Group is committed to actively nurturing its mid-range product offering, promoting their functions, design and price. These products represent the Group's spearheads and provide it with the necessary flexibility to stay on course. In 2015, the growth in the Group's sales was driven **by all of the product families.**

BRAND PORTFOLIO

Brands speak for the products and convey as comprehensive set of strong values that are easily perceived by everyone. They are key in the purchasing process. The Group has a unique portfolio of brands, bringing together global brands, which are powerful and complementary, and local brands, leaders in their markets, which set the standard for the consumer. This is a crucial strategic advantage contributing to a segmented approach to the markets.

INTERNATIONAL

Groupe SEB has developed a widespread geographical presence, with a balance between mature and emerging markets.



20 LEADING COUNTRIES

86%
OF SALES

6

INTERNATIONAL
BRANDS

26,000
EMPLOYEES

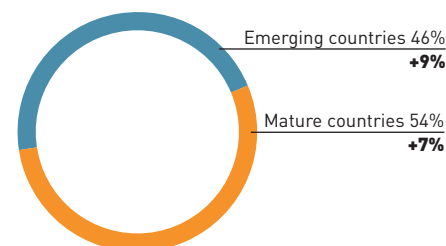
Emerging countries represent a strong catalyst for growth and opportunity because of their low level of existing equipment, the rise in the middle classes with their increased purchasing power, the modernisation of distribution etc.

In 2020: 3 billion people in the middle classes, of which 2 billion in emerging countries.

Mature countries are more stable and they are fundamental for the launch and roll-out of innovations, the development of new trends and better product-mix. In this respect, they offer encouraging prospects for the Group, which can strengthen its positions still further in these markets.

In 2015, all geographical zones experienced growth.

BREAKDOWN OF 2015 SALES

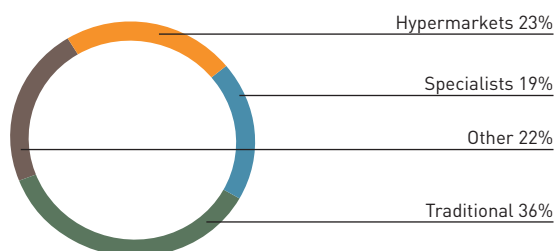


DISTRIBUTION

The Group's distribution is very varied, both in terms of format and in terms of specific geographical features: hypermarkets, department stores, specialist stores, stalls, TV shopping, e-commerce through pure players, etc. This presence across all distribution channels aims to respond to consumer habits all over the world and offer them the widest and most relevant choice possible. The Group establishes and maintains long-term "win-win" relationships based on trust and partnership with its retailers, resulting in **growth in sales across all networks in 2015**.

The Group has also developed a network of its own retail stores (Home&Cook, Tefal Shops, Supor Lifestores, etc.) to achieve a closer relationship with consumers in emerging markets and to dispose of discontinued products in mature countries.

BREAKDOWN OF 2015 SALES BY DISTRIBUTION CHANNEL



INTERNAL AND EXTERNAL GROWTH

Carefully activated and coordinated, all these factors lead to sustained and regular organic growth. Added to this is external growth, another mainstay of the Group's strategy. As a key player in a still-fragmented small domestic equipment market, the Group positions itself as a consolidator in its industry. In fact, the Group's history is dotted with numerous acquisitions, which have enabled it to build leading positions in many countries and product categories, strengthen its portfolio of brands and consolidate its industrial facilities. In 2015, Groupe SEB acquired OBH Nordica, a major player in Scandinavian markets. It also increased its stake in the capital of Supor.

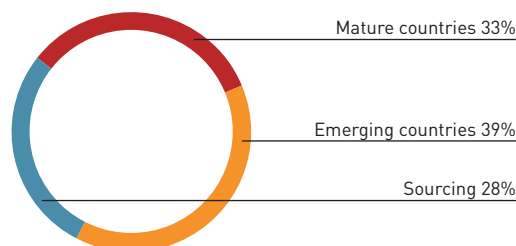
MANUFACTURING BASE

The Group's industrial facilities are distributed all over the world, allowing it to serve its markets in the best possible way. The Group relies on manufacturing in Europe for products destined for mature markets and for those in which the Group holds leading positions or has developed technological barriers in terms of product concepts or processes.

The Group also has high-performance production units in emerging countries, allowing it to ensure an efficient supply of these markets and to keep production in-house for key products destined for mature markets.

Conversely, the Group outsources manufacturing for commoditized products, for products for which it does not have strong leading positions or in the case of partnerships.

LOCALISATION OF 2015 SALES PRODUCTION



29 factories producing 72% of the products sold by the Group

PERFORMANCE AND SUSTAINABLE COMMITMENT

A long-term business plan will only make sense if it combines economic and financial ambition with human ambition, allowing all of the company's stakeholders, and especially its employees, to develop and take an active place in society. The Group's sustainable development strategy therefore follows a collective and participative approach at all levels of the organisation and in all business areas. It is deployed according to five major principles:

- Ensuring the Group's ethical principles are respected
- Pursuing a social responsibility policy
- Developing territories and community commitment
- Creating sustainable innovations to meet consumer needs
- Reducing the environmental impact.

May 40 years of listing of the SEB share

27 May – Groupe SEB celebrated the 40 years anniversary of the SEB share and opened the European financial markets in Paris. The ceremony was an opportunity for Thierry de La Tour d’Artaise to look back on the rationale for going public and to trace the main stages of Group’s development over the past 40 years, thanking shareholders for their confidence and employees for their contribution and involvement.



August

Groupe SEB Belgium celebrates its 50th anniversary !

4 August – 50 years ago, Groupe SEB set up its first subsidiary outside France.

2015 was an opportunity to celebrate this anniversary with our retailers, the press and also internally: convention, open day, presentation of flagship products and targeted special offers throughout the year.



September

Eurêcook!

23 September – Groupe SEB launched Eurêcook, an innovative rental service for electrical cooking appliances. Constantly looking for the best way to respond to new consumer trends, Groupe SEB has joined forces with a network of private and public partners to launch a pilot experiment in Dijon. The simple, practical rental service offers around thirty different cooking appliances for daily or weekly hire, allowing consumers to test a product or use an appliance occasionally.

2015



DESIGNING
GOOD LIFE



August

Acquisition of OBH Nordica

31 August – Following an agreement signed at the beginning of July, Groupe SEB finalised the acquisition of 100% of the shares in OBH Nordica, a major player in the small domestic equipment market in Scandinavia.

OBH Nordica holds first rank positions in Nordic countries. The leader in toasters, kettles, blenders and hairdryers, with market shares approaching 30%, OBH Nordica is also very well-positioned in food preparation, steam irons, hair straighteners and vacuum packaging machines. In 2015, the company achieved sales of €66 million (SEK 628 million) having 7% market share by value in small electrical appliances in the Nordic countries. Already a leader in cookware in Scandinavia, Groupe SEB will boost its market presence and reach a critical size, improving its product strategy and deploying synergies between the two entities.

December

Increased ownership of Supor

22 December – Groupe SEB announced an agreement with Supor Group, the Su founding family's holding company, to purchase 50 million shares, which represents 7.9% of Supor's capital, at a unit price of RMB 29. This transaction follows the purchase of 10 million shares during the first half of 2015 and should be finalised by mid-2016, subject to the approval of the Chinese authorities.

Once the transaction has been finalised, Groupe SEB will hold 81.03% of the company and the founding family will hold 1.29%. Free float will account for the remaining 17.68%.

This new increase in its ownership of Supor does not change the effective control of Groupe SEB over its subsidiary but confirms the Group's confidence in Supor's ability to further expand on the Chinese domestic market and strengthen its strategic role in the Group's industrial footprint.

Award-rich year

January - Design Award from the International Forum (IF) in Hanover (Germany) for the Supor Fresh Breath pressure cooker.

January – 2015 "Top Human Resources Management Award" presented to Supor by 51job, the leading Chinese recruitment agency.

February - TOP/COM gold award in France for the Group's Employer Brand campaign.

March - Open Food System receives 2nd prize in the Innovation awards (Big Data 2015, Paris) for its real-time recommendation engine.

March - CSR Awards 2015 (Corporate Social Responsibility) for responsible consumption organised by the ESSEC Business School in Paris.

April - Innovation Awards at the Foire de Paris: Gold award for the Intense Pure Air purifier (Rowenta).

April - The Turkish Ministry of Customs and Trade awards the Best customer satisfaction prize to Groupe SEB Istanbul.

May - All-Clad wins the "Business Partnerships" category at the Champions of Learning Awards for its commitment to high-school students in the United States.

May - Asia Fan receives a special honour for "Best Employer" from the Ho Chi Minh City (HCMC) Federation.

June – 9th Purchasing Awards in Paris, winner in the "Modernisation of processes and purchasing performance" category.

June - Actifry Smart XL wins the Special Prize for cooking and household appliances in the "Connected Home" category at the 2nd Connected Products Awards (Paris).

July - The Euronics "Lifetime achievements 1990-2015" award presented to Groupe SEB in Amsterdam.

November – 2nd prize in the Law Awards – Corporate Edition, in the "Legal management of an international group" category (France).

December - Special commendation for "Health and Environment" in the Innovation Awards for Franco-Chinese Teams for the Intense Pure Air purifier.

January 2016 – Gold Trophy 2015 for Best Investor Relations across all categories, Paris.

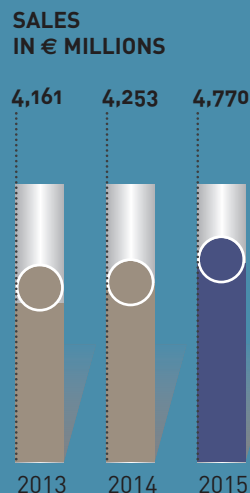
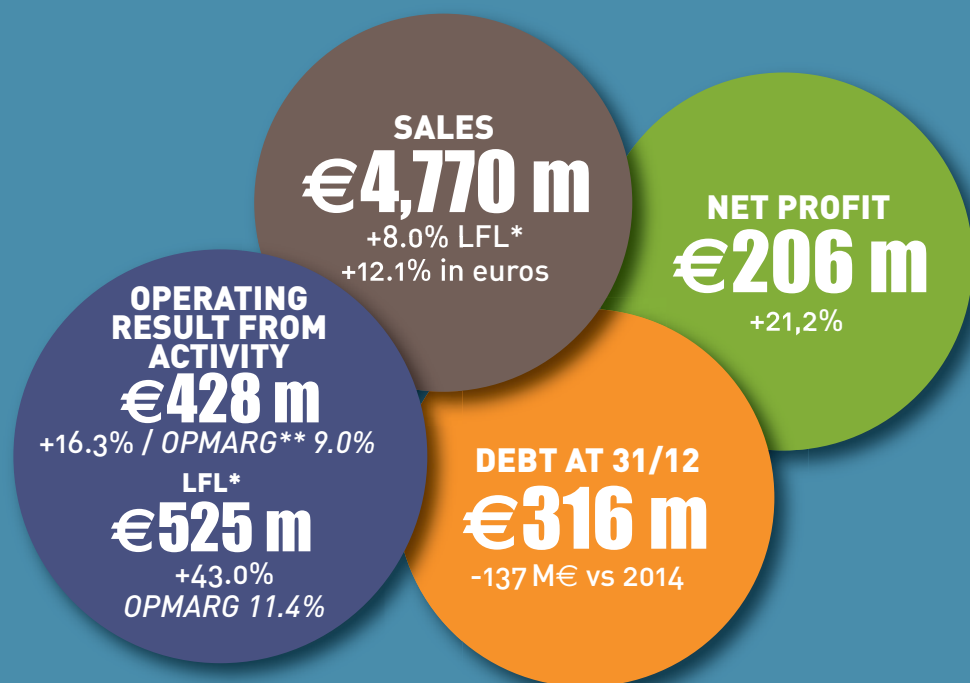


in facts

2015 was an excellent year for Groupe SEB.

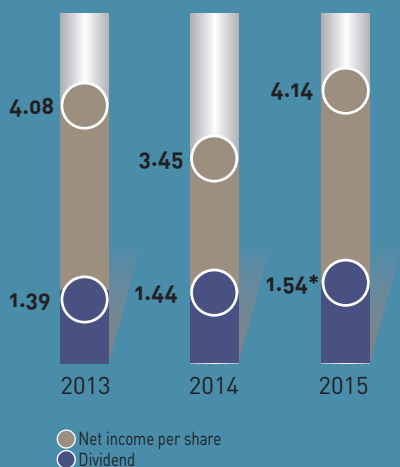
The very solid growth in sales stand from all major product lines, all regions and all distribution channels. It was supported by an enriched product dynamic and significantly increased investments in growth drivers.

The robust growth in Operating result from activity was mainly due to strong sales, price increases, constant competitiveness initiatives and strict cost discipline. In spite of sometimes highly complex market conditions and an unfavourable monetary environment, the Group has fulfilled its commitments and has greatly exceeded the performance targets it set itself at the beginning of 2015.



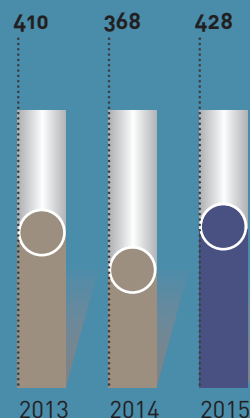
* like-for-like
 ** Operating margin

CHANGE IN NET INCOME PER SHARE AND DIVIDEND (IN €)



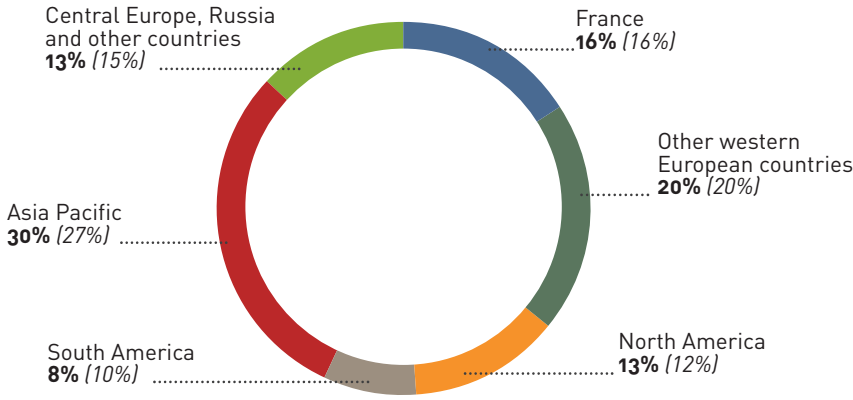
* To be proposed at the AGM on 19 May 2016

OPERATING RESULT FROM ACTIVITY IN € MILLIONS



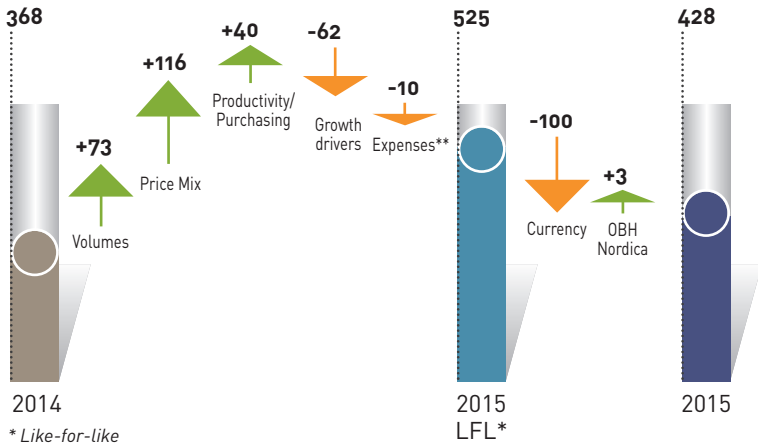
2015

BREAKDOWN OF SALES BY GEOGRAPHICAL ZONE



(2014 sales)

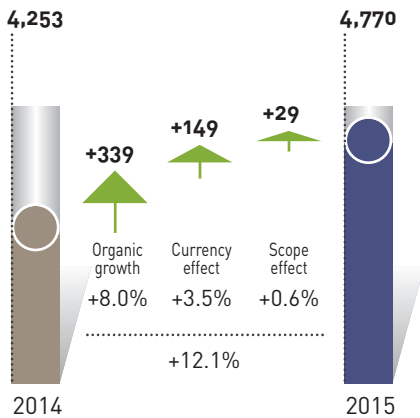
BREAKDOWN OF OPERATING RESULT FROM ACTIVITY



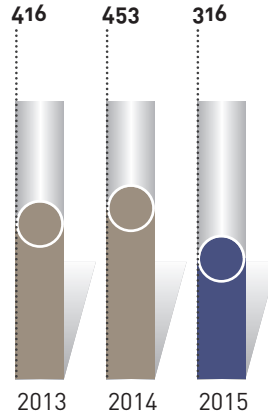
* Like-for-like

** Sales/marketing and administrative

CHANGE IN SALES 2014-2015 IN € MILLIONS



CHANGE IN NET DEBT IN € MILLIONS



At 31/12

Bond issue

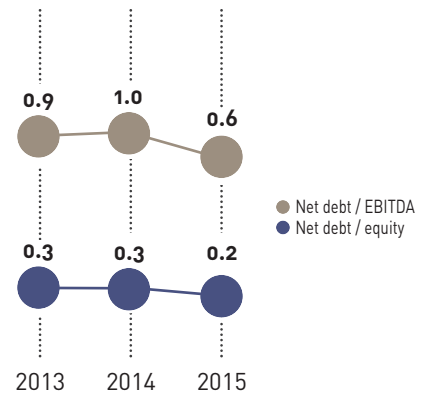
On 18 November 2015, Groupe SEB successfully issued its second bond. The 7-year (maturing 25/11/2022) €500 million bond, bearing interest at a rate of 2.375%, was five times oversubscribed by a diversified investor base. This once again attests to the confidence of the financial community in the strategy and outlook of the Group.

The bonds have been admitted to trading on NYSE Euronext Paris. Joint lead managers for the issue were BNP Paribas, HSBC, Natixis and Société Générale.

This issue enables the Group to:

- Secure the refinancing of the 2011 bond ahead of its June 2016 maturity date
- Extend the average maturity of its debt
- Take advantage of attractive financing conditions.

DEBT RATIOS



in figures



A man in a white dress shirt and dark trousers is leaning against a white wall. He is wearing a black belt and black shoes. He is holding a smartphone in his right hand and has a blue earpiece in his left ear. He is looking towards the left of the frame.

INNOVATION has always been an intrinsic part of the Group's values and it is one of the major factors behind its growth and differentiation. It provides the Group with the necessary lead over its competitors and enables it to stand out from the rest of the market. **Innovation breathes new growth into the Group.**

meeting your
expectations

Imagining the products of tomorrow

The Group's history is dotted with ongoing or ground-breaking innovations, comprising unique concepts, new functions and clever ideas. These new products and ideas have led to discernible progress in consumers' everyday lives. To fuel this momentum, the Group invests each year in strategic marketing, to target consumer requirements in the best possible way, and in R&D, to develop and refine a product offering that stands out from competition.



COMMITTED TEAMS

Groupe SEB's innovation strategy involves everyone, from the teams in the business units to staff at head office working in research, development, industry, purchasing, logistics, strategic marketing, design and

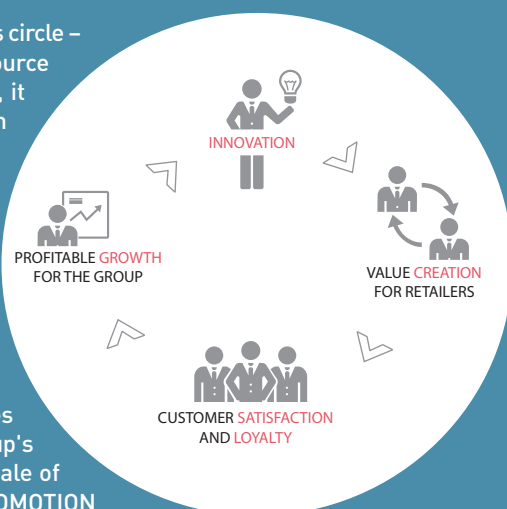
quality. This innovation community works very closely together to optimise the entire product range creation process, step by step. R&D teams have been built up considerably over recent years, both in terms of employee numbers and in terms of their profiles. This has included recruiting highly specialised engineers who supply expertise in new fields such as coatings and materials, connected products, motors, sensors, food engineering etc.

A virtuous circle

For Groupe SEB, innovation is part of a virtuous circle – creating value for retail clients and being a source of progress and satisfaction for consumers, it generates profitable growth which is then reinvested in innovation to keep the circle going.

The Group's Innovation process comprises 4 stages.

During the **EXPLORATION** phase, teams aim to put forward ideas and demonstrate that these ideas are viable for the future. The commercial feasibility of the concept is confirmed during the **DEMONSTRATION** phase. The **IMPLEMENTATION** phase involves the materialization of the project and the Group's investment in its development. Finally, the sale of the final product is what constitutes the **PROMOTION** phase.



STRONG GROWTH STRATEGIES

Innovation in the Group takes on many different forms and covers a particularly broad field of action. There are multiple issues to address, which may be specifically technological, such as materials (nanotechnologies, coatings, recycled materials etc.) or energy (batteries, consumption etc.), for example, or

Ingenio, functional design

Tefal offers a full range of kitchen utensils designed especially to ensure simple and clearly identifiable use. With strong visual codes – red/black – and soft silicone material that is heat-resistant to 230°C, users can immediately see the product benefits: protection for the hands, multiple functions, pouring spout, non-slip ring, easy disassembly etc.



they may involve design or marketing approaches (interfaces, ergonomics etc.).

Digital technology is also a priority for the innovation teams. Its development involves both the design of connected objects and the technologies they use (electronic components, connectivity, data management etc.) and an increasingly wide range of services to improve the user experience and optimise the results (development of applications, specific content etc.).

SEBLAB, THE IDEAS INCUBATOR

In 2014, the Group's Innovation community was equipped with a new space, inspired by Fab Labs, to allow it to enrich and accelerate the product offer creation process. The Fab Lab contains a vast range of equipment – 3D printers, laser cutter, thermoforming machine, electronic assembly facilities, CNC milling machine – allowing the team to bring their ideas to life in the form of prototypes very rapidly and to study

their feasibility. But going beyond the equipment, SEBLab also provides the community with a new way of working, enabling the participants



to come up with workable concepts and to deal with innovation issues through themed sessions that involve multidisciplinary teams working over several days.



DRIVERS BEHIND INNOVATION

€168 million
+7% LFL

15

SEBLAB SESSIONS
100+ PARTICIPANTS

107

PATENTS REGISTERED

215

"SOLEAU ENVELOPE"
PRELIMINARY PATENT REGISTRATIONS

Dr. Noreen Khan-Mayberry



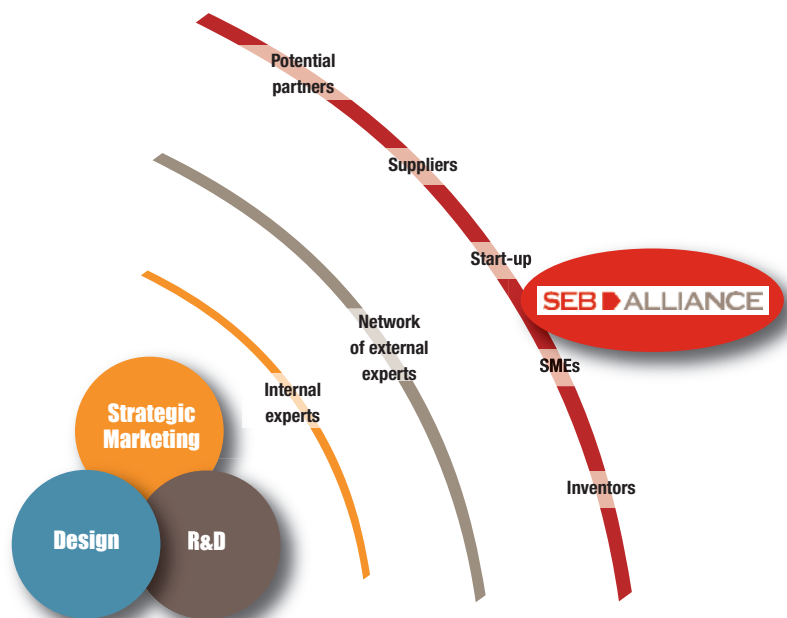
Intense Pure Air

The launch of the Intense Pure Air purifier in the United States in October 2015 received very select support. Dr Noreen Khan-Mayberry, a well-known scientist, was named the Expert Ambassador for this product. With 20 years' experience working in petrochemicals, microbiological chemistry and toxicology, she was the first female toxicology specialist at NASA, where she has been working on preventing the contamination of astronauts during space travel. As an ambassador for Rowenta, Dr Noreen Khan-Mayberry keeps consumers informed of the dangers of indoor air pollution and the purifying performance of the Intense Pure Air.



Expanding our field of action

Gaining a deeper understanding of consumers, mastering new technologies, anticipating major trends in society... thanks to its size and the nature of its business activities, Groupe SEB is evolving within an extremely large universe in constant movement, which requires an increasingly diverse and complex set of skills.



INNOVATION OPEN TO COLLABORATION

In order to gain a better understanding of today's world and remain at the cutting edge of its industry, Groupe SEB has relied for several

years now on expert partnerships and is involved in a number of study programmes in France and in Europe, allowing the Group to continue building on its skills and knowledge. As far as technology is concerned, the Group has developed partner-

ships with highly recognized schools and universities, with state or private research institutes, as well as with innovative start-ups. It has also forged strong alliances with major industrial groups (Nestlé, Heineken, L'Oréal etc.) with a double objective: develop new product categories, taking advantage of the combined expertise and knowledge of each party on one hand, reinforce its recognition and boost its sales and marketing capabilities on the other hand.

CONTINUATION OF THE OFS PROGRAMME

Initiated and coordinated by Groupe SEB, the French collaborative research programme Open Food System (OFS) was launched at the end of 2012 and brings together 25 public and private partners. It has developed technological bricks that will be integrated in future connected products and services offered by Groupe SEB.

SEB Alliance acquires a stake in SeniorAdom



Through its SEB Alliance investment fund, Groupe SEB is supporting SeniorAdom, a start-up offering new technology for remote support. Based on the automatic detection of any abnormal events in dependant people's life (fainting, falls etc.), this technology allows them to stay at home and therefore improves their everyday lives – a concept that is perfectly in line with the Group's mission.

The Electronic Business Group, a French organisation that encourages the sharing of experience on topics linked with the Internet, interactive marketing and new technologies, has launched the "Aces of Digital Transformation" programme, recognising the most emblematic projects in the digital sector. Open Food System was selected for its originality, its impact on the organisation and flexibility of the Group and its role has a differentiation lever for the Group



aims to provide rapid access to the market for innovative products that are aimed at making the ageing process easier and giving people independence. It has just been selected by the European Institute of Innovation and Technology (EIT, an independent organisation launched in 2008 to boost innovation and entrepreneurship in Europe) to set up the EIT Health community, which helps people to "stay healthy and active as they grow older".

NEW COMMITMENTS IN EUROPE

Facing up to the challenge of demographic change in Europe and enabling people to live longer and in better conditions – this is what InnoLife is all about. A consortium of prestigious European organisations – 144 companies, research institutes and European universities – in which Groupe SEB is very active, InnoLife



10%
OF SALES ACHIEVED
THROUGH PARTNERSHIPS

INNOVATE WITH GROUPE SEB

1 A DEDICATED WEBSITE
FOR INVENTORS

120 PROJECTS PER YEAR

Steampod,
the perfect combination of active ingredients,
the power of steam and the long-term action
of the anodised ceramic plates.

Steampod, an innovative partnership

Launched in 2012, the Steampod is a hair straightening system combining more than a century of know-how in cosmetics from L'Oréal Professionnel and the expertise of Rowenta in haircare appliances. In a rapidly expanding hair straightener market, the success of Steampod was once again reaffirmed in 2015 (50% growth in sales), in particular thanks to the launch of the second generation of appliances – thinner, lighter and easier to use. The Steampod is available from a select network of L'Oréal hair salons.

26,000 sales outlets in Europe this year.



Supporting consumers in their everyday lives



INVESTMENT
IN ADVERTISING
AND MARKETING

€390 million
+16% LFL

Groupe SEB's offering goes far beyond products. It also provides services, personalisation, tips, recipes.... and a full range of tools to support consumers as they use our products and better meet their requirements and desires, contributing to **better living** on a daily basis. The entire product experience, from purchase to after-sales service, should now be comprehensive and easy.

More than just a showcase for our products, our brand websites are chiefly oriented towards the consumer, offering content that is constantly being enriched. The new Moulinex website, for example, offers a wide range of services: recipes, tips and tutorials, pur-

RECOGNITION FOR BRANDS

The Group deploys a multi-brand strategy, which allows it to cover multiple consumer expectations all over the world. The brand also represents a guarantee of quality for consumers. Whilst each brand has a clearly defined identity with its own specific values, the choice of a brand within a country is based on a strategy that spans the business units and the market in question in order to optimise the presence of the Group.

In South Korea, for example, the Group has made a gradual shift from Rowenta towards Tefal in vacuum cleaners and beauty products in

order to capitalise on the recognition of the Tefal brand in the market, focus investment in growth drivers and strengthen partnerships with retailers. This change has been supported by marketing campaigns and has been very well received by customers and consumers.

THE INTERNET – A WINDOW ON CONSUMERS

Today, the vast majority of consumers consult the internet before buying an electrical appliance. Whether they look at brand websites, shopping sites, blogs or comparison websites, the Internet has become a key part of the purchasing process.



chases of spare parts, a community for discussing and sharing ideas and experiences. The Arno website in Brazil has also been revised recently to follow this same principle of offering accessibility and services. This has brought it into line with the model developed for Tefal in 2014.



60%
of visitors
to the
Tefal.com
website
access it
from a
mobile or
tablet.

Xavier Boldevezi
Vice President Business
Development
and Digital



“ Build our digital ambition

In 2011, the Group set up a Digital Workshop in response to the rapid development of connected products in our everyday environment and to gain a better understanding of technological developments (more powerful electronic components, mobile internet rapid expansion, increase in data processing and storage capacities etc.). The objective of this workshop was to prepare the ground for the integration of digital technology into the kitchen. Part of the Products and Innovation Department, it now has a staff of eight and fulfils three main objectives:

- To define and construct the global benchmark culinary ecosystem, working alongside business units, IT departments and internal or external experts;
- To develop new functions and services, working closely with strategic marketing;
- To research new possibilities and new technologies that will shape the kitchen of tomorrow.

Connected



Above all, offering connected appliances is about providing services, content and new consumer experiences, with the long-term goal of achieving an entire culinary ecosystem of interconnected products.

Connected to a smartphone or tablet, products benefit from a more user-friendly interface, provide better support for consumers as they follow a recipe and deliver a better result thanks to their new sensors. But connectivity should also make it possible to provide new services to go with the recipe: creating shopping lists, help with selecting menus suitable for family or friends, nutritional advice etc.

The applications on offer also allow the Group to gain a very precise understanding of its consumers, their habits, their expectations and any difficulties they may encounter when using appliances. This means it can then offer personalised suggestions and more relevant services.

COOKEO CONNECT, THE PIONEER AND THE FIRST SUCCESS

Launched in France in December 2014, Cookeo Connect was a new addition to the Cookeo family of multicookers, currently representing 20% of sales. Using the "Mon Cookeo" ("My Cookeo") app, users can choose a recipe, send it to the Cookeo Connect and follow the recipe step by step. With a friendly and intuitive interface, supported by photos and videos as well as information on cooking progress, the culinary experience is enriched, more fun... and more effective. Users can also make a shopping list or choose recipes according to their tastes or moods.

RÉVEIL CAFÉ: THE NEW MORNING COFFEE RITUAL

Tefal has launched its first connected filter coffee machine. Thanks to an extremely simple and intuitive



mobile application, it works as an alarm clock and starts making coffee at the same time! As soon as you get out of bed, your coffee is ready to drink. Users can also set up to 14 different programmes to suit their schedules and changes to routine: weekdays, weekends, holidays etc. Finally, the application also offers a number of other functions such as "SOS quantity", which guides users in the best way of measuring the quantity of coffee, or "SOS descale", which alerts users when it is time to descale their coffee machine.

ACTIFRY SMART XL: A NO-LIMIT COOKING UNIVERSE!

With its rounded design and large capacity, the Actifry Smart XL marks a new chapter in the Actifry saga and will once again revolutionise the way we cook. A dedicated application helps the user to prepare everyday meals. It controls the Actifry Smart for even more convenience and complete success with your cooking. The brand new feature of this model, which makes it more versatile, is the option of controlling the device entirely remotely, including during the preparation stage – cooking temperature, blade rotation speed etc. – for perfect, easy results every time.



Special prize in the "Connected Home" category for cooking and household appliances at the second Connected Products Awards organised by NPA Conseil.





Present in almost 150 countries worldwide, the Group is pursuing its strategy of long-term **INTERNATIONAL GROWTH** by combining a **global vision with a local approach**. Our in-depth understanding of the specific features of each market enables us to offer a range of products that is both universal and targeted, fulfilling the requirements of consumers all over the world.

everywhere
at your side



Europe SILENCE FORCE, THE MOST SILENT 4A VACUUM CLEANER



Meaningful **4A** guaranteeing:

- **Best cleaning performance** on carpets AND hard floors with slots;
- **Extreme filtration**, with a score ten times higher than the standard set by the Energy Label for dust re-emission;
- **Optimum energy consumption** and respect for the environment;
- **Unrivalled level of silence at this performance degree** with 66 decibels at maximum power and only 64 decibels in Silence mode, thanks to optimised flow of air and vibrations.



New Hygiene + bag

FOUR LAYERS TO RETAIN ALMOST 99.99% OF 0.3 MICROMETRE DIAMETER PARTICLES AND NON-RETURN VALVE FOR DUST.

Germany



THE GROUP'S PRODUCTS STAND OUT

The German consumer organisation Stiftung Warentest, the most influential in the market, conducts comparative tests of products and services available in Germany and publishes the results (magazine and website). A genuine reference for consumers, it is also a powerful catalyst for the growth of the products it recommends.

In 2015, **three products of the Group were awarded:**

- **"Test Winner" for the Tefal Gourmet Series** range of frying pans in February.
- **"Test Winner" for Tefal OptiGrill** and a score of "Gut" for the Family Grill in June.
- **"Test Winner" for the Krups Prep&Cook** (Cuisine Companion in other countries) in December.



France

CALOR EFFECTIS — PERFORMANCE, SIMPLICITY AND COMPACTITY

More powerful than steam irons, steam generators are also often considered to be expensive, cumbersome and complicated to use. The Effectis steam station from Calor has made a new niche for itself.

A result of the outstanding work carried out on miniaturising "high pressure tank" technology, Effectis is characterized by its compactness, whilst still offering the same ironing performance as its "big sisters", by its ease of use and a very attractive price.



5 bar pressure
for fast, effective
ironing

Netherlands

9-DAY TRADE FAIR: SMELLING, TASTING AND TESTING TEFAL PRODUCTS

- **Supporting consumers** in their experience of using its products;
 - **Being original** to set itself apart from the competition;
 - **Broadcasting the event** on the Internet and on social media to boost its visibility.
- These are the three key points behind Tefal's success at the "Huishoudbeurs" trade fair in Amsterdam, the largest of its kind in the country.

Tefal also launched a competition on Facebook ahead of the trade fair, leading to the selection of nine "Tefal women of the year". These women were invited to the trade fair as brand ambassadors and guests of honour to present their favourite products and share their experiences. It was an immediate success and received a great deal of coverage on the Internet.



45,000 visitors to our stand, 12,000 flyers handed out.
 Adverts viewed **1 million +** times, **1.3 million +** Internet users reached, 2,500 new fans on Facebook, **180,000** views for the videos.



UK

INGENIO, VERSATILE AND SPACE-SAVING

In a highly competitive market, Tefal is reaffirming its expertise in the sector of cookware with removable handles. With Ingenio, the kitchen is becoming a new playground – from the hob to the oven, to the table, to the fridge and even to the dishwasher, thanks to its brand new 100% resistant handle, designed for perfect handling and guaranteed for ten years!

What's more, Ingenio has once again received the support of the **Good Housekeeping** research institute, an eminent test laboratory for household products.



France

TITANIUM PRO — THE HIGH-RESISTANCE NON-STICK INNOVATION

Tefal has always been a benchmark in non-stick cookware and has now invented Titanium Pro, a coating reinforced by a hard titanium base. This exclusive and patented technology is guaranteed to last twice as long as standard coatings (Tefal Intensium, for example). Metal utensils, abrasive sponges, cooking at high temperatures, intensive use ... **Hard Titanium withstands the most extreme situations.**

Supported by a wide-scale advertising campaign mainly on the Internet, high-impact packaging and additional in-store publicity, Titanium Pro is THE success of the year in all the countries in which it has been launched.

LASTS **2X** LONGER



USA

X-CEL STEAM, STEAM ON HAND

In a very dynamic garment steamer market in the USA (19% of the linen care market), Rowenta launched the X-cel Steam, the most efficient hand-held steamer in its category. With unrivalled garment steam power of 22g/min, ultra-fast heating in 45 seconds and a large steam head, the X-cel Steam is the ideal companion for fast, efficient everyday crease removal from all types of clothing. Among the product's other advantages: – large-capacity removable tank, stable base for standing in a vertical position, hook for hanging up, low weight and ease of handling... This garment steamer will gradually be rolled out in Europe under the name of Access Steam, meeting expectations of consumers who want an alternative to traditional irons and steam generators.



USA

OPTIGRILL "OPRAH'S FAVORITE THINGS 2015"



Every year, the former superstar of American chat shows draws up the "Oprah's Favorite Things" list that fulfil a set of well-defined criteria – beautiful, useful, affordable – and would make great gifts. In 2015, OptiGrill was one of the 87 new products in her list of more than 500 products.

USA

HIGHLY SUCCESSFUL ALL-CLAD CLEARANCE SALES



All-Clad organised two major clearance sales in June and December, selling off seconds at reduced prices directly to the public. They were a huge success, with the December event attracting more than 8000 visitors and selling 27 products a minute. The record sales also allowed the company to make a 15,000 dollar donation to the Make a Wish Foundation.



USA

2015: A VINTAGE YEAR FOR ALL-CLAD

2015 was a very good year for All-Clad cookware with several major new launches and extremely strong commercial momentum. The brand's impetus was particularly intense in its new anodised ranges, which are sold exclusively through specialist stores with premium positioning:

- NS1, the black anodised range available exclusively at Williams Sonoma's, with the added advantage of a "lifetime guarantee";
- The B1 anodised range, available exclusively at Bed, Bath and Beyond's stores.

All-Clad also continued its expansion on the Internet, with a successful promotion of the stainless steel Masterclass on Amazon.



Brazil

POWER AND SILENCE FOR NEW FANS



In Brazil, fans are used intensively and demand grew in volume by 18% a year between 2009 and 2014. With 60 years of experience in the field, the category leader Arno launches its new generation Silence Force range:

- Offering enhanced performance and cooling, its ventilation power is **40% higher** than that of competing products thanks to the optimum combination of its 6 blades, new patented grills and a motor that is 55% more powerful;
- Even more silent: Silence Force is the quietest appliance to offer this level of performance;
- Even more elegant and stable with improved ergonomics.



Brazil

DOLCE GUSTO, THE SUCCESS STORY CONTINUES

With more than 480,000 units sold in 2015 in Brazil, the world's leading coffee producer, the success of the Dolce Gusto multi-beverage concept is ongoing. And the story continues with the brand new Drop machine, featuring a futuristic design inspired by the shape of a drop of coffee, a touch-sensitive interface, seven dosage levels... with so many benefits and the support of a wide-scale advertising and marketing campaign, the Drop is all set to become the new flagship high-end model for Nescafé Dolce Gusto.



Colombia

TRIFORCE, THE NON-STICK COATING BY IMUSA

What is as tough as a knight in armour? Triforce, the new non-stick coating by Imusa, lasts up to 3 times longer than its predecessors* and its triangle shape is reminiscent of the brand's logo.



Launched on the market in 2015, Triforce has benefited from extensive marketing support, especially in stores but also on the Internet, where consumers were invited to put their old frying pans "into retirement" and talk about their "special moments" with them!

A fun incentive for people to replace their old equipment!

Triforce has also benefited enormously from the support of chef Jorge Rausch, famous for his prestigious restaurants and recipe books and a judge on a popular TV programme.

* Compared with the Innova range from Imusa



China

I LOVE MOM TV SHOW

Supor was the exclusive partner for the reality TV show "I love Mom", a programme about wonderful stories of love and sharing between mothers and their children broadcast on CCTV. Chinese, Korean and Taiwanese celebrities (actors, singers, sports stars etc.) have appeared on the show. The brand's products featured heavily in the participants' kitchens and benefited from excellent visibility.

The event generated great enthusiasm on the Internet and Supor came up with a massive viral campaign for the occasion, promoted in store and on Internet shopping sites (Tmall, JD, Vipshop Brand Day), with a specific focus on products and promotions.

- 5 viral videos with 3.4 million views
- 1.3 million views on WeChat
- More than 9,000 Supor corners in stores



China

IH SPHERICAL NAMED "BEST RICE COOKER" ON CHINESE TV



Consumer Advocates, a very popular television programme broadcast in China on CCTV-2, has carried out a major test of rice cookers made in China and Japan involving a hundred or so consumers. After several blind tasting sessions, the Supor IH spherical rice cooker was chosen as **the best in its category** in terms of both cooking results and taste. It also stood out because of its quality/price ratio. The two secrets behind this rice cooker are the innovative spherical interior bowl and uniform heat distribution.



Australia

HERITAGE, A LITTLE TASTE OF FRANCE ON YOUR PLATE

Heritage brings the French chef cooking experience to your home! This premium range with an elegant, contemporary design ensures meals are cooked perfectly, with optimum heat diffusion, a non-stick coating and materials especially selected for their outstanding durability. Benefiting from the support of chef Guillaume Brahimi, Heritage has been hugely popular with Australian consumers.



HERITAGE
French Heritage 1956



China MOBILE PURCHASING

For Chinese consumers, their mobile phones is an essential piece of everyday equipment. For brands, mobiles have become an excellent showcase, thanks both to instant messaging and the wide range of services on offer. For Supor, mobile commerce has become a major opportunity for growth. To make the most of this, Supor relies on dedicated ranges and powerful retail partners such as Tmall, especially for "cut price" days offering promotions that are a real draw for mobile Internet users.

AUGUST 2015 70% of Supor's online sales
WERE STEMMING FROM SMARTPHONES

Japan

CONTINUED DEVELOPMENT OF HOME & COOK STORES

The Retail activity, responsible for direct sales of Groupe SEB products and stock clearance, represented **6% of consolidated turnover in 2015**. The Group has more than 1,000 stores worldwide, over 700 of which are in Asia.

In Japan, where the concept has been a huge success, the Group has continued the expansion of its Home & Cook network: 6 new stores opened in 2015, bringing the total to 24, mainly located in shopping centres and outlet villages. Visitor number sales are accelerating strongly.



South Korea

TEFAL "HOME COOKING CONTEST"



Tefal has organised the fifth edition of its Home Cooking Contest, which aims to promote **home cooking and the pleasure of sharing healthy and tasty meals as a family**.

From August to October, participants were able to post their recipes and photos on a dedicated Happy Tefal website. 20 teams were selected by a jury of cooking experts out of 337 registered to come together for a final contest involving making their own "home-made" recipes using Actifyr and Titanium cookware. A major on and offline marketing campaign was rolled out to maximise coverage of this event.



Russia WINNING PARTNERSHIP WITH RETAILERS

In 2015, Tefal introduced a major project with its retail partner, Eldorado, the largest chain of specialist stores in the country, with the aim of promoting its range of cookware in Russia while at the same time enhancing customer relations. This project was materialized in stores, with 200 retail spaces throughout the country dedicated to the Tefal brand. The campaign enabled to clarify the segmentation of the range, brought added value to the category and its innovations and provided support during the shopping process, encouraging impulse buys.



India TELESHOPPING RECORD

On Independence Day, celebrated on 15 August in India, Maharaja Whiteline launched a saffron-coloured juicer/blender exclusively available from Shop CJ, the country's leading tele-shopping channel. With **12,000 units sold in just three days**, the campaign beat all sales records and allowed the brand to benefit from excellent visibility, which it will rely on for the launch of future new projects.



Turkey A NEW CONCEPT FOR OUR OWN STORES

More than 150 own-brand stores, the great majority of which are located in shopping centres, constitute an essential driver for consolidating our leading position in Turkey. In order to boost our stores' attractiveness and our competitiveness still further, a brand new store concept has been introduced – Tefal Home & Cook, the first of which opened its doors in Ankara in the spring. More modern, more open, brighter... all the details are designed to create the best atmosphere for consumers. 30 or so stores were modernised in this way in 2015.



Close to consumers' expectations

From the creation of a product to its market launch, the Group aims to place the consumer at the centre of its approach to innovation and at the heart of its mission. With this in mind, we strive to establish and maintain a permanent dialogue with our consumers.

Hence, Groupe SEB relies on a recurring series of test protocols based on an ethnographic methodology – observing consumer habits in situ – or “Usage and Attitude” studies broken down by product category and by geographical zone. Measuring the perceived image of our brands is also a key factor to adapt our product offering to local demand.

In 2015, the Group also intensified its observation of the Internet and social networks to collect and analyse comments posted spontaneously by consumers, about their experiences of using our products. This approach is essential for optimising and adapting our offer to meet consumer expectations.

A BENCHMARK COMMUNITY

At the same time, the Group relies on a community of consumers in France, constituting a reference panel that is representative of the market. Through this concept, the Group aims to gain a deeper understanding of its consumers by proposing new ideas, getting them involved in the creation of concepts and asking them to test our products. Since this means they are involved at an early stage of the product innovation process, these consumers will then also become natural ambassadors for the brands.

UNDERSTANDING THE PURCHASING PROCESS

70% of purchasing decisions are made at the point of sale. Observing shoppers is therefore a key stage in the market launch of a product, enabling us to provide them with the information they need to help trigger the decision to buy – shelf layout, in-store advertising, product packaging etc. To achieve this, the Group carries out surveys or direct observation in stores to find out what paths are taken by consumers before they make the decision to buy – the role of the Internet and social networks,



the impact of advertising, other influencing factors, etc.

KNOWING OUR CONSUMERS

Our consumers are numerous, diverse and paradoxical! As there are many different cooking traditions throughout the world and everyone has their own way of carrying out everyday tasks, it is difficult to identify a typical consumer profile for small domestic equipment. Today's expectations and requirements oppose as well as complement one another – refocusing on tradition and searching for modernity; thinking of the future without giving up the present; fostering human values whilst being ultra-connected; reconciling pleasure with health; taking one's time yet wanting immediacy; combining global vision and local living; staying within normality yet still being unique; doing things yourself but keeping it simple... these paradoxes provide the Group with a wide range of opportunities for innovation and personalising our products and services.





With 72% of its products manufacturing in-house, Groupe SEB stands out as an exception within a competitive environment in which outsourcing production is the norm. This is a winning strategy, which brings together **INNOVATION, TECHNOLOGICAL KNOW-HOW AND INDUSTRIAL EXPERTISE** to boost our competitiveness and enable us to constantly improve our customer service.

A man with short brown hair, smiling, is wearing a bright blue long-sleeved jumpsuit. He is standing next to a yellow forklift in a factory or industrial setting. The background shows various pieces of machinery and equipment. The text 'Leverage our expertise' is overlaid on the image, with 'Leverage our' in orange and 'expertise' in large white letters.

Leverage our
expertise

Optimising our industrial facilities

Groupe SEB's approach to operational excellence – Operation Performance SEB – was set up in 2010 with the objective of improving the overall performance of its industrial facilities and related departments by reducing costs and adding value for its retail customers in terms of service quality, flexibility, speed etc.

BECOMING MORE COMPETITIVE

In order to secure and optimise the competitiveness of its manufacturing base, the Group continuously adapts its factories, taking the economic reality of the markets into account—adjusting production volumes or rescaling a site, transferring business activity from one entity to another, redeveloping plants, maintaining strict control over manufacturing costs, realigning production and using sourcing according to requirements.

In Brazil, where the economic context is challenging, the Group has continued to reorganised its industrial tool accordingly. It has rationalised cookware production on the



one hand, and scaled up the Recife factory on the other, focussing on fans, blenders and semi-automatic washing machines. In Colombia, the transfer of activities from Copacabana to Rionegro has led to a boost in productivity (increased volumes

and reduced production costs), an improvement in working conditions for employees (safety, modern facilities) and a reduction in overall nuisance (neighbourhood, environment).

COST CONTROL

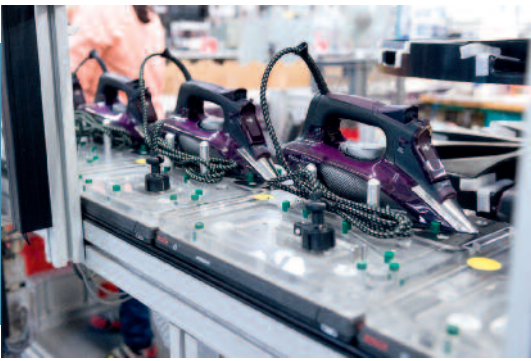
With a view to continuously improving production costs, we have been focussing on the PCO (Product Cost Optimisation) tool: this allows the value of products to be analysed so that the best possible balance between specifications, product design and cost price can be achieved.



Shanghai, shared technical platforms for steam generators

The Group has a high-performance plant in Shanghai producing multiple products. This year, the factory has put in place shared production platforms for its new steam generators. Based on

the same technical specifications, the Group has adjusted the industrialisation of the Effectis and Compact Steam units by standardising the technologies used and implementing late differentiation of the external appearance. This has resulted in more flexibility in production, cost reductions and shorter development times.



Erbach, reintegration of plastics processing

The Erbach factory in Germany, which specialises in Rowenta irons, relies on specific skills in terms of plasturgy, such as injection and colouring. To reduce supply times and costs and improve responsiveness and flexibility, the industrial teams have decided to bring the injection of a number of plastic parts for the irons back in-house. This has also led to the enhanced performance of the factory.

1.5 million + parts per year

To do this, the tool uses a method based on in-depth examination of products and feedback from consumers during workshops involving multidisciplinary groups (including experts from R&D, Marketing, Design, Production etc.) to challenge existing solutions and invent new ones.

These workshops have led to action plans including in particular the introduction or extension of the technical platforms concept.

ADAPTING WORKING METHODS

Lean, 6 Sigma, theory of constraints... Groupe SEB has chosen to offer a number of recognised systems and methods to deal with any issues that may come up. According to their own individual cases and levels of maturity, each factory can use these shared guidelines to contribute to the Group's approach to improving performance. Beyond the choice of model, the key success

factor of the approach is the adequacy with the situation – performance, safety, quality etc.

**3 methods,
almost 280 tools**

BETTER PURCHASING

Upstream of the production process, our suppliers are key partners in the Group's industrial performance. In order to improve productivity and reliability, the Group selects the most competitive suppliers in terms of both costs and quality standards in the broad sense. It gets them involved right at the start of its approach to improvement – introduction of shared communication tools, better anticipation of requirements, responsibility.

Whether it is dealing with production purchasing (raw materials and components), non-production purchasing (transport and logistics, services etc.) or the purchase of outsourced



finished products, the Group's Purchasing Department has introduced a centralised organisation allowing it to consolidate volumes, standardise materials and components and optimise negotiations with suppliers. This pooling of purchases ultimately leads to more flexibility between manufacturing sites.



SOURCING

28%

CAPITAL EXPENDITURE

€121 million

29

INDUSTRIAL SITES



People at the heart of progress

Whilst applying methods is key to improve industrial performance, the involvement of employees and their support for the programme are absolutely crucial and essential to ensure successful implementation of our operational projects.



EMPOWERING TEAMS

Groupe SEB operational excellence programme (OPS) relies on team-work dynamic, placing people at the heart of the system. The principle is based on getting everyone involved in detecting and resolving problems. Each site has therefore reviewed the way work is organised to allow each individual to make their own contribution and be given enough auton-

omy to find a solution to any problems encountered on a daily basis, or to get from their superiors the necessary support when required. Giving employees the potential to innovate, create and come up with tangible improvements to processes is in fact just as important as cutting costs. By making the most of each individual's skills to define the processes of the future, the Group can ultimately offer its customers a

new service and a guarantee of lasting satisfaction.

All employees are kept up to date with the actions that have been implemented via a simple reporting and communication system. Sharing experiences, both within and between sites, is essential for the construction of a shared industrial culture. To achieve this, the Group organises an annual OPS Challenge, which aims to reward the best practices of the year and also provides a forum for exchange, where each site is invited to present the progress it has made.

This simple approach, which is easy for everyone to understand, encourages commitment and empower-

Daily meeting at the Is-sur-Tille site to share experiences, suggest improvements and coordinate actions.



ment of employees at all levels of the organisation.

ENCOURAGING AGILITY AND VERSATILITY

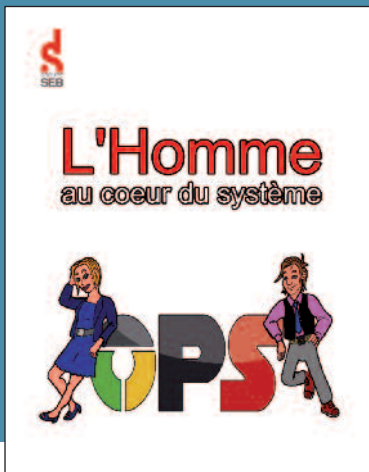
Groupe SEB's industrial flexibility also draws on the ability of individuals to question themselves and be open to exploring new ground. Thus, the Group aims to encourage the versatility of its teams, in particular that of unqualified workers, for example by offering them the chance to find out about a different position, expand their skills or validate the know-how they have acquired. In doing so, the Group ensures it has efficient and multidisciplinary teams, ready to mobilise and deal with the demands of productivity and variations in workload, whilst also ensuring the health and safety of its employees.

Diversity in the workplace is also a strong driver for motivating and involving staff, benefiting the entire production line. This is supported by a wide-scale internal training plan.

MEASURING PROGRESS

An approach to operational excellence must have a certain measure of maturity so that it can learn and make progress smoothly, whilst also targeting performance and defining a vision. Sometimes the drive to make progress is strong and sometimes it needs to be encouraged, but the objective must always be clearly defined right from the start and re-

main a priority for all employees. In its OPS approach, the Group motivates its teams to commit to a path towards progress and excellence. It has established evaluation grids and performance indicators that enable it to define objectives, measure how far they have been achieved, share experience with other users and make comparisons to maintain constant forward momentum.



Education and humour to convey the message

As part of an educational approach, teams working at the Saint Lô site (France) were involved in publishing a cartoon to remind everyone of the fundamental principles behind OPS. The cartoon was produced internally by Emmanuel Adam, Automated Systems Operator (storyboard and drawing), Arnaud Jouet, Maintenance Technician (storytelling and colour), François Lechat, Site OPS Manager (storytelling and coordination), and Frédéric Goncalves, Group OPS Manager (storyline).

The objective of this cartoon is to explain the construction and originality of the OPS programme while showing how this model of excellence has been deployed.



Creating value for our customers

The pursuit of our growth also relies on a closer, deeper relationship with our retail clients, who play a fundamental role in our business model. Aiming to become our customers' preferred supplier, the Group is constantly striving to improve its offering of products and services, optimise its sales strategy and better capture shoppers' purchasing potential. To do this, the Group refines its management of key accounts and develops a closer relationship with them in the field.



AS CLOSE AS POSSIBLE TO OUR CUSTOMERS

Within Groupe SEB, this is a fundamental premise that is currently applied to more than 60 customers in almost 40 countries worldwide. The objective is to boost sales by aiming at execution excellence – in terms of commercial strategy and logistics, of course, but also in stores through marketing and category management. Bringing sales outlets to life with demonstrations, dramatising the product offering, carrying out promotional campaigns, recommending an assortment (in terms of quality and quantity), reorganising and managing shelves and displays,



TOP 30
CUSTOMERS
45%
OF SALES



Groupe SEB Istanbul has become the 22nd market to join the Trust community, a project introduced in 2010 to improve sales forecasting and supplies management by encouraging dialogue between business units and markets.

getting involved in loyalty programmes.... all these actions, which were intensified significantly in 2015, contribute to the growth in our business and the strengthening of our positions in the markets.

GUARANTEEING A HIGH-PERFORMANCE SUPPLY CHAIN

The Group's supply chain is controlled at a global level and aims to improve customer service constantly by finding the right balance between logistical performance and the cost of stocks. By streamlining stocks of finished products and optimising the quality of these stocks, the Group maintains its competitive edge, whilst also enhancing its customer service to ensure their satisfaction.

In 2015, the emphasis was put on improving the quality of weekly deliveries. Monitoring the PAPI (Production Achievement Performance Indicator), which compares the quantities forecast at the beginning



of the week with the quantities actually produced in the same week, revealed a very clear improvement in the Group's planning process this year and reflects the discipline introduced at an industrial level.

FINDING DIFFERENTIATING SOLUTIONS

The Group's leadership also relies on its ability to innovate in the methods and processes it puts in place, so that it can offer its customers a wide range of differentiated products and solutions.

In cookware, for example, the Group is constantly coming up with new ideas that go beyond its ongoing work on non-stick coatings. In Rumilly, it has acquired a brand new colour inkjet printer enabling it to print complex patterns, resistant to heat and abrasion, on the enamel of its frying pans. This unique technology offers a large potential for personalising pans and is a great way of offering customers special promotional ranges with graphics creating a powerful impact for promotional campaigns, special events or loyalty programmes.

+ flexible

In a context in which global demand for small domestic equipment is generally quite promising but is also constantly changing, industrial flexibility is a key driver for performance and customer satisfaction.



IN PRODUCTION

Upstream standardisation enables us to reduce the variety of components and sub-assemblies and to improve our anticipation of procurement.

Advantages: improved performance in the production chain, late differentiation.

> *Delivery times for firm orders halved in two years*



IN THE DEVELOPMENT STAGE

A large number of products are now developed using shared technical fundamentals, which are set for several years and can be used for several different brands. Some projects, especially the most innovative ones, obviously cannot be made using existing technical fundamentals.

Advantages: shorter development times, reduced investments and secured quality of new products.

WITH SUPPLIERS

Higher standardisation enables us to increase the volumes ordered from the same supplier. Factory responsiveness also relies on reducing the supply times from suppliers.

Advantages: better prices, easier transfers between factories

> *Blenders: from 21 different types of motor, purchased from 13 different suppliers, in 2014 we have streamlined our procurement to 5 motors from 3 suppliers.*



WITH CUSTOMERS

Improvements in customer relations are a result of the reliability of our sales forecasting, strict industrial discipline, reductions in delivery times and our ability to manage unexpected events (safety parameters in stock management)

Advantages: customer relationships based on trust, responsiveness, differentiation from the competition.

> PAPI* indicator increased from 50% to 90% in 2015.



*Product Achievement Performance Indicator





actions to benefit everyone

Since the very beginning, Groupe SEB has always associated its performance with its responsibility towards its stakeholders. It has often been a pioneer, especially in social concerns. Now the world reference in small domestic equipment, the Group remains true to this growth concept, which these days is known as **SUSTAINABLE DEVELOPMENT**.



Sustainable Development week

Every year, this event presents a special opportunity to raise awareness of sustainable development amongst employees. In 2015, it was organised on a global scale with climate change as the theme. A wide variety of activities took place during the week – lectures and debates, initiatives aiming to improve the energy efficiency of commercial sites, activities focussing on cooking and leftover food, photographic exhibitions etc.

Shifting the lines

Groupe SEB's ambition is to continue to place the principles of sustainable development at the very heart of its business. It focuses its approach on five main priority areas, which are subject to long-term action plans. These action plans direct and define the activities of our teams, under the guidance of the Sustainable Development Department.

DRIVING MOMENTUM

The Sustainable Development Department drives and coordinates a participative approach. To achieve this, it relies on a dedicated Steering Committee, regular meetings with business sector managers and a panel of external stakeholders. In the field, the work is carried out by a network of local CSR¹ representatives from the Human Resources department. This network received a boost in 2015 with the appointment

of sustainable development coordinators for each continent.

EXPANDING THE SCOPE

In a spirit of openness, the sustainable development steering committee took part in a Learning Expedition to London in 2015. During this study visit, they were able to find out about the achievements of several major companies (Kingfisher, Marks & Spencer, Interface, etc.) in combining business with sustain-

able development. They were able to see some innovative examples, as well as hear from renowned experts in the circular economy (Forum for the Future, Ellen MacArthur Foundation) and NGOs at the leading edge of the subject (Oxfam). Following on from this inspiring seminar, the steering committee established a dozen proposals for definitive measures to push forward the integration of sustainable development in Group activities.

¹ Corporate Social Responsibility



Socially responsible investment

Several non-financial rating agencies evaluate Groupe SEB's CSR performance and have included the Group in their SRI (Socially Responsible Investment) indices. These include Vigeo (Europe 120 and Eurozone 120 indices), Forum Ethibel (Pioneer and Excellence registers) and Ethifinance (Gaïa index). The Group is also part of the Oekom and Sustainalytics study panel.

Ensuring the Group's ethical principles are respected

2015 ACHIEVEMENTS

Introduction of a plan for ethical, social and environmental audits, with the main objective of checking the social compliance of factories situated in risky areas.

134 audits carried out amongst suppliers by Intertek.

2016 OBJECTIVES

Conduct ethical, social and environmental audits at Groupe SEB factories located in risky areas.

Audit around 150 suppliers per year in order to cover the entire panel in 4 years.

Pursuing a social responsibility policy

2015 ACHIEVEMENTS

More actions to encourage women to take on technical positions.

Reduction in the Lost Time Injuries Rate (LTIR): 2.2 in 2015 compared with 2.8 the previous year.

2016 OBJECTIVES

Introduce a collaborative approach to encourage professional equality (participatory launch forum on 31 March 2016)

Reduce the lost time injuries rate (LTIR) to 2.0.

Develop e-learning programmes on a worldwide scale (e.g. Digital Academy).

Developing territories and community commitment

2015 ACHIEVEMENTS

Internationalisation of the Charity Week employee volunteering event.

€2,854,641 allocated to corporate philanthropy (endowment fund and subsidiaries).

2016 OBJECTIVES

Continue the global roll-out of corporate philanthropy activities.

Creating sustainable innovations to meet consumer needs

2015 ACHIEVEMENTS

Launch of the "10-year repairable product" programme in France.

In France, cause-related campaign with money-off coupons given to consumers in exchange for their used pans. For each pan purchased as part of this operation, part of the sales price is donated to the WWF to support their responsible eating campaigns.

2016 OBJECTIVES

Global roll-out of the "10-year repairable product" programme.

Create new content / products / services to encourage more responsible eating.

Reducing the environmental impact

2015 ACHIEVEMENTS

Internationalisation of the "One eco-innovative project" for each logistics site and factory.

Roll-out of the eco-design guide in China.

Market launch of the first products using recycled plastic from WEEE.

2016 OBJECTIVES

Groupe SEB has set itself four objectives to achieve by 2020:

- Minimum of 20% recycled materials in new products;
- 20% reduction in the energy consumption of new products;
- 20% reduction in greenhouse gas emissions for the transport of products (per unit transported);
- 20% reduction in the energy consumption of production sites

5 major challenges,
one action plan

Ensuring ethics are respected

Code of Ethics, Responsible Purchasing Charter, ethical, social and environmental audits... Groupe SEB ensures that its ethical principles are respected in all countries throughout the entire value chain.

300 INSPECTION POINTS

Each year, the Group audits around a quarter of its panel of suppliers of raw materials, components and finished products to ensure they fulfil its corporate, social and environmental requirements. These audits are carried out by a specialist firm (Intertek) which reviews 300 inspection points. In 2015, 134 initial audits were carried out in Asia, South America, Europe and Turkey. Significant non-compliances were detected at seven suppliers, mostly linked with working hours. They have all committed to taking the necessary corrective measures within the framework of the procedure outlined by the Group.

THE GROUP'S FACTORIES ARE CONCERNED AS WELL...

To assess the practices of its own teams with regard to Human Rights, the Group has been using the HRCA (Human Rights Compliance Assess-



ment) Quick Check and CBSSC (China Business and Social Sustainability Check) self-assessment tools for the past seven years. In 2015, the Group decided to move on to the next stage by applying the same process of ethical, social and envi-

ronmental auditing used for its suppliers to its own factories situated in risky areas*, using the same external audit company. These audits will be carried out from 2016 in the Group's factories in Colombia, China (SSEAC) and Vietnam.

* Risky areas as defined by Maplecroft in its Human Rights Risk Index. Excluding Supor, which is committed to the SA8000 certification process.

The Supor factory in Shaoxing (China) received the SA 8000 certification in 2015, confirming that the site respects fundamental labour rights. All the Supor sites are committed to this approach.



New arrivals to the Group are presented with the **Code of Ethics**. Several campaigns to raise awareness of this Code were organised in 2015, particularly in Asia (Japan, Hong Kong, Taiwan, Singapore, Vietnam etc.).



GOING BEYOND THE DEMANDS OF COMPLIANCE

Initiated in 2014, the Beyond Compliance approach is based on mapping the social and environmental concerns for Group purchasing to identify areas where improvements can be made. This has resulted in the inclusion of environmental and social clauses in invitations to tender. For example, the company FM Logistics France, which manages the Group's logistics, set up an "Adapted Enterprise" (*Entreprise Adaptée* or EA) within its platform near Orléans in France. Another example, this time relating to environmental concerns, involves the Pont-Evêque (France) factory, where suppliers of polystyrene blocks for

protecting products in their packaging recycle any broken or damaged blocks.

BUYERS MADE AWARE OF SUSTAINABLE DEVELOPMENT

More than 300 people worldwide belong to the Group's Purchasing teams. To give this community a boost, the Purchasing Department uses one-hour Web Forums, organised on a monthly basis to cover specific themes. The November 2015 Web Forum was dedicated to the implementation of sustainable development in Groupe SEB purchasing, with a focus on ethical, social and environmental audits. It was led by the Group's Sustainable Development Director.

134

ETHICAL, SOCIAL AND ENVIRONMENTAL AUDITS OF SUPPLIERS*

150

EMPLOYEES OF OUR SUPPLIERS TRAINED IN THE AUDIT POLICY

€2.6 million

SPENT ON SUB-CONTRACTING USING THE SERVICES OF THE PROTECTED SECTOR IN FRANCE

* Raw materials/components and finished products

Sandrine Buecheler
Director of FMEA



Disability is no handicap

FMEA, an adapted enterprise created by FM Logistic France, was set up to help people with disabilities return to work. Groupe SEB has played a crucial role in the creation of this structure, by guaranteeing strong turnover for our company over the long term. We now employ six people on permanent contracts, compared with just two when we started up in July 2015, and we would like to build up our business still further to double our workforce over the next two years. To respond to the difficulties encountered by the people we recruit, we have

invested in some special equipment – adapted chairs, a gripper at the start of the line etc. For us, disability is no handicap – we don't deny that people have difficulties but we work to ensure they can be lived with on a daily basis in an ordinary working environment."



Moving forward together

The Group has more than 26,000 employees in almost 150 countries worldwide, a community that benefits from a rich diversity of skills, experience and origins. To maintain the collective approach that makes it a success, the Group focuses on developing skills and motivating its teams around a shared vision of its values and strategy.

A REFERENCE SYSTEM OF MANAGERIAL SKILLS

To assess and support its staff in their professional development, the Group uses a harmonised set of career management tools, which it is gradually expanding. A Group reference system of managerial skills was finalised in 2015 and will be incorporated in the grid for the Annual Appraisal Interviews. Based on the Group's management values and practices, it defines the set of skills that are expected from a Groupe SEB manager in a common lan-



guage which is understandable to everyone.

DYNAMIC CAREER PATHS

When filling positions, the Group encourages internal promotion – in 2015, 94% of key positions are filled

through internal promotion. External recruitment is mostly used for specific expert profiles, such as for digital technology. The geographical and professional mobility of managers is part of their career path and encourages the distribution of a



The Group's Intranet site (Intracom) has enriched its video content with the development of four series based on employee interviews. Three of these cover jobs (Tell me about your job), the business plan and good marketing practices; the fourth (3 questions for...) gets various people to talk about key topics.



Since 2013, the Group has recruited 507 employees in France as part of the agreement relating to **“generation contracts”** (French employment contracts aiming to increase youth employment and retain older workers). These include 190 young people under 27 years old (37% of new recruits), 55 of whom do not have any qualifications. These young people have benefited from training schemes and support, including sponsorship.

shared vision of company values and strategy. This mobility concerns a growing number of managers: +60% since 2013.

TRAINING – SETTING A COURSE FOR DIGITAL TECHNOLOGY

In 2015, the Groupe SEB University (UGS) expanded its Digital Academy programmes, mainly by developing a large-scale e-learning campaign to develop the digital skills of its managers. At the beginning of 2016, this programme was made available to 2,450 managers worldwide. Other more specific programmes have been developed, for example on relations with e-commerce retailers. UGS has also been focussing on the topic of management and leadership with a new Advanced Management programme. The first part of this

training programme now takes place in China, with the support of Supor teams.

INTEGRATION MADE EASIER THROUGH MENTORING

To make it easier for new employees to become part of the team, to transfer key knowledge and skills and to support young people working on apprenticeships, Groupe SEB has introduced a cross-generational mentoring scheme in France. To support this scheme, a booklet on mentoring was launched in 2015. Every mentor/mentoree pair was given one of these booklets. There were 429 such pairs in 2015: 317 mentored apprentices, 15 in skills mentoring and 97 in induction mentoring.



94%

OF THE KEY POSITIONS IN THE GROUP ARE FILLED THROUGH INTERNAL PROMOTION

FRENCH SITES DEVOTE

20%

OF THEIR TRAINING BUDGET TO DEVELOPING THE EMPLOYABILITY OF THEIR EMPLOYEES

110

COLLECTIVE AGREEMENTS SIGNED ALL OVER THE WORLD

Bahl Kurter

General Manager
Germany Austria
Switzerland, Groupe SEB



“ Immersion in China for Group managers

The Advanced Management training course I did in 2015 took place partly at Supor, in China. I really enjoyed getting to know this country, both as a market and to see what everyday life is like for the families living there, by visiting shops and through a great many encounters in various towns and cities. Not to mention the immersion in the world of Supor... having a change of professional, geographical and cultural environment for a few days is a unique opportunity to open up to new ideas and question things. What did I learn from it? That there is not one China but several and that to succeed in this market, you need to be fast and flexible and, above all, have a local approach. In this respect, having a leading Chinese brand like Supor is without doubt a serious advantage."



A POOL OF YOUNG TALENTS

In order to attract young talents, the Group maintains close relations with selected higher education establishments. In 2015, it strengthened its partnership with the global alliance, CEMS, which includes around thirty leading management institutions. The Group was also involved in setting up the "Social networks and

connected objects" chair at the Telecom School of Management (Institut Mines-Télécom, Paris). The Group's appeal also benefits from a renovated Careers website, which received more than 40,000 applications in 2015. Then there is its presence on social networks such as LinkedIn, where it has tripled its number of "followers".

MORE WOMEN IN MANAGEMENT AND TECHNICAL POSITIONS

Equality between men and women is an important part of the Group's diversity policy. In 2015, the women represented about 49% of managers' hiring and 36% of the employees of this category. Progress has been made since 2009 when those figures were respectively 40% and 32%. The Group also strives to make it easier for women to access technical positions by offering them training schemes leading to qualifications. This approach will be extended in 2016 to cover all the French factories, which will be required to

introduce these kinds of training programmes with opportunities for development.

EMPLOYEE SURVEY ON A EUROPEAN SCALE

The Group takes quality of life in the workplace seriously and, since 2012, has been using the survey issued by the Great Place To Work institute to assess how its employees feel about this. Initially introduced in France, the employee survey was rolled out to eight European countries and Turkey in 2015, with a very high level of participation (86%). 72% of the employees who completed the survey said that Groupe SEB is a great place to work. The survey takes place every two years. In France, it was last conducted in 2014 and it revealed that 76% of employees are proud to work for Groupe SEB. In light of the detailed results from each survey, an action plan is introduced with a view to making progress.

Two Group subsidiaries win awards for their HR policies

In 2015, Supor (China) won the "Top Human Resources Management Award" presented by the leading Chinese recruitment agency, 51job. Asia Fan (Vietnam) was also awarded the "Best Employer" award by Ho Chi Minh City and its Workers' Federation.



For the second year in a row, the Group was awarded the **Happy Trainees (France) label**, which recognises its outstanding commitment to the students it takes on via internships or work placements (300 a year on average).



36%
OF GROUP MANAGERS
ARE WOMEN

89.5%
OF THE GROUP'S INDUSTRIAL
AND LOGISTICS ENTITIES ARE
OHSAS 18001 CERTIFIED
(HEALTH AND SAFETY AT
WORK)

MORE THAN
40,000
APPLICATIONS SUBMITTED
VIA THE GROUPE SEB
CAREERS WEBSITE

SAFETY OBJECTIVE: ZERO ACCIDENTS

In 2015, the Group continued the worldwide deployment of its safety standards. These procedures formalise the Group's minimum requirements, which go beyond compliance with national and international laws. Available in English, French and Chi-

nese, they apply to all teams all over the world. Some standards refer to organising and managing safety, whilst others target the prevention of specific risks (falls from heights, protection of machines etc.). At the end of 2015, 14 standards were operational with 8 others due to be implemented by the end of 2016.

Sofia Nunes de Almeida
Cookware Project Manager, Groupe SEB Brazil



International Masterclass: a launch pad

Six months in France working in strategic marketing for pressure cookers, then six months in Brazil working in cookware marketing – my year in the International Masterclass at Groupe SEB was a very rewarding experience. I found out about this programme at a forum organised by the Ecole Supérieure de Commerce de Paris, where I was finishing my studies in management, which I started in Lisbon. It was the international element that appealed to me. It was really interesting for me to work on the same product category but from different perspectives (strategic and operational marketing) and in two different countries – the Brazilian pressure cooker is completely different to its French equivalent... I have now joined the Groupe SEB Brazil marketing team after a 12-month VIE* programme and I am looking after a trainee. This experience got my career off to a good start with rapidly developing responsibilities."



* Volontariat International en Entreprise, an international voluntary work programme.

Contributing towards better living for everyone

The fight against exclusion of all kinds is at the heart of the work carried out by the Groupe SEB Fund and the initiatives led by its teams all over the world. Many of our employees are involved in charity campaigns, in line with the Group's human values.

GRUPE SEB FUND: AN INTERNATIONAL VISION

The Groupe SEB Fund, which replaced the Groupe SEB Foundation in 2015, still has the same mission – to lead and coordinate the Group's corporate philanthropy policy and provide financial help, donations of products and voluntary work on behalf of projects aiming to reintegrate people in danger of exclusion, in France and worldwide. The Fund mainly targets channels for integration such as work, education/training, equipment for homes and access to healthy eating. It may also intervene to help people who are in difficulty for health reasons. As part of its support for international



projects, the Fund is a partner of the Life Project 4 Youth association. It supports the development of a professional training centre to help excluded young people build a future for themselves. Set up close to the Asia Fan site, this centre makes lamps using recycled materials.

CLOSE TIES WITH NUMEROUS ASSOCIATIONS

In France, the Fund supports projects aiming for "better living for

everyone", managed by associations with which it has formed close ties, such as the Association Nationale de Développement des Epiceries Solidaires (ANDES), Énergie Jeunes, the Télémaque Institute, etc. It also has close ties with the Agence du Don en Nature (ADN, an agency supporting donations in kind) and its commitment to this partnership was recognised in 2015 by the Trophée National de l'Entreprise Citoyenne (special jury award for socially



In China, Supor has been financing the construction of schools for disadvantaged children in rural areas since 2007. **Fifteen schools** have already opened their doors (two in 2015) and five are currently under construction. Employees give their time voluntarily to provide educational support and donate books. This programme received the "best charity project" prize in 2015 at the 4th China Charity Festival and an excellence award at the China CSR Awards ceremony, sponsored by the China Philanthropy Times, under the aegis of the Ministry of Civil Affairs.



responsible companies). The Fund also supports the Banque Solidaire de l'Équipement, an equipment bank set up in Paris by Emmaüs Défi to help people leaving vulnerable accommodation to equip their new homes. More than 1,000 families have already benefited from this service. In 2015, the Fund supported the opening of a branch of this bank in Lyon.

A GLOBAL CHARITY WEEK

In 2015, the Fund took its Charity Week to a worldwide scale, having organised a European version in 2014. The 2015 edition of this major internal charity operation, which was held in December, focussed on disadvantaged children. Employees at 35 sites all over the world took part in a wide variety of initiatives – collecting money, clothing or toys, parties, product donations, voluntary DIY work to renovate associa-

tion buildings, cake-making workshops, etc. As part of Charity Week, French employees were invited to take part in Challenge Babyloan by sponsoring a small business with a financial loan. Thanks to this collective commitment, backed by the Fund, a total of approximately 20,000 euros was loaned to 36 beneficiaries.



2,854,741

ALLOCATED TO CORPORATE PHILANTHROPY BY GROUPE SEB (FUND AND SUBSIDIARIES)

35

SITES INVOLVED IN CHARITY WEEK

15

SUPOR SCHOOLS UP AND RUNNING

Stéphanie Goujon
Director of the Agence du Don en Nature (ADN)



“ ADN: A lasting partnership

Groupe SEB has been committed to supporting ADN (Agence du Don en Nature) ever since it was set up in 2009, providing financial aid and professional skills to help develop the organisation and, of course, donating new products to hand out to the associations that work with people living in vulnerable situations. Saucepans, frying pans, vacuum cleaners, etc. are items that are necessary for leading a 'normal' life. In seven years, Groupe SEB has donated more than 210,000 products to ADN. In 2015, we introduced a new organisation with the Groupe SEB Fund to improve our anticipation of product donations. Together, we make a list of requirements and, several times a year, the Fund suggests a list of products to supply to our warehouse. This enables us to be more professional in our approach and to provide a better response to requirements. It is also a sign that the partnership is getting stronger as the years go by.”

Innovating for consumers



Consumers are becoming increasingly aware of the quality of their food, respect for the environment and new forms of more responsible consumption. Groupe SEB innovates in order to fulfil these expectations. It lays the groundwork for the circular economy, never hesitating to play a pioneering role in areas such as repairability.

has been halved. This progress reflects our increased vigilance throughout the entire product development process. In 2015, the Group added an extra validation stage before the start of the manufacturing process. This involves producing an additional pilot series of a hundred or so products, subject to very exacting quality criteria, in order to reduce rejection rates still further.

its contact centre in Sofia (Bulgaria), which now covers seven countries in eastern and central Europe. It has also opened two new call centres, one in Egypt (Cairo) and the other in India (Delhi). The Group is also continuing to extend its range of services offered to consumers. As well as posting new videos on YouTube on the use and maintenance of its products, it also hosts a growing number of mutual assistance communities for consumers on its brand websites. In France, the new forum dedicated to the Cuisine Companion multi-functional food processor already had almost 10,000 members by the end of 2015.

QUALITY FIRST AND FOREMOST

Constant improvements are being made in terms of product quality, the Group's number 1 requirement – in six years (2009-2015) the return rate of products under guarantee

LISTENING AND SERVICE

In order to provide a better response to questions from consumers all over the world, Groupe SEB is enhancing its network of telephone contact centres. In 2015, it expanded

In order to meet the specific nutritional requirements of older people, the Group has committed to three major research projects involving several partners. It is part of the "hard core" of the European InnoLife consortium for "Living healthily and ageing well". The other two projects are about optimising the use of fruit and vegetables by older people and developing digital services to help them eat better.



Thomas Keller
 , leading American chef and
 owner of several restaurants
 with three Michelin stars (USA)



“ A genius idea!

With its ENCORE* programme, All-Clad has come up with a genius idea – recovering used pans from chefs and restoring them to be resold at half the price of a brand new frying pan. Whether you have your own frying pans restored or you buy others that have been prepared for a second life, you will find the same performance and impeccable quality as with brand new products and they are just as nice to use! It's a brilliant solution for reducing your environmental impact or quite simply for cutting the running costs of your restaurant..."



***All-Clad frying pans recovered from chefs are taken apart, cleaned, returned to their original form, brushed and polished.... and are sold at half the price of a brand new frying pan, with a much lower impact on the environment (95% less energy consumed).**

In Germany, a new community has been launched on the Moulinex website.

NUTRITION AND WELL-BEING

With its connected products, the Group is moving on to the next stage in its support of healthy and tasty eating for consumers. This is the case for the Actify Smart XL, the connected version of the flagship product in the Nutritious & Delicious range. Launched at the end of 2015, the Actify Smart XL communicates with a smartphone via the *My Actrifry app*. As well as step-by-step help with following recipes, the application also features a number of services, including nutritional coaching for a balanced diet and healthy living. It encourages the consumption of fresh produce (es-

pecially fruit and vegetables), passes on advice from nutritionists and offers weekly menus over the course of a year with recipe suggestions to make using the appliance.

PRODUCTS MADE AVAILABLE TO AS MANY PEOPLE AS POSSIBLE

Making products more ergonomic, easier to use and affordable for a wide audience are other areas of research in which Groupe SEB is involved. Within this framework, it organised a study day in 2015 with Ashoka, the world's leading network of social entrepreneurs. This involved two workshops dealing with access to the Group's products for people on low incomes and older people. This event opened up several areas of exploration that need to be tested.



THE RETURN RATE OF PRODUCTS UNDER GUARANTEE HAS BEEN **halved in six years**

28,000 MEMBERS OF THE NEW CUISINE COMPANION MUTUAL ASSISTANCE COMMUNITY

RENOVATING AN OLD ALL-CLAD FRYING PAN USES **95%** LESS ENERGY THAN MAKING A BRAND NEW PAN

Tefal uses its long-term partnership with the British chef **Jamie Oliver** to promote healthy eating in homes all over the world. For example, the brand promotes his annual Food Revolution Day based on this theme.



PARTNERSHIP WITH THE WWF

Heavily involved in sustainable development, Tefal and Rowenta have been partners of the WWF since 2014. In the case of Tefal, the partnership has resulted in cause-related campaigns (the Harmony range of cookware) and support from the WWF in the brand's initiatives for recycling cookware. As for Rowenta, the WWF supported the launch of an Eco-Intelligence iron that consumes 30% less energy

whilst maintaining the same performance. The brand also contributed to the WWF Earth Hour campaign (on 28 March), in which millions of people worldwide were invited to turn off the lights for an hour.

TOWARDS NEW MODELS OF CONSUMERISM

In 2015, in light of the circular economy, the Group started testing an appliance rental service in France

called Eurêcook. This service was made available in the Dijon area, with a network of public and private partners such as Ademe and the Casino group. Consumers reserve their appliance on the www.eurecook.fr website and then pick it up from a collection point. Once the products are returned, they are cleaned, checked and repackaged. Eurêcook optimises the use of natural resources (a single product is used more often) and the packaging is reusable and eco-designed. It also makes appliances more affordable for occasional use. Finally, it promotes the social and solidarity economy by using the local social inclusion enterprise, Envie, to clean and dispatch the products.



* World Wildlife Fund

Cécile Colson

Project Manager – ADEME*
Burgundy Franche-Comté



“ From possession to usage

Groupe SEB is one of the national winners of an invitation to tender launched by ADEME on eco-design and the functionality economy. Eurêcook is the perfect response to our desire to support innovative, collaborative projects that create new jobs, with the presence of the local social enterprise "Envie". Together, we shall be able to observe and measure the environmental impact of this service and any changes in consumer behaviour. How will consumers accept (or not) moving from possession to usage? It's a very pioneering idea because, although we are already used to seeing gardening and DIY tools for hire, renting cooking appliances hasn't existed until now..."

* French Environment and Energy Management Agency.

+ Repairability



A repairable product is a product that lasts for longer. Everyone benefits from this, from consumers to the environment... The Group has been a pioneer in its commitment to product repairability since 2008.



PRODUCTS DESIGNED TO BE REPAIRABLE

These are easy to take apart and rebuild so that only the faulty parts need to be replaced. This is one of the aspects of the Group's eco-design policy.

SPARE PARTS THAT ARE AVAILABLE... AND INEXPENSIVE

More than 36,000 spare parts are available up to 10 to 15 years after the products are no longer manufactured, at the lowest possible price (prices have dropped by 30% since 2012). There are more than five million spare parts in the Group's warehouse in Faucogney (France). These are delivered to repairers within 24 to 48 hours in western Europe and within a maximum of four days in other countries.

A STRONG NETWORK OF REPAIRERS

The Group has more than 6,500 ap-



proved repair centres across the world, which it supports with training programmes. These are connected to a global IT system, which allows each repair to be followed in real time and consumers to be kept informed.

CONSUMERS IN THE KNOW

The Group encourages consumers to go for repair rather than exchange. In 2015, it enhanced its communications on this subject in France with the Seb and Rowenta brands. Their websites display the "10-year repairable product" logo and offer explanatory videos. Various newspapers and TV programmes have reported on the Group's repairability policy, recognising the exemplary nature of its commitment.

...AND IT'S WORKING!

In fact, the rate of products repaired by certified centres is increasing – in western Europe the rate has increased by 24% since 2013 for products outside of warranty; for products under warranty, it has increased from 77% to almost 81%.

PROJECTS FOR THE FUTURE

DIY repair: in several countries (France, USA, Turkey, Germany, etc.), the Group is looking into solutions for consumers who wish to repair their products themselves. In France, it opened three DIY repair centres in June 2015, designed in the spirit of "repair cafés".

3D printing of spare parts: the manufacture of spare parts on demand would simplify stock management and extend availability almost infinitely. A project was launched in 2015 on this subject and qualification testing is underway.



97%
OF THE ELECTRICAL PRODUCTS SOLD ARE REPAIRABLE

MORE THAN **6,500**
APPROVED REPAIR CENTRES WORLDWIDE

36,000
SPARE PARTS

+24%
IN 2 YEARS: GROWTH IN PRODUCT REPAIRS OUTSIDE WARRANTY IN WESTERN EUROPE

Reducing our environmental footprint

Eco-design, eco-production, eco-logistics, recycling... Groupe SEB is active at each stage of the product lifecycle to limit its products' impact on the environment. To achieve this, it relies on the eco-design guide, which was completely rewritten in 2013 and which guides the activity of its teams.



RECYCLED PLASTICS: A FIRST

After three years of research, the Group started selling its first product containing plastic from recycling electrical and electronic devices in 2015. This is a Rowenta steam generator

with a housing made from recycled polypropylene. The recycled materials in this product (plastic, stainless steel, aluminium etc.) represent 45% of its total weight. Various tests are currently being carried out on other product families.

impact in terms of energy consumption in order to focus its efforts. Technological innovations and a new marketing approach are planned.

LEDS TO REPLACE NEON TUBES

Optimising energy consumption is also an objective for our factories. In 2015, a large number of them began replacing their existing lighting (mainly neon tubes) with LED systems that use between 50% and 75% less energy. Since lighting is one of the main consumers of energy at these sites, the operation will lead both to a reduction in their carbon footprint and considerable cost savings.

INCREASINGLY ENERGY-EFFICIENT PRODUCTS

Having significantly reduced the energy consumption of its vacuum cleaners (halved in four years with no loss of efficiency) and kept a step ahead of the regulations, the Group is extending this approach to other products. Launched in 2015, the Smart Energy Products project has enabled the Group to identify the product families with the strongest





OPTING FOR RAIL AND RIVER TRANSPORT

In order to reduce the CO₂ emissions associated with the transport of products and components, the Group prioritises forms of transport other than road, such as rail and river transport. It has introduced a scorecard to enhance the management of this approach. As an example, in 2015 the French factories at Pont-Evêque and Saint-Jean-de-Bournay increased the proportion of their materials and components transported from Fos that were carried by alternative means of transport (mainly barge) to 82%, a 12% rise compared with 2014. This is equivalent to an 80% reduction in CO₂ emissions and a 6% cost reduction compared with transport by road.

PRODUCTS AT THE END OF THEIR LIFECYCLE: VARIOUS CHANNELS

In most countries, used small domestic equipment is collected and processed by structured channels (eco-organisations in Europe). But this is not the case for cookware (frying pans, saucepans, casserole dishes). Since 2012, Groupe SEB has been working with Eco-systèmes and major retailers in France to set up a recycling system for these products – consumers are invited to bring their products back to shops in exchange for money-off coupons. The products are then sorted and raw materials of sufficient quality are recycled. Two new retailers joined this operation in 2015, allowing it to be extended to cover 1,600 supermarkets and to collect and process more than 580,000 cookware items since 2012. In recent years, other countries have carried out similar campaigns (Finland, Netherlands, Colombia, Thailand, etc.).



92.1%

OF FACTORIES AND LOGISTICS ENTITIES ARE ISO 14001 CERTIFIED

45%

OF THE TOTAL WEIGHT OF THE NEW ROWENTA STEAM GENERATOR IS RECYCLED MATERIAL

40%

OF TRANSPORT BETWEEN FRENCH SITES AND PORTS IS CARRIED OUT BY TRAIN OR BARGE

SINCE 2012, FRENCH CONSUMERS HAVE HANDED IN MORE THAN

580,000

OLD COOKWARE PRODUCTS AS PART OF A RECYCLING PROJECT ORGANISED BY TEFAL

From the frying pan to the bicycle...

What do an old dented frying pan and a bicycle have in common? The metal from the frying pan can be recycled to make the bicycle! This is what happens in the Netherlands, where Groupe SEB has been carrying out cookware recycling campaigns for the past two years with two major retailers (Blokker and Marskramer) and a recycling company (van Gansewinkel). Consumers who bring back an old frying pan are given 30% off the purchase of a new Tefal frying pan. In 2015, the operation was a huge success: 52 tonnes of products were collected compared with 14 the previous year.



COOKWARE RECYCLING PROMOTION THE NETHERLANDS



marskramer Tefal van Gansewinkel



Customers: €4,769.7 million

Western Europe (of which France: 16%)	36%
North America	13%
South America	8%
Asia / Pacific	30%
Central Europe, Russia and other countries ..	13%

“Sourced” products represent 28% of sales



Groupe SEB's economic and financial performance has repercussions for stakeholders all over the world: employees, suppliers, public authorities, local communities and shareholders. The Group makes strategic choices as to how to share the value created, helping it to achieve corporate objectives and prepare for the future in a responsible way. The diagram below shows the main cash flows recorded in 2014 between Groupe SEB and its various parties. It explains how the Group's revenues are used and redistributed.



Reserved funds: €333.3 million

Refinancing of investments	€150.2 million
Variations of provisions linked to business risks	€27.4 million
Transferred to reserves ..	€155.7 million

Stakeholders



Suppliers: €3,351.8 million

14,437 suppliers (raw materials, components, finished products and indirect), including a panel of 1,230 suppliers. More than 80% of purchases for raw materials, components and finished products are realized by the panel.



Associations: €2.9 million

Gifts to associations via the Foundation and/or international subsidiaries as part of the Group's relations with local communities and civil society.



State and local authorities: €162.4 million

Corporation tax	€82.4 million
Local tax	€80.0 million



Shareholders: €85.4 million

Paid in 2015 for the 2014 financial year.



Employees: €790.2 million

26,024 employees at 31/12/2015

76% total salary

24% social charges

Profit-sharing and legal profit-sharing €31.6 million to be paid in 2016.



Banks and bondholders: €43.7 million

Mainly financial charges linked to interest on bank loans.

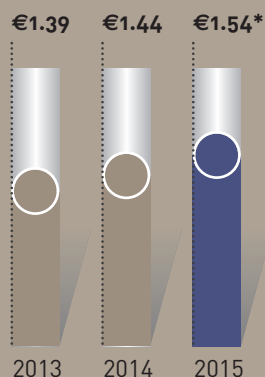
Profile

Stock market	
Euronext Paris, Compartment A	
Share code	FR0000121709
Date of introduction	27 May 1975
Stock market indices	
CAC@Mid 60 - SBF@ 120 -	
CAC@ Mid & Small	
CAC@ All-Tradable - CAC@ All-Share	
Other information	
IAS index – Eligible for SRD	
Number of outstanding shares	50,169,049 shares with a nominal value of €1
Tickers	
Reuters: SEBF.PA	
Bloomberg: SK.FP	

Dividend

For many years, Groupe SEB has had a dividend policy with a long-term strategy that ensures its shareholders receive fair remuneration for the capital they entrust it with. This policy is aimed at reasonably increasing the dividend when its results allow and stabilising it when the economic and financial circumstances so require.

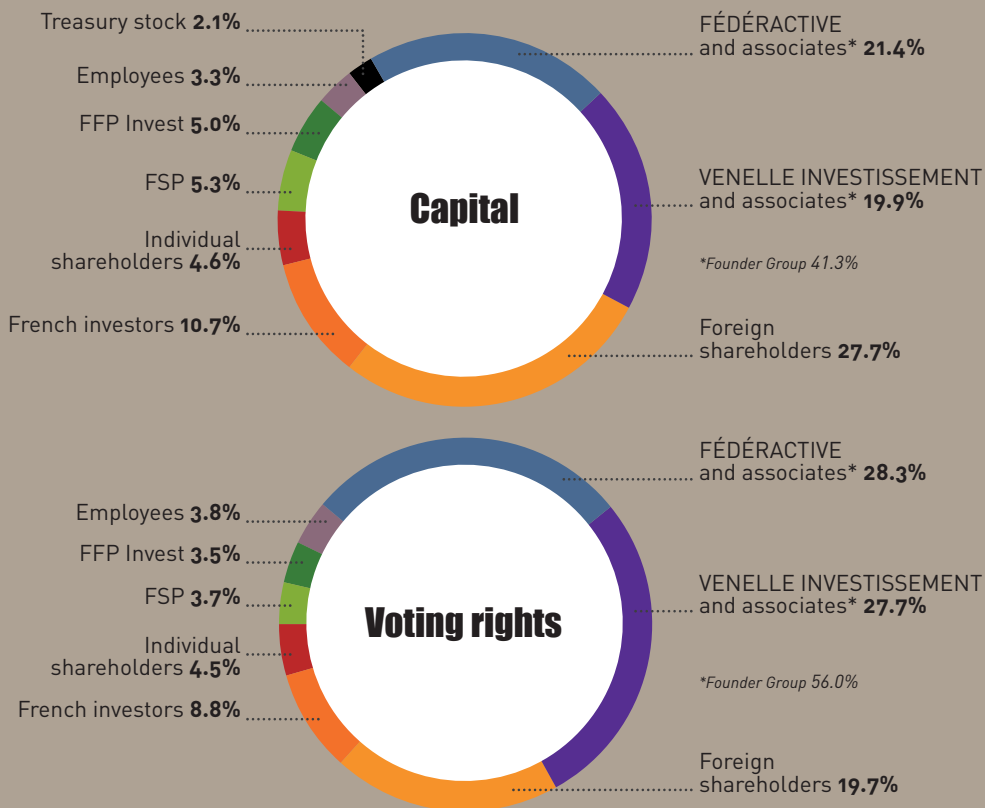
At its meeting on 23 February 2016, the Board of Directors proposed to distribute for fiscal year 2015 a dividend of €1.54 per share, an increase of 6.9% over the previous year. The shares will be quoted ex-dividend from 24 May 2016 and the dividend will be paid as from 26 May 2016.



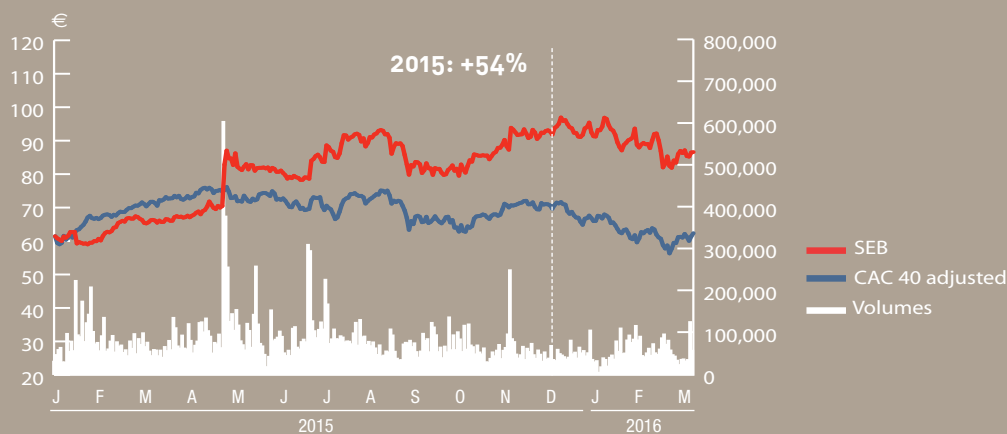
* To be proposed at the AGM on 19 May 2016.

Breakdown of capital and voting rights

at 31/12/2015



Share price performance



Price on 31/12/2015	€94.60
Highest price	€97.45
Lowest price	€58.01
Average price for the year	€80.18
Stock market capitalisation at 31/12/2015	€4,746 million
Average of daily share transactions	79,811

inshares



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