



2014
Mieux vivre



*All aiming at achieving
one ambition*

To be **THE** world
reference in small
domestic equipment

Contributing to a
Better Living, all over the world

INTERVIEW WITH THE CHAIRMAN	2
GOVERNANCE	4
THE GROUP	
Values	8
Strategy	10
2014 in facts & in figures	14

Inventing tomorrow's everyday life

INNOVATION 18



Exploring new territories

AROUND THE WORLD 26



Piloting competitive performance

INDUSTRY 36



Respecting the world around us

SUSTAINABLE DEVELOPMENT 44



Stakeholders overview	62
Shareholder information	64

Contents



“

2014 WAS A YEAR
OF PROGRESS AND
NEW INROADS FOR
GROUPE SEB, A REAL
QUALITY YEAR!

”

You have described 2014 as a "quality year" for the Group. What do you mean by that?

In a rather sluggish general environment and a very unfavourable monetary context, the Group has achieved solid operational performance, with organic growth of 4.6% in sales and of 12.6% in Operating result from activity, whilst maintaining its investments in R&D and marketing. In spite of severe headwinds, we have managed to fulfil our commitments. Our sales have increased across almost all product categories and countries, with the exception of Russia and Japan, where market conditions have sharply deteriorated. Our growth has been supported by the vitality of our product offering, which is constantly enriched by innovation, and by an enhanced sales dynamic. Our operational efficiency has been improved considerably thanks to the remarkable commitment of all the teams working "in the field". So 2014 was clearly a year of progress and new inroads for Groupe SEB, a real quality year!

The published results are down on last year, though...?

The Group is present in nearly 150 countries, with the many opportunities but also the challenges that this vast international presence generates. The massive depreciation of some currencies against the euro had led us, since the end of 2013, to anticipate a major negative exchange rate impact on the 2014 Operating result from activity. This impact amounted to €-94 million, of which we have been able to compensate for €52 million whilst continuing to strengthen our investments in growth drivers such as R&D, advertising, marketing and digital operations, as we had announced at the beginning of the year. Maintaining these investments, which are crucial for our future, takes precedence over achieving short-term profits and reflects our trust in the growth opportunities available to the Group. Our performance must be part of a long-term vision and should be analysed as such.

How are you approaching the year 2015?

In the same way as we approached 2014, with determination. The persistent weakness of some currencies against the euro coupled with the appreciation of the dollar and the yuan, our main purchasing currencies, is likely to result once again in a major negative exchange rate impact on the 2015 Operating result from activity. Faced with this challenge, we will maintain our innovation strategy, our lively commercial activity and our programmes for improving operational efficiency.

Our objective for 2015 is to achieve further sustained organic revenue growth and to accelerate like-for-like growth in Operating result from activity.

How do you see Groupe SEB five or ten years from now?

Our multi-specialist strategy is based on a the widest product range in the industry, an unrivalled brand portfolio, worldwide development well-balanced between mature and emerging countries and a presence across all distribution networks. A global and yet local player, the Group can meet the needs of consumers all over the world, respecting local customs, with a view to bringing better living in all households worldwide. Our medium-term ambition is to further strengthen our positions in our markets and to be THE undisputed reference in Small Domestic Equipment, by reconciling economic performance with progress in terms of social concerns and corporate responsibility.



Thierry de La Tour d'Artaise
Chairman and CEO

Strengthen our positions

BOARD OF DIRECTORS

Composed of fifteen members, including five independent in accordance with the provisions of the AFEP-MEDEF Code, the Board of Directors represents all the shareholders.

ROLE OF THE BOARD OF DIRECTORS

The Board of Directors determines the courses of action taken by the company's business and ensures they are implemented; it deals with all matters regarding the proper functioning of the company and resolves, via its deliberations, those matters which concern it, within the limit of the corporate purpose and subject to the powers explicitly assigned by the law to Shareholder Meetings. The Board of Directors also makes any checks that it deems appropriate.

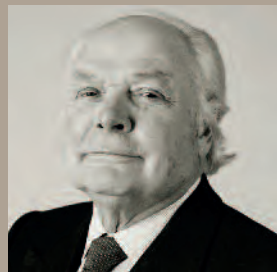
On the proposal of the Chairman and Chief Executive Officer, the Board of Directors decides on Group strategy, capital expenditure and budgets, deliberates on the management structures of the Group and decides on acquisitions.

1



1. THIERRY DE LA TOUR D'ARTAISE
Member of the Founder group, aged 60.
Chairman and Chief Executive Officer of SEB SA.

2



6



2. BRUNO BICH
Independent Director, aged 68
Member of the NRC.

3. TRISTAN BOITEUX
Member of the Founder group, member
of FÉDÉRACTIVE, aged 52.

4. SARAH CHAULEUR
Member of the Founder group, member
of FÉDÉRACTIVE, aged 43.

3



7



5. YSEULYS COSTES
Independent Director, aged 42.

6. FÉDÉRACTIVE
Member of the Founder group,
shareholder investment holding
company, represented by its Chairman,
Pascal Girardot, aged 59.
Member of the NRC.

7. HUBERT FÈVRE*
Member of the Founder group, member
of FÉDÉRACTIVE, aged 50.
Member of the Audit Committee.

4



8



8. FFP - INVEST
Independent Director, a holding company
listed on the Paris stock exchange and
majority-held by the Peugeot family
group, represented by Christian Peugeot,
aged 61.
Member of the Audit Committee.

**9. FONDS STRATÉGIQUE
DE PARTICIPATIONS
(STRATEGIC EQUITY FUND)**
Independent Director. Represented by
Catherine Pourre, aged 58.
Chairman of the Audit Committee.

5



9





BOARD OF DIRECTOR'S COMMITTEES

Since 1995, the Board of Directors has had two specialized Committees to help it in certain tasks, for which specific skills and reflections are required.

- **The Audit Committee** informs the Board on the identification, evaluation and handling of the main financial risks to which the Group may be exposed. In particular, it ensures the relevance of the accounting methods used to prepare the financial statements. It notifies the Board of Directors of any useful observations or recommendations and participates in the procedure for appointing Statutory auditors.
- **The Nominations and Remuneration Committee (NRC)** issues recommendations on the composition of the Board of Directors, the Group's organisation and structures. It proposes the compensation policy for corporate officers and the implementation and procedures for stock option plans and free shares. Well aware of the sustainable development issues, the Board of Directors has made the examination of the Group's sustainable development policy part of the missions of this Committee.

5
INDEPENDENT
DIRECTORS

6
MEETINGS IN 2014

AT 31 DECEMBER 2014,
BOARD MEMBERS
HELD

27.17%
OF CAPITAL AND
29.84%
OF EFFECTIVE VOTING
RIGHTS

10



11



12



13



14



15



10. JACQUES GAIRARD*

Member of the Founder group, member of VENELLE INVESTISSEMENT, aged 75.

11. JEAN-NOËL LABROUE

Independent Director, aged 66. Chairman of the NRC.

12. CÉDRIC LESCURE*

Member of the Founder group, member of FÉDÉRACTIVE, aged 47.

13. LAURE THOMAS

Member of the Founder group, member of VENELLE INVESTISSEMENT, aged 43.

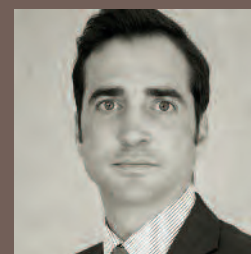
14. VENELLE INVESTISSEMENT

Member of the Founder group, a family holding company, represented by Damarys Braida, aged 47. Member of the NRC.

15. JÉRÔME WITTLIN

Member of the Founder group, member of VENELLE INVESTISSEMENT, aged 55. Member of the Audit Committee.

NOMINATION OF A NEW DIRECTOR IN 2015



The Board of Directors, on a proposal of the Nominations and Remuneration Committee, will propose to the General Meeting of 12 May 2015 the appointment of William Gairard to the Board to replace Jacques Gairard, whose term of office comes to an end.

WILLIAM GAIRARD, 34 years old, is currently a Founding director of Ecopro S.A. de C.V. (Mexico), a company that promotes the responsible uses of plastic.

Executive Committee

The Executive Committee defines and implements overall Group strategy. Meeting twice a month, it defines consolidated goals, oversees strategic plans, decides on priorities and allocates resources for Strategic Business Units, Continental Structures and Group Functions.

Bertrand Neuschwander
Chief Operating Officer

Stéphane Laflèche
Senior Executive Vice-President,
Industrial Operations

Harry Touret
Senior Executive Vice-President,
Human Resources



Thierry de La Tour d'Artaise
Chairman and Chief Executive Officer

Frédéric Verwaerde
Senior Executive Vice-President,
Continental Structures

Vincent Léonard
Senior Executive Vice-President, CFO

Group Management Board

The Group Management Board comprises the members of the Executive Committee, Senior Vice-Presidents of Strategic Business Units, Continental Structures, Strategy and Innovation. It meets on average every two months to follow up and monitor the Group's performance and results and, if necessary, adjusts its commercial or industrial strategy.



A forum for exchange of views and reflection, the Group Management Board plays a supervisory role and ensures the proper overall functioning of the Group.

Group management teams

CONTINENTS

G rard Salommez
Senior Vice-President, France and Belgium

Luc Gaudemard
Senior Vice-President, Europe

Volker Lixfeld
Senior Vice-President, North America

Fernando Soares
Senior Vice-President, South America

Martin Zouhar
Vice-President, Eurasia

Xavier Desmoutier
Vice-President, Asia Pacific

Vincent Tai
CEO of Supor

STRATEGIC BUSINESS UNITS

Cyril Buxtorf
Senior Vice-President, Home & Personal Care

Philippe Crevoisier
Senior Vice-President, Kitchen Electrics

Patrick Llobregat
Senior Vice-President, Cookware

Patrick Le Corre
Senior Vice-President, Strategy

Jean-Christophe Simon
Senior Vice-President, Innovation



OUR MISSION

Make consumers' everyday life easier and more enjoyable and contribute to a 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.



The Group's culture has been built on a set of strong values from the very beginning. Today, these values are shared **all around the world** by all of our employees and they represent both the commitment and the modernity of Groupe SEB.

“ WITH
THE SUPPORT OF
THESE VALUES, THE
GROUP HAS ALWAYS BEEN
TAKING UP THE MANY CHAL-
LENGES THAT HAVE PUNCTUATED
ITS **150-YEAR LONG HISTORY**
AND KEEPS ON DRIVING A
FARSIGHTED DYNAMIC OF
PROGRESS. ”

Entrepreneurial drive:

- GLOBAL VISION
- LEADERSHIP FOR CHANGE
- DETERMINATION
- INITIATIVE AND AGILITY

Passion for innovation

- PASSION FOR PRODUCTS
- INNOVATION
- DARING

Professionalism

- PRAGMATISM
- KNOW-HOW
- HIGH STANDARDS

Group spirit

- SHARED AMBITION
- TRUST
- TRANSPARENCY

Respect for people

- RESPECT
- LOYALTY
- CORPORATE SOCIAL RESPONSIBILITY

5 values

STRATEGY

Groupe SEB operates a long-term strategy focussing on creating value and based on sustainable profitable growth. Its brands and products are at the heart of this strategy and enable a global yet local market approach. The Group supports its business development all over the world as a socially responsible company that does not sacrifice long-term economic, social, corporate responsibility and environmental issues in favour of short-term financial requirements.

value for the long term

Creating



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.

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.

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.



AirBake

All-Clad

Arno

AsiaVina

Calor

Clock

Imusa

Krups

Lagostina

Maharaja Whiteline

Mirro

Moulinex

Panex

Rochedo

Rowenta

Samurai

Seb

Supor

Tefal

T-fal

Umco

WearEver

Creating value for the long term



INNOVATION, A PLEDGE FOR DIFFERENTIATION

A pioneer since the very beginning, Groupe SEB bases its strategy on innovation. This enables us to create value by optimising the quality of our product offering for consumers and by positioning ourselves as leaders in our industry. Innovation is key in differentiating from competition and fighting against market commoditization. It is also a vital catalyst for international expansion, which enables the Group to further grow and maintain a competitive edge against competitors.

Group Innovation covers all areas and takes on many different forms. It relies as much on technological know-how as on marketing or de-

sign. It is fueled by strong internal expertise and an openness to external partnerships, which contribute the Group's inroads.

RECOGNITION FOR BRANDS

The Group operates a multi-brand strategy, enabling it to respond in the best possible way to the multiple consumer requirements all over the world through targeted and relevant activation. Thus our brand portfolio gives us a decisive competitive advantage.

In fact, the notoriety and image of our brands constitute powerful vectors in the purchasing process and in gaining the loyalty of consumers. Whilst their coherence is cultivated via their dedicated platforms, the brands must also evolve in order to fit in with the underlying trends of society.

CUSTOMER RELATIONS, A MAINSTAY OF OUR GROWTH

Whether they are specialists or generalists, local or international, traditional or modern, brick-and-mortar or online, retailers play a key role in the Group's development process. With all of our customers, we aim to build a lasting relationship based on the most comprehensive and innovative product range on the market and on strong brands, which nurture growth and profitability for each party.

Moreover the Group has also developed a network of proprietary stores (Home & Cook, Tefal shops, Supor Lifestores etc.) to respond to two distinct issues – firstly, to dispose of discontinued products, particularly in mature countries, and, secondly, to pursue its development in new territories by offering a high level of service thanks to a closer relationship with consumers.

BEING INTERNATIONAL YET LOCAL EVERYWHERE

Groupe SEB has conducted its international expansion by combining internal and external growth. Its worldwide presence relies on the right balance between mature and emerging markets. Mature markets already have a strong equipment rate but consumers are sensitive to

innovation and ground-breaking products that fulfil their aspirations. In emerging markets, the rapid growth of the middle classes, improvements in their purchasing power and the development of modern distribution are solid growth drivers, opening up major growth potential for the Group.

All over the world, the Group is working on the relevance of its product range (brand, product, positioning), on permanently adapting it to local needs and on selecting the right sales and promotion methods. In this way, the Group has been able to achieve strong positions, both globally and locally, which it aims to develop further.

OUR DIFFERENCE: A STRONG MANUFACTURING BASE

Groupe SEB's industrial policy aims to serve markets in the best possible way, by continuously improving standards of competitiveness and quality with a view to the long term. It is based on three cornerstones:

- Manufacturing in Europe for innovative products or for those in which the Group holds leading positions. To achieve this, the Group relies on technological barriers in terms of product concepts or processes;

- Manufacturing in emerging countries to cover local market needs and for convenience products, for which the Group wants to keep in-house specific technical features;
- Outsourcing production, either for commonplace products or for those for which the Group does not hold strong leading positions or in the case of partnerships.

Since 2012, the Group has implemented a programme dedicated to continuous competitiveness improvement – the OPS programme* – which aims at optimising the competitiveness and performance of our sites and guarantee the full satisfaction of our customers.

** Operation Performance SEB*

EMPLOYEES, OUR STRENGTH ON A DAILY BASIS

Driven from the start by strong ethics and deep-seated human values, Groupe SEB places people at the heart of its organisation. Implementing the Group's strategy depends on the strong commitment of its employees, guaranteeing professionalism and progress. Well aware of the importance of this precious human capital, the Group aims to develop the skills of its teams, to maintain their motivation and to promote dialogue.

It encourages diversity and difference, sources of richness, dynamism, open-mindedness and creativity. That's why Groupe SEB cultivates these values in all of their shapes and forms – the cultural diversity that is a natural result of the Group's international character, gender equality, management of senior employees, social and ethnic mix, etc.



25,759
EMPLOYEES

150
COUNTRIES

29
INDUSTRIAL SITES

65
MARKETING
COMPANIES

46%
OF SALES ACHIEVED IN
EMERGING MARKETS



April

**Nomination:
Bertrand Neuschwander appointed
Chief Operating Officer**

On proposal of its Chairman, Thierry de La Tour d'Artaise, the Board of Directors appointed Bertrand Neuschwander as Chief Operating Officer of Groupe SEB to assist him in management of the Group's operations. In addition to his new responsibilities, Bertrand Neuschwander remains Senior Executive Vice-President Business Units and Strategy.

May

**Award:
Best Communication of Progress Award**

At its Annual General Meeting, Global Compact France recognised Groupe SEB's commitment and actions in terms of social responsibility with the 2013 Best Communication of Progress Award in the "Large company" category.



**Acquisition: Groupe SEB takes full control
of Maharaja Whiteline**

Following the acquisition of 55% of the capital in December 2011, Groupe SEB finalised an agreement with its Indian partner to acquire the remaining 45% stake of Maharaja Whiteline. Thus Groupe SEB now holds 100% of the capital of the Indian company and will be in a better position to accelerate its further growth in this high-potential market.

Within the framework of this takeover and integration, the Maharaja Whiteline subsidiary was renamed Groupe SEB India in November.



June

**Award:
Prize for Cookeo
Connect in the
Connected Products
Awards**



Presented at the 1st Connected Products Trophy (organised in France by NPA Conseil), Cookeo Connect won the special prize in the "Connected Home" category for cooking and household appliances.

August

¡Feliz cumpleaños Imusa!

A true icon of Colombian cooking, Imusa celebrated its 80th birthday in a fitting way:

- Special "anniversary" ranges and an exclusive recipe book.
- A competition involving the recipes associated with big events in Colombians' lives - 80 days and 80 winners
- A wide-scale communication campaign in shops, on the internet and in the press
- Continued commitment to corporate responsibility through the "Un Techo para vivir" programme, in which employees helped to build 8 houses for families suffering from extreme poverty.



And a strong message: "80 years in the homes and hearts of Colombians"

2014

Septembre

September - New European regulations for vacuum cleaners

Since 1 September 2014, the new European ECODESIGN and ECOLABEL directives require vacuum cleaner manufacturers to fulfil new standards in terms of energy savings and efficiency. With the aim of optimising the suction performance/electricity consumption ratio, the power of vacuum cleaners is now limited in Europe to 1,600 W and this level will be reduced to 900 W in 2017. In addition, following the example of existing standards for white goods, energy labelling will now be affixed to vacuum cleaners to enable all consumers to compare and choose thanks to clear and precise labelling (rated A to G):

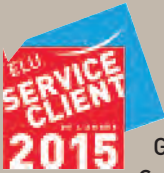
- Energy efficiency;
- Electricity consumption;
- Dust pick-up performance on carpets and smooth floors with slots;
- Quality of filtration;
- Noise level.

Groupe SEB has been anticipating these regulations since 2011 and, since 2014, 100% of the new ranges of Rowenta vacuum cleaners already fulfil the 2017 standards without any compromise on performance.



Vacuum cleaner market: 288 million appliances in Europe

October



Award: Voted Customer Service of the year

Groupe SEB France Customer Services department won the 2015 Best Customer Service Award, recognising the quality of customer relations across all points of contact – telephone calls, contact forms or e-mails, social networks and navigation on six brand websites (Seb, Calor, Moulinex, Krups, Tefal, Rowenta).



Purchasing Award

Groupe SEB won the Purchasing Award, organised by the association of French Purchasing Directors, recognising the introduction of a Groupe SEB/suppliers cross-evaluation to improve collaboration upstream of projects and thus detect drivers for shared performance.

December

Award: Shareholder Relations Trophies

Groupe SEB won three prizes in the first Shareholder Relations Trophies organised by the French magazine Le Revenu:

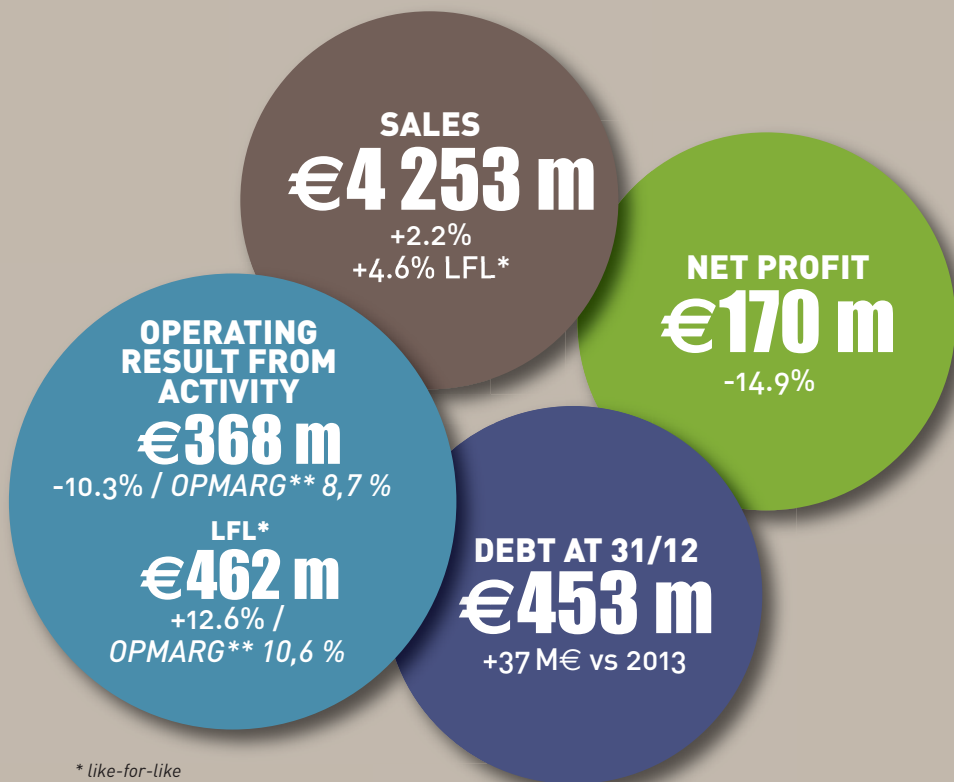
- SILVER award for the best shareholders' meeting
- BRONZE award for the best website
- BRONZE overall award (all subjects combined)

These prizes represent recognition of the Group's ongoing efforts and the progress made in its relations with its shareholders.

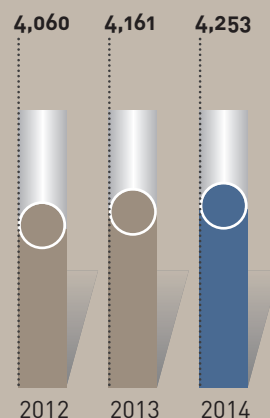


in facts

Groupe SEB has achieved a quality year, in spite of a rather sluggish general environment and a very unfavourable monetary context. Our operational performance is solid, in line with our 2014 objective to achieve sustained organic growth in sales and in operating result from activity.

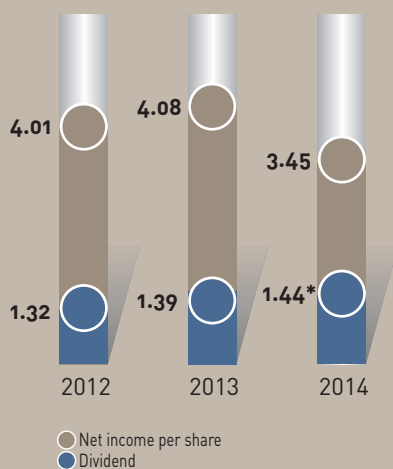


SALES IN € MILLIONS

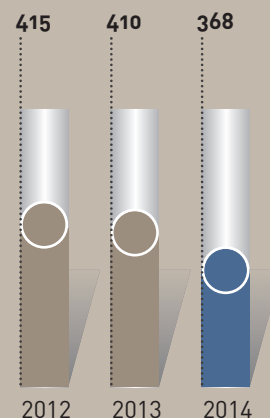


* like-for-like
 ** Operating margin

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



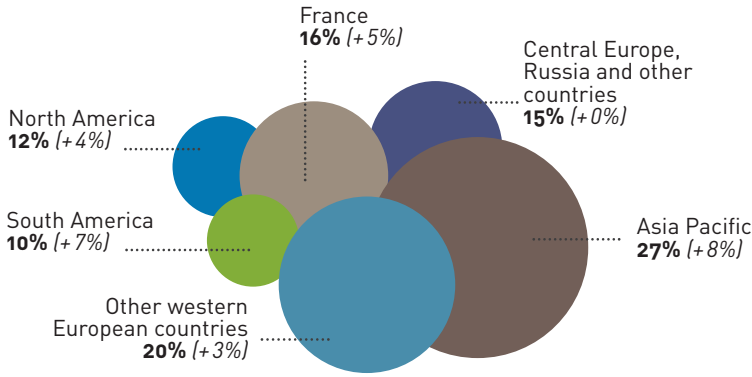
OPERATING RESULT FROM ACTIVITY IN € MILLIONS



* To be proposed at the AGM on 12 May 2015

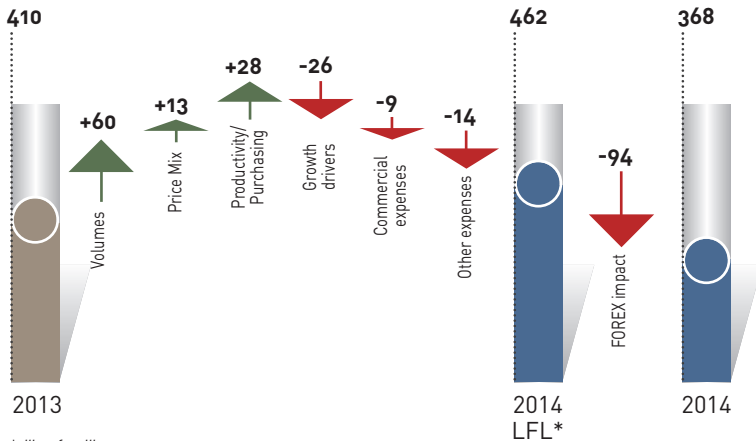
2014

BREAKDOWN OF SALES BY GEOGRAPHICAL ZONE
(LFL* growth vs 2013)



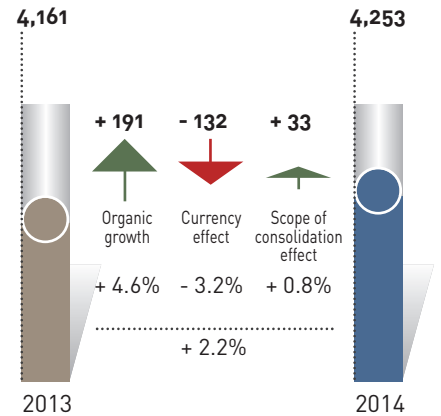
In 2014, Groupe SEB achieved sales of €4,253 million, a 2.2% increase in euros and a 4.6% increase at constant exchange rates and scope of consolidation. This sustained organic growth was driven by the positive contribution of almost all of the Group's major markets, with the exception of Russia and Japan, as well as by innovation, which once again confirmed its key role.

BREAKDOWN OF OPERATING RESULT FROM ACTIVITY



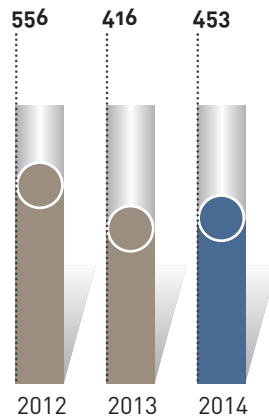
* like-for-like

CHANGE IN SALES 2013-2014
IN € MILLIONS

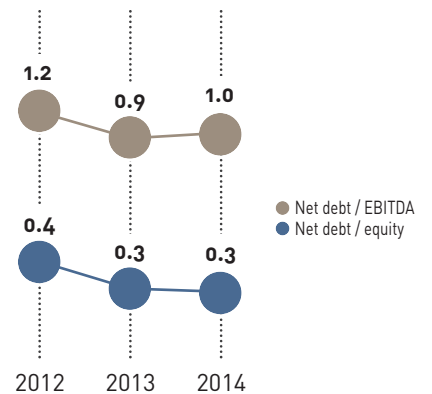


At €368 million, Operating result from activity was down 10.3% on 2013, heavily impacted by a negative currency effect of €94 million, which was about 3 times higher than last year. This major unfavourable impact was mainly due to the depreciation of the rouble, the yen, the Brazilian real and the Turkish lira against the euro. At constant exchanges rates and consolidation scope, the Operating result from activity amounted to €462 million, up by 12.6%, exceeding the +7.2% organic growth achieved in 2013

CHANGE IN NET DEBT
IN € MILLIONS



DEBT RATIOS



in figures

tomorrow's everyday life

Inventing



Introducing innovative products and services

The Group's innovation model focuses on usage and aims to provide an appropriate response to the expectations of present and future consumers. The main areas of work for our Innovation Community are directly linked with the social issues of today, such as the ageing population, health and well-being. They also incorporate the latest advances in current research, in particular in terms of energy sources, robotics and connected products.



For every single need
Using its unique expertise in terms of materials and coatings (aluminium, stainless steel, ceramic, cast aluminium, PTFE etc.), Tefal provides solutions to all kinds of users.

ACTIFRY: THE MODEL

Now a cult product, the Actifry practically fat-free fryer was developed as the result of a simple analysis: consumers are aware of the importance of eating healthily but don't want to sacrifice the pleasure of good food, nor do they want to prepare complicated meals.

The design of a ground-breaking product such as Actifry relies on the strong involvement of employees at every stage of the product design process. It requires a perfect understanding of consumer expectations



and calls upon diverse and complementary skills (engineers, marketing people, designers, nutritionists etc.) to develop an offer that fits in perfectly with consumer demand. Eight years after its launch, the Actifry story is still going strong – in particular with the introduction of a model for Asia – and the Group still keeps a watchful eye on consumers' expectation. Now in its second generation, Actifry is faster, more practical... and just as healthy as ever.

INTERNET OF THINGS

Computers, tablets, smartphones... consumers are becoming ultra-connected and so are everyday objects! In our increasingly digital environment, Groupe SEB aims to go beyond simple products and to provide more comprehensive solutions. New communication means (websites, social networks, blogs etc.) are a fantastic way of maintaining direct

contact with end consumers, improving dialogue and setting opportunities for them to pass on their experiences whilst at the same time increasing our chance to gain their loyalty. The accelerated development of technologies also allows us to supply new services as a complement to our products, and to offer consumers more support in their day-to-day lives, in particular through mobile applications.

In 2014, for example, following on from the Nutricook Connect pressure cooker and its "Mon Autocuiseur" ("My pressure cooker") app, the Group launched Cookeo Connect. The multicooker, now connected via Bluetooth to the "My-Cookeo" app, supports users as they prepare everyday meals: more content, more simplicity, more personalisation, from the shopping list to the plate!

The most complete: Cuisine Companion

A major innovation launched at the end of 2013, the Cuisine Companion cooking food processor enjoyed an exceptional year in 2014. Benefiting from an ambitious launch programme, with a digital campaign taking centre stage, the Companion is fully in line with the trend for kitchen aids and home-made meals.

THE PRODUCT

Cuisine Companion is an all-round cooking food processor, which chops, prepares and cooks all kinds of dishes, from starters to desserts. Cuisine Companion is the ideal part-

ner for learning how to cook simple or more complex dishes in your own time and for developing new skills in the kitchen.

GIVING PROMINENCE TO DIGITAL TECHNOLOGY

The launch of Cuisine Companion relied on an original communication campaign, which focussed heavily on digital technology.

A number of activities were organised, in particular with bloggers and e-influencers, to promote the product, add value to the concept and generate a buzz. All of this was publicised on a dedicated website, rich in content and accessible from all platforms (including tablets), to make the work of sales staff in shops easier and to address the general public directly.

Moulinex also launched the Companion Academy, an event-based digital concept to encourage people to learn about the product – cooking challenges, on-line cookery courses etc.

GRADUAL ROLL-OUT ACROSS EUROPE

Launched at the end of 2013, Cuisine Companion soon established itself in France, rapidly becoming the top-selling food processor.

The commercial roll-out was then extended to southern Europe, with great success achieved in particular in Spain, Portugal and Italy. In Italy, the phenomenon accelerated strongly during the second half of 2014, thanks to the support of a

Twelve cooking enthusiasts, beginners and experts alike, produced the new Companion advertising campaign without even realising it. They took on the challenge set by chef Stéphane Pitré to cook set recipes and carry out the food styling in the exact same way.

press and TV advertising campaign promoting Cuisine Companion in the run-up to Christmas.

In Germany, our cooking food processor has been given a new look to become Prep & Cook, sold under the Krups brand. The launch at the end of 2014 was very promising.

And the Companion adventure continues with new territories to conquer in 2015!



Top-selling

FOOD PROCESSOR IN FRANCE, ITALY, SPAIN, PORTUGAL, BELGIUM

75,000

MEMBERS SIGNED UP ON THE WEBSITE



Transversal innovation

At Groupe SEB, everyone is involved in innovation. Deeply woven into the Group's history and values, it is also the foundation stone for its future development. The innovation process mobilises the entire internal Innovation Community, made up of Research, Development, Strategic Marketing and Design teams.



picture of what consumers want and do and thus to determine types of users for each product category, or more generally across all of our universes. The data collected in this way is crucial to identify opportunities and to guide the entire innovation strategy, thanks to a more targeted and segmented approach.

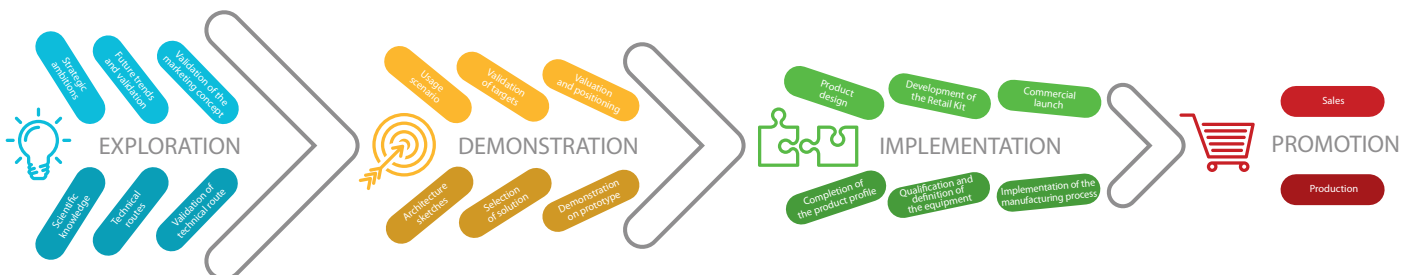
Group to anticipate major technological developments and therefore stay one step ahead of its competitors.

RESEARCH – OBSERVE TO IMPROVE TARGETING

During the exploration phase, the Group aims to understand how people use small electrical appliances and identify ways in which its product range can be extended and enriched. "Usage and Attitude" studies in particular highlight the behaviours of consumers towards using a certain category of products. They enable us to establish a precise

INTELLECTUAL PROPERTY TO SERVE INNOVATION

In addition to filing patents, which is essential for validating and protecting technical innovations, and combating counterfeiters, in order to defend the Group's technological assets, teams working in intellectual property play a crucial role in monitoring technology. This enables the



DESIGN - INNOVATION THROUGH USAGE

Along with strategic marketing and R&D, design makes up a virtuous triangle upon which the relevance of the product is based. Success relies on the synergy between these three parameters, which also guarantees a perfect coherence between technology, usage, brand and the "story" we want to tell the consumer.



Fresh Express :

A clever system of cones stored on the appliance itself; a bold and easily recognisable design for a very smart appliance; a high level of versatility thanks to the new Nectar function for making drinks from soft fruits.



SEB & SHARE, MAKING MARKET LAUNCHES EASIER

The Seb & Share project is aimed at making the off-line and on-line product launch process easier and faster. A single digital platform has been created to allow Business Units and country managers to work alongside one another during all phases of the product launch process. Together, they can therefore supply our retailers, promoters and end consumers with ready-to-use content (product descriptions, photos, videos, marketing materials etc.) and detailed product information.



INNOVATION
COMMUNITY

1,300
PEOPLE

117

PATENTS REGISTERED
IN 2014

4

USAGE AND ATTITUDE
STUDIES CARRIED OUT IN 6
COUNTRIES

60%

OF SALES ACHIEVED
WITH PRODUCTS LESS
THAN 3 YEARS OLD

INVESTMENT
IN INNOVATION:

€154 million

Jean-Louis Compeau

Energy Innovation Pole
Manager and SEB Lab
initiative leader



SEB LAB: WHEN CREATIVITY TAKES SHAPE

The SEB Lab initiative was set up in response to the fact that innovation teams did not always have suitable space or facilities for working on projects upstream of the product design process. We therefore started looking for the best solution, based on the requirements expressed by various members of the Group's Innovation Community, and decided to create an experimental place, inspired by Fab Labs and dedicated to creativity and implementation. We organise work sessions involving mixed teams (marketing, research, design, internal and external experts) to work on an innovation issue. The concepts identified are then immediately given concrete form in the workshop or even tested on site. It is an excellent way of assisting the design process and it will be further developed in the coming years because it allows a product's potential to be evaluated quickly.

Open innovation

In order to expand its expertise in all fields of research and cover a wide range of technologies and issues, the Group has been committed for several years to a proactive Open Innovation strategy, in which it has become a recognised player. Our Business Units and cross-functional technology centres work alongside competitive clusters (Vitagora, Cap Digital etc.), prestigious laboratories (CNRS, CEA-LITEN, INRA) as well as great universities (Centrale Lyon, Insa Lyon etc.). This combination of skills enables the Group to enrich its innovation policy continuously.

OFS, COOKING OF THE FUTURE

Initiated and coordinated by Groupe SEB, Open Food System (OFS) is a French collaborative research programme, which aims at developing a benchmark ecosystem to make meal preparation easier. The objective is to develop a universe in which cooking appliances, digital solutions

and innovative content interact, and to offer enriched digital recipes in order to simplify everyday cooking, guarantee a high-quality result on the plate and allow personalisation to suit individual requirements (gluten-free, low salt, low calorie etc.).

To complete this project, which involves a wide variety of functions (IT systems, R&D, nutrition etc.), Groupe SEB has surrounded itself with a consortium of 25 public and private partners (manufacturers, small and medium-sized companies and academic institutions).



François-Xavier Meyer
Vice-President Investments



“ SEB ALLIANCE, ONE STEP AHEAD

Constantly willing to enrich its innovation process, Groupe SEB decided to provide financial support for the development of companies with a strong technological content by setting up the SEB Alliance investment company in 2011. With initial capital of €30 million, SEB Alliance invests specifically in innovations linked with the Group's key markets and focuses mainly on connected home products and digital applications, robotics, well-being, the ageing population and sustainable development. In 2014, SEB Alliance supported several emerging companies, such as Ethera, RobArt, Feeligreen and MemTech.

FEELIGREEN, DERMO-INNOVATION

In 2014, SEB Alliance invested in an innovative dermo-medical concept through the company Feeligreen (Grasse, France). This company develops dermatological medical appliances that combine microelectronics, chemistry, nanotechnologies and life sciences. The patches, for example, improve the transfer of active elements into the dermis. Feeligreen thus supplies a genuine solution to consumer requirements in terms of cosmetic effectiveness and well-being.

PARTNERSHIPS

For many years now, we have been developing strong partnerships with major consumer good groups. 2014 was a rich year in this area. In pod coffee making, for example, the success of Nescafé Dolce Gusto and Nespresso was confirmed thanks to new models of coffee machines (Inissia, Oblo etc.). Sales of Heineken draught beer machines have been excellent, boosted in particular by the football World Cup, whilst in Personal Care, the partnership with L'Oréal is going strong. This pooling

of skills is a major catalyst for the Group's growth and leads to development in new areas, with a view to the long term.



Krups and Heineken have joined forces to launch The Sub, a unique appliance for a new draught beer experience – a wide range of instant cold beers and easy operation to enjoy the perfect draught beer at home.



Intense Pure Air Nano Captur

SEB Alliance supports the company Ethera (Grenoble, France), a manufacturer of equipment to measure and process interior air, which is significantly more polluted than exterior air. To fulfil the requirements of this rapidly growing market, the Group's Home Care teams have worked with Ethera to create a new range of air purifiers featuring Nano Captur technology (a unique filtration system, made in France, which enables the definitive destruction of formaldehydes, the most dangerous pollutant of interior air*). Launched at the end of 2014, predominantly in China, the Intense Pure Air Nano Captur range will gradually be rolled out to the Group's main markets.

* 2010 ANSES rating – France



new territories
Exploring



Italy

LAGOSTINA, THE ITALIAN LOVE OF GOOD COOKING

Synonymous with pleasure and sharing good cooking, Lagostina has completely revamped its image to re-establish its "Italianness". This change in policy has been expressed in various ways in physical distribution channels – with the introduction of special dedicated corners in 37 shops and a major communication campaign – and on the Internet via a wide-scale digital campaign, fronted by a new, more consumer-friendly website. ●●●



France

INGENIO CERAMIC CARREFOUR



At the end of 2014, Tefal selected Carrefour to run a loyalty programme for the exclusive launch of its Ingenio Ceramic removable handle range. The basic principle is a simple one – consumers collect loyalty points to receive up to 50% discount on the products on offer. Tefal ran a major, original and easily identifiable in-store advertising campaign, creating an excellent showcase for the launch of its range. In this way, Tefal has once again confirmed its **unique expertise** across all cookware coating technologies.



Tefal

THE MOST POPULAR KITCHEN UTENSILS BRAND AMONGST CONSUMERS WORLDWIDE

Europe

NOW FOR SOME SOUP!

The Moulinex heating blender range for making soup is expanding with Easy Soup. Easy Soup features four automatic settings to prepare delicious home-made chunky or smooth soups, fruit compotes etc. and save time in the kitchen.





France KRUPS, THE ART OF COFFEE TASTING

Tasting an espresso is an experience that involves all the senses. With a full range of 15 espresso machines, Krups aims to satisfy coffee lovers – demanding connoisseurs looking for a high-quality "experience in the cup". To achieve this, Krups relies on its long-standing expertise and perfect mastering of technology ... which it proves by challenging well-informed bloggers to create original coffee recipes. Under the watchful eye of a jury of expert baristas, the first #Lattespress challenge organised at Darty represented

an opportunity to discover the performance of this new machine.



Europe

ONE FOR THE MEN!

Rowenta is expanding in the area of male beauty products with a full range of hair trimmers for all situations – in the shower, on the go, for the head, for the body, for the beard or vacuum trimmers such as the Airforce Precision which vacuums up to 92% of trimmed hair. Rowenta for Men and L'Oréal Men Expert also joined forces for a special "3-day beard" campaign, offering an exclusive box set featuring the Structure WetDry trimmer and a special care product for beards.



Calor Freemove,
the 1st efficient cordless steam
iron, 2014 #1 bestseller
in France



Europe

7,500
EMPLOYEES

14
MARKETING COMPANIES

12
INDUSTRIAL SITES

36%
OF SALES IN 2014



Europe POWERFUL AND CONTINUOUS VACUUMING, IN SILENCE

Silence Force Multi Cyclonic is the only multicyclonic vacuum cleaner to combine exceptional power, no loss of suction and an unrivalled level of silence*. Not exceeding

68dB, which is roughly equivalent to a normal conversation, the Silence

Force Multi Cyclonic is up to **four times quieter** than the average vacuum cleaner on the market**.

* According to IEC 60312-1, amongst multicyclonic vacuum cleaners in Europe (September 2014)

** Versus the average noise level – 81dB(A) – of the 10 best sellers by value in bagless cylinder vacuum cleaners in 2013 in France, Italy, Spain, Portugal, Belgium, Germany, Austria, Switzerland, Turkey, Netherlands, Poland and the Czech Republic.





USA YES CHEF!

All-Clad has launched a unique "Chef Ambassador" programme involving some of America's finest culinary talents. Acting as genuine Chef Ambassadors for the brand, these great names in the culinary world play an important role in product development, testing, creating exclusive recipes and promoting ranges to consumers.

They include **Thomas Keller**, who has been placing his trust in All-Clad for more than 25 years and has co-signed the All-Clad TK collection, launched exclusively at Williams-Sonoma. Each handle, each curve, each thickness of metal has been carefully designed to achieve excellence in the kitchen – and to inspire the chef in everyone.



USA ROWENTA AND T-FAL COME OUT TOP

Forty irons were tested by "Consumer Reports"* magazine for the best production of steam, quality of ironing, ease of use, quality of the soleplate and weight of the iron. The result was a highly commended for six models, **three of which are made by Groupe SEB: Rowenta Steamforce, Effective Comfort and T-fal Ultraglide.**

* more than 8 million subscribers



The **Master Valet steam brush** for quickly refreshing and releasing wrinkles from all clothes and soft furnishings.

USA GARMENT STEAMERS, THE 3RD CATEGORY

After irons and steam generators, vertical garment steamers are the third key category in linen care. Undergoing rapid expansion in Asia, this category is already very well-established in North America, where Rowenta is a key brand, with a full range of compact steamer, with or without valet, and exclusive accessories such as the vertical curtain etc.



North America

700
EMPLOYEES

5
MARKETING COMPANIES

1
INDUSTRIAL SITE

11%
OF SALES IN 2014

Brazil

JUICE+, 30% MORE JUICE

In Brazil, juicing is a way of living and there is no question of wasting even 10ml of juice! Juice+ is an exclusive technology developed by Arno featured in its Clic'Pro Juice and Faciclic Juice blenders. This patented filter enables **up to 30% more juice*** to be extracted to satisfy the most greedy ones.

The roll-out of Juice+ was supported by a major communication campaign – magazines adverts, product placement in TV programmes, on-line and Facebook campaigns, teleshopping etc.

** Compared with the Arno Clic'Pro blender fitted with a traditional filter.*



Imusa, a flagship cookware brand in Colombia, has extended its kitchen electrics range and enjoyed an excellent start in the blender market.



Colombia

KIPER RANGE

What solutions are there for storing food, transporting meals and organising your fridge, whilst at the same time keeping food fresh? There is only one solution: Kiper! Imusa offers a full range of hermetic plastic boxes, featuring an exclusive sealing system, fully stackable for easy storage and available in all shapes and sizes to suit all kinds of uses.



South America

2,350
EMPLOYEES

6
MARKETING COMPANIES

6
INDUSTRIAL SITES

10%
OF SALES IN 2014

Brazil

ARNO ON SHOW

Eletrolarshow is the biggest electronics and electrical appliances trade fair in Brazil. The ideal meeting place for manufacturers and retail clients, the trade fair introduces the latest key trends for the home and new product launches. With a stand of almost 200 m², Arno was one of the most visible brands at the show and was able to reveal the extent of its product range. The focus was on Dolce Gusto, Actifry and above all Juice+, with various events going on.





China

SUPOR — A GREAT YEAR FOR NEW LAUNCHES

- "Breathing fresh" electrical pressure cooker: Supor increased its market share and took first place in the induction sector
- E-Hot dot baking pan: Supor became the top-seller in three months
- Pottery Pot, a new category for Supor already ranking second in this market
- Various accessories and utensils, such as the new Bamboo thermos cup range.

Capitalising on its brand image*, Supor has also gained a foothold in the home and personal care markets, in particular by launching a complete range of steam irons and vertical garment steamers. Representing almost 60% of the linen care category in China, steamers are used mainly for carrying out small but very frequent "ironing" sessions (freshening up and cleaning fabrics), in particular amongst families living in

apartments. Supor's objective is to become a benchmark brand in this sector.

* Supor features in the "Superbrands" 2015 listing



In South Korea, mini-blenders represent 55% of the blender market and the Group holds leading positions in this category.



Thailand ULTRA-COMPACT!

In order to strengthen its positions in the entry-level segment for vacuum cleaners in Asia (China, Thailand, Hong Kong, Singapore, Malaysia etc.), Tefal has launched an ultra-compact vacuum cleaner. In spite of its extremely compact size, Micro Space makes no sacrifices when it comes to performance and ergonomics (1600 W, 1.5 l bag, easy to carry and store away, ingenious accessory compartment etc.) and is available at a very attractive price in this first-time buyer market.



Malaysia and Thailand THE POWER OF STEAM: FASTER, EASIER, BETTER!

How can you obtain the best results when ironing? Just ask the world's leader in linen care! As part of a large-scale campaign in Malaysia, the Group has once again demonstrated the performance of its irons and steam generators sold under the Tefal brand. Press, TV, on-line, in-store adverts and demonstrations – a successful 360° approach that consumers found convincing.



South Korea



TEFAL ENTERS THE LIVING ROOM

Capitalising on the brand's very high level of recognition and making the most of the market launch of the Air Force vacuum cleaner, Groupe SEB has decided to switch its home cleaning business under the Tefal brand. The transition went smoothly, thanks in particular to a widespread media campaign.



The Essential International Eco Stand was the first fan to have been developed jointly by home comfort and Asia Fan teams.



The actress **Aey Pornthip**, Tefal's representative in Thailand.

Vietnam QUALITY GUARANTEED

By introducing a **2-year guarantee** for its fans, AsiaVina has become the first brand in the market to offer such a high level of service to consumers and, in doing so, has reasserted its confidence in the quality of its products.



Asia Pacific

14,400
EMPLOYEES

15
MARKETING COMPANIES

8
INDUSTRIAL SITES

26%
OF SALES IN 2014

South Korea

DIGITAL ACTIVATION: INGENIO IN "WEBTOON" MODE



To mark the launch of its very latest Ingenio and Ingenio Camping ranges, Tefal asked a famous Korean cartoonist to draw a series of emoticons to promote the famous pans with removable handles. Appearing on Nacer (the country's leading web portal) and on KakaoTalk (the leading mobile instant messaging service), Tefal benefited from an exceptional level of visibility on the Internet.



Turkey

RESPECTISSIM 7/7, EVERY DAY A GOOD HAIR DAY



To celebrate the summer and the launch of its latest straightener, Rowenta organised an event for bloggers, which was widely broadcast on social networks. Following a selection process, seven of them went tried their hand at modelling, posing for a photographer to illustrate a week of hairstyles with the Rowenta straightener – work, outings with friends or family, parties, the weekend – every day a Respectissim day, with the leading straightener that can be used on a daily basis without damaging hair.



India

- More than 70 new products in 2014
- 40,000 traditional points of sale
- Sales up by 40%



Middle East

TEFAL PUTS ON A SHOW FOR RAMADAN



To mark Ramadan, Tefal introduced a large-scale communication campaign inspired by the "Come Dine with Me" TV show. For one month, four couples (Saudi, Lebanese, Syrian and Egyptian) took part in a cooking competition broadcast once a week on the Internet. The challenge? To prepare the best Iftar* using the brand new Sensorielle range from Tefal. They were supported by two well-known local chefs who were able to give them advice, in particular when it came to using Tefal utensils. The winning couple were given tickets for a trip to Paris.

* Iftar: meal eaten by Muslims to end the fast



Poland

SUCCESSFUL DIGITAL ACTIVATION

Thanks to a special partnership with Elite Model Look, Rowenta supports aspiring models at every stage of this prestigious modelling contest, from their home towns to Shenzhen in China for the grand international finale. This year, through the watchful eyes of the influential blogger, Jestem Kasia, young Polish girls were able to follow what was going on behind the scenes: backstage at castings, hairdressing tips etc. A great choice of ambassador for the brand, she also posted tutorials on her blog demonstrating the quality and performance of Rowenta products for Elite Model Look, with very high visibility on social networks.



Eurasia

850

EMPLOYEES

25

MARKETING COMPANIES

2

INDUSTRIAL SITES

17%

OF SALES IN 2014



Ukraine

Launch evening for the Tefal Duetto and Inspiration stainless steel ranges: journalists and customers were able to test the products and taste the results.

+ Close to our customers

With a worldwide presence, the Group has to adapt its product range and ensure penetration across all available distribution channels: hypermarkets, specialists, traditional stores, department stores, on-line, etc. To improve its performance continuously, the Group monitors its various communication and sales levers (investment in advertising, POS campaigns etc.) in a very precise way, by placing the customer and the consumer at the heart of its concerns.

Whatever the market, the objective shared by the retailer and by Groupe SEB is to increase sales, make shelf displays more dynamic and gain market share. With this in mind, the category manager proposes a global shelf management strategy (all brands combined) to the retailer and



makes recommendations on the assortment, the types of promotions, product positioning, how to inform customers about the category etc. By analysing in detail shoppers* expectations and attitudes and by proposing personalised win-win solutions, the Group can build up a long-lasting relationship built on trust with its customers.

Loyalty programmes, which have been operated regularly and on a large scale over the past three years, especially in Europe and Asia, are another example of how our products are promoted. By putting the spotlight on the product range and promising very attractive prices, they allow the retailer to recruit consumers and gain their loyalty, increase traffic in the aisles and average basket value and, as a result, increase turnover, whilst the Group boosts its visibility and sales dynamics.

GROUP RETAIL, AN UNUSUAL NETWORK

The Group has a network of proprietary stores, which complete its sales development strategy. In Europe, Home&Cook stores represent a special channel for selling products at the end of their lifecycle. Outside Europe, they support the local sales policy – filling the gap in organised retail in certain areas, sup-

porting the emergence of the middle classes, promoting the Group's products and services etc.



TOP
10 customers
REPRESENT 26% OF SALES

INVESTMENTS IN
ADVERTISING AND
MARKETING:

€318 million

Over **1,000**
PROPRIETARY STORES

* The shopper is the potential purchaser of a product (in stores and on-line). This can be a different person to the end user.





competitive performance

Piloting

Learning from *best practices*

Through its OPS programme, Groupe SEB strives to develop and boost the competitiveness of its production sites by constantly enhancing industrial performance and aiming for excellence. This continuous improvement approach applies equally to the fields of health/safety/environment and to quality, cost optimisation and customer/consumer service. The principle is a pragmatic one, with the Group identifying best local practices and implementing them across all of its sites.

A CHALLENGE THAT REWARDS THE COMMITMENT OF PRODUCTION SITES

For three years now, the OPS Challenge has been rewarding the actions of production sites worldwide and the involvement of teams in detecting ways of improving industrial performance. This year once again, there were many initiatives demonstrating the enthusiasm, drive and professionalism of teams in the quest for progress, at both the industrial and the human level. They contributed in particular towards the



significant improvement of output rates for production lines and a considerable drop in rejects during production.

ENCOURAGING THE SHARING OF EXPERIENCE

As part of the OPS programme, we have introduced a number of key guidelines outlining the tools and methods used for problem solving, which is a fundamental part of achieving Operational Excellence. In order to ensure perfect coherence in the implementation of these practices, a system for communicating between the sites has been set up to enable teams to check the effectiveness of the approach in the field and to benefit from local experience.

HARMONISING TOOLS

The introduction of the PICS (Production Innovation Collaborative Solution) project aims to harmonise IT systems and thus accelerate product design thanks to better

circulation of information and the harmonisation of processes. All functions are involved in this – development, industrialisation, purchasing, quality, marketing and IT. It has resulted in the roll-out of the Team Center software across several French sites in 2014 (Selongey, Rumilly, Is-sur-Tille, Mayenne) to optimise the coherence of our approach.

Before



After



Colombia the application of the 5S* method has resulted in improvements in the working environment, workstation ergonomics and staff safety.

**Japanese management technique aiming at continuously improving tasks carried out in companies: Seiri (sort), Seiton (set in order), Seiso (shine), Seiketsu (standardise), Shitsuke (sustain).*

+ performance

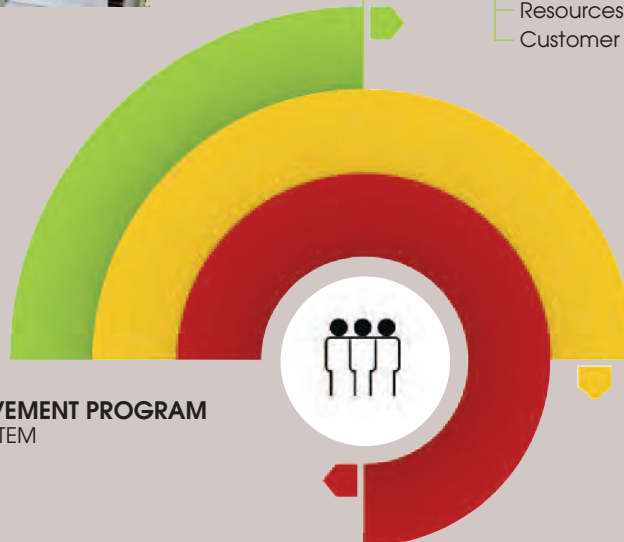


Groupe SEB launches the OPS program to develop and strengthen its production sites productivity by increasing the industrial performance up to excellence in the following domains :

- Health, safety and environment
- Quality
- Resources and costs optimization
- Customer service level and consumers satisfaction



OUR CONTINUOUS IMPROVEMENT PROGRAM
MEN AT THE HEART OF THE SYSTEM



The OPS program is based on Team dynamism to :

- Identify problems
- Propose improvements
- Enable personnel to get involved in the realization of these improvements
- Sustain a common practice in the whole group

OPS is being deployed in all Group sites by full involvement of Sites Directors and Industrial Activities Directors :

- By capitalizing on all existing know how : OPS has built on all sites different experiences and best practices to structure a Group approach
- By organizing and amplifying continuous improvement methods and tools : 20 projects lead in the French sites under management of OPS project leaders ("pilotes") were part of the foundations to elaborate a REFERENCE GUIDE with the Groupe SEB continuous improvement methods and tools.
- By deploying this REFERENCE GUIDE worldwide.



With OPS, the Group gets its employees involved in solving their problems on a daily basis, identifies local best practices and rolls them out across all sites. Going beyond the methodology itself, the programme is about completely changing mindset and getting people to take more ownership of problems so that these can be solved quickly and performance can be enhanced.



Getting the best out of our industrial expertise

Industrial adaptation is a recurring and iterative process within the Group to enhance competitiveness and performance. In 2014, it was given a further boost, thanks in particular to the continued rationalisation of our structures and the introduction, wherever possible, of common production platforms in order to pool investments, shorten delivery times and ensure the quality of new products.

CAPITALISING ON THE PERFORMANCE OF OUR INDUSTRIAL SITES

The Group needs to get the best out of its industrial sites, in particular by grouping production together and finding the best economies of scale. This is the case in Colombia, for example, where the Copacabana industrial site will soon be closing and its business activities (plastic injection and thermosetting) will be transferred to Rionegro, thus being more compliant with the Group's safety requirements and competitiveness standards. The Rionegro site is more modern, high-perfor-



mance and is located only thirty or so kilometres from Copacabana. It will handle the production of all cookware for the Andean region and will benefit from a new logistics platform.

In addition, the Group has launched two projects to improve competitiveness in Brazil, at its small electrical

appliances and cookware production sites. These interdisciplinary initiatives involve the purely industrial aspects, the IT systems and the supply chain. They also include close collaboration with the Group's other sites in South America in order to find the best solutions. With this in mind, we have decided to import



Plastic materials are now always purchased in their raw state and coloured in our factories.

some blender motor units from Colombia to enhance our competitiveness while keeping product assembly in Brazil.

TERMINATION OF WEIGHING PRODUCTION AT TEFAL IN RUMILLY

Faced with increased competition from low-priced Asian products, the weighing business unit in Rumilly has been suffering a structural decrease in volumes for several years now. As a result, Groupe SEB has announced that it will stop producing bathroom and kitchen scales, the manufacturing of which will be outsourced from now on. This closure will not, however, have any impact on the 47 jobs concerned.

OPTIMISING PURCHASES

Thanks to its size and global stature, the Group can operate a wide-scale

purchasing policy, representing a key factor when it comes to strengthening its competitiveness. In order to take full advantage of economies of scale, it is essential to standardise and globalise purchasing so as to have more weight in price negotiations. It is also a matter of achieving a perfect understanding of the suppliers' universe in order to better identify what each can bring the Group, since these partnerships with strategic suppliers can lead to technological innovations and cost reductions.

INDIA: 76 NEW PRODUCTS DEVELOPED AND LAUNCHED IN 2014

Groupe SEB maintains its capital expenditure in India, at the Baddi production site, in order to modernise the industrial tool, improve competitiveness and deal with a wide renewal of local ranges.



72%
OF PRODUCTS SOLD
ARE MANUFACTURED
IN HOUSE

CAPITAL
EXPENDITURE:

€124 million



Hugues Oger
Director of Industrial
Performance



““ CREATING COMMON INDUSTRIAL PLATFORMS

Whilst they may "look different on the outside", many of the Group's products use similar technologies. The Group's Development teams – working closely with Purchasing teams – have therefore defined common technical platforms to encourage delayed differentiation.

This standardisation at an early stage in the process enables the Group to increase the volumes ordered from a single supplier and thus to reduce prices, whilst at the same time achieving greater flexibility in production to cope with variations in market demand. New products designed around an existing technical platform are also a lot faster to develop and reach an optimum level of quality. »

Simplifying our supply chain

Managing the supply chain is a vital stage in the introduction of our products on the market and a key element in ensuring customer satisfaction. The supply chain has to be flexible and robust so that it can support growth and fulfil our customers' objectives in the best possible way. To achieve this, it is based on a range of shared and pooled processes and on a finely-tuned management system (management of sales forecasts and schedules, eco-logistics etc.), both in France and worldwide.



TRUST, FOR ENHANCED ANTICIPATION

Several years ago, the Group introduced a project called TRUST for the continuous improvement of the Group's planning processes. Rolled out in the United States in 2014, it aims to optimise the supply chain, from forecasting sales (using customer data) to delivery to the retailer, including the management of inventories of finished products and components. The ultimate objective

is to constantly refine the planning of production capacities. To support this approach, a new planning software tool (APO) has been developed based on Group standards.



In line with other schemes for improving industrial performance (OPS, TRUST etc.), the **Core Model Manufacturing (CMM) project**, launched in 2012 with the objective of simplifying and standardising industrial processes through a shared information and production management system, is being systematically rolled out throughout the Group.

A week for better purchasing

Purchasing Week 2014, which brought together 70 purchasing managers from all over the world, focussed on productivity in all its forms, flexibility of our supply chain, sourcing product offers and responsible purchasing.



WORKING ON COMMON SYSTEMS

The process of standardising IT systems, which began in western Europe, the United States and Asia, continued throughout 2014 in eastern Europe, in particular in the new central warehouse set up in Slovakia. A single application portfolio, for use across all functions (sales, legal, financial, management control, taxation, IT and logistics), will be gradually



introduced throughout all Group entities.

TRAINING PROGRAMMES FOR ENHANCED EFFICIENCY

Within the framework of the Groupe SEB University, the Purchasing Department and the Quality Department have introduced a training course on optimising product packaging. This training course aims to develop employees' understanding of the various manufacturing processes so that they can better monitor packaging costs and the requirements of all functions concerned. In 2014 this training was in particular undertaken by 65 Chinese

participants from positions in quality, R&D, purchasing, logistics and namely marketing.



Reducing the number of models

Groupe SEB has introduced an action plan aiming at reducing the number of SKUs, some of which are considered to make an insufficient contribution in terms of profit or sales, so that it can concentrate on key products and thus improve efficiency in factories and throughout the entire supply chain. At the end of 2014, the Group had already reduced the number of models by 20% and will continue to make adjustments in 2015.







the world around us

Respecting

Driving momentum

To continue integrating sustainable development at the very heart of its business, the Group has introduced management systems that rely both on regular meetings with business sector managers and on a panel of external stakeholders. It defines its approach around five main priority areas, which are subject to long-term action plans.

Ensuring the Group's ethical principles are respected

2014 ACHIEVEMENTS

153 ethical, social and environmental audits carried out.

Mapping of sustainable development issues for 16 of Groupe SEB's purchasing families. Launch of 17 pilot projects aiming to integrate social and environmental clauses in invitations to tender.

OBJECTIVE

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

Pursuing a social responsibility policy

2014 ACHIEVEMENTS

Update on the current situation and development of an action plan to improve life insurance for Group employees. Reduction in the Lost Time Injuries Rate (LTIR): 2.8 in 2014, compared with 3.5 in 2013, which represents a 20% reduction.

2015 OBJECTIVES

Extension of life insurance to all Group employees (2015/2016).

Reduction of the Lost Time Injuries Rate (LTIR) to 2.4 (which represents a reduction of more than 15% compared with the LTIR for 2014).



The Grand Prix of the Responsible Consumer Industries

organized by the ESSEC Business School was awarded to Groupe SEB in recognition of its Corporate Social Responsibility (CSR) policy.

Commitment at the highest level

Aware of the importance of its social and environmental responsibility, the Group SEB Board of Directors decided to make this topic part of the remit of its Nominations and Remunerations Committee. This Committee devoted a major part of its meeting at the end of 2014 to sustainable development. It passed on its conclusions to the Board of Directors, which was then able to validate the policy pursued.

Spirit of openness

The Sustainable Development Department relies on the Group's business units and on a dedicated Steering Committee to coordinate a collective continuous improvement approach. With a view to maintaining openness, it organised a day of discussions with a panel of external stakeholders, which was held for the second consecutive year. The focus was on the concept of a responsible value chain, with the participation of members of the Group's Executive Committee. During these discussions, the Group established some food for thought as to new areas in which improvements can be made.



Recognised for its non-financial performance

Several parties involved in Socially Responsible Investment (SRI) have included Groupe SEB in their indices. These include Vigeo (Europe 120 and Eurozone 120 indices), Forum Ethibel (Pioneer and Excellence registers) and Ethifinance (Gaia index). In 2014, the latter placed the Group in the top 5 of the Gaia index for the Industry sector.

Developing territories and community commitment

2014 ACHIEVEMENTS

Continued internationalisation of projects supported by the foundation: Vietnam, Colombia etc. Employees involved on a European scale for the first time: Charity Week.

2015 OBJECTIVES

Internationalisation of corporate responsibility actions towards communities.

Creating sustainable innovations to meet consumer needs

2014 ACHIEVEMENTS

95% of products sold in 2014 are fully repairable. Continuation of campaigns for collecting used cookware in several countries (France, Netherlands, Finland etc.) for recycling.

2015 OBJECTIVES

Raising consumers' awareness of the benefits of repairing Group products. Organisation of a campaign for collecting used cookware in partnership with the WWF.

RESPONSIBLE
TODAY
TO LIVE BETTER
TOMORROW

Reducing the environmental impact

2014 ACHIEVEMENTS

Deployment of the eco-design guide (training for more than 370 employees) in order to encourage this approach within the Group.

Continued internationalisation of the EffyPACK approach to improve the loading rate of transport units still further.

2015 OBJECTIVES

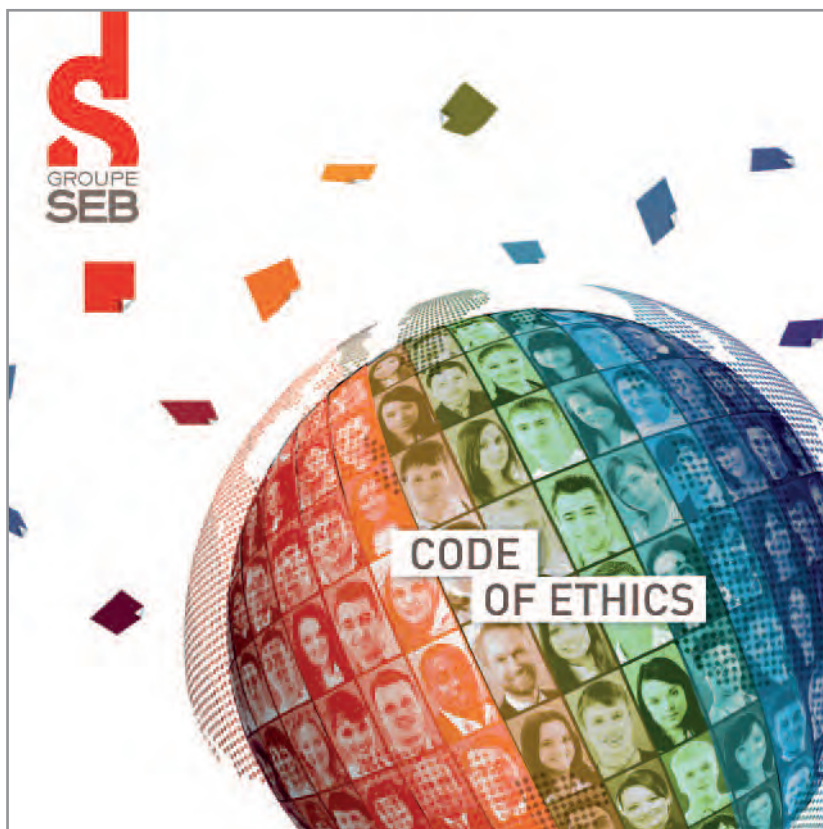
In China, training for Chinese Supor and SEB Asia teams in the eco-design guide.

Deployment of the EffyPack approach in Brazil and Colombia.

5 major challenges, one action plan

Embodying ethics on a daily basis

Groupe SEB's growth is based on strong values set out in its Code of Ethics. It aims to keep this Code of Ethics alive on a daily basis as part of a continuous improvement approach involving its employees and partners, and above all its suppliers.



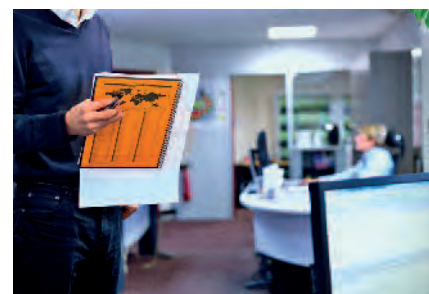
A CLEAR REFERENCE SYSTEM AND A CONSTANT VIGILANCE

To ensure that its ethical principles are respected in all countries, the Group has gradually formalised a set of reference documents and procedures that apply to all its employees and partners: Code of Ethics, internal self-assessment on respect for Human Rights (HRCA* Quick Check and CBSSC**), Responsible Purchasing Charter, ethical, social and environmental audits of suppliers etc.

EXTENSION OF SOCIAL AND ENVIRONMENTAL AUDITS

Each year, the Group audits around a quarter of the suppliers of raw materials/components and finished products on its panel with regard to their fulfilment of its ethical, social and environmental requirements. In 2014, it carried out 153 audits. 90% of these were undertaken by the specialist firm SGS. They covered suppliers in Asia, South America, Europe, Turkey and North Africa. This approach is showing results, since the number of suppliers

presenting major non-compliance (mainly linked with working hours) has dropped significantly since 2013. The companies concerned have all committed to taking the necessary corrective measures.



* Human Rights Compliance Assessment

** China Business and Social Sustainability Check



A WORLDWIDE NETWORK OF SOCIAL AUDIT LEADERS

Ten Purchasing Directors, spread across Asia, South America and Europe, make up a network of Social Audit Leaders. They are responsible for carrying out audits across their perimeter and for suppliers' progress plans. This network is managed at quarterly meetings led by the Group's Vice-President Purchasing: results of audits, analysis of results, exchange of good practices etc.

Social clauses and private markets, professional integration as part of ordinary business: considerations undertaken on this subject by Groupe SEB's Purchasing and Sustainable Development departments have resulted in the publication of a study in partnership with other major companies such as Adecco, L'Oréal and Schneider Electric.

"BEYOND COMPLIANCE": INITIATIVES FOR GOING ONE STEP FURTHER

Going beyond the requirements for compliance, the Group wants to reinforce the sustainable development element of its purchasing policy. In order to identify areas in which improvements can be made, it began mapping the social and environmental concerns for its main purchasing families at the beginning of 2014. This study led to 17 pilot projects, which have already started in France. The selected courses of action include inserting environmental and social clauses into invitations to tender. When it comes to social concerns, for example, these aim to select suppliers that are committed to the professional integration of people in difficulty. At the end of 2014, clauses like this were adopted for the Warehousing, Waste management, Brochures and promotional material and Catering purchasing families.



153

SOCIAL AUDITS CARRIED OUT AMONGST SUPPLIERS* WORLDWIDE

1/4

OF THE PANEL OF SUPPLIERS* AUDITED EACH YEAR

17

"BEYOND COMPLIANCE" RESPONSIBLE PURCHASING INITIATIVES IN FRANCE

25%

OF THE ASSESSMENT RESULTS FOR NEW SUPPLIERS* LINKED TO SOCIAL AND ENVIRONMENTAL CRITERIA

* Raw materials/components and finished products

Alexandre Agnus
Aluminium market buyer



“WHEN AUDITS LEAD TO PROGRESS...”

A social audit of an Asian aluminium supplier revealed that the supplier was not fulfilling requirements for a weekly day off. For Groupe SEB, this represents a 'critical' non-compliance, which leads to the exclusion of the supplier if the situation is not corrected. With our support, this supplier worked in an exemplary manner to ensure compliance. They prepared an action plan, which we discussed with them; then they implemented this action plan, keeping the Group regularly informed on progress. We then proceeded to carry out another inspection, which confirmed that compliance had been achieved, and we shall check that it remains so over the long term. This improvement is a source of satisfaction for the supplier, as well as for us, the buyers, as we feel that we have been able to help them make progress."

Developing all talents, constructing a shared culture

Spread out across all four corners of the world, Groupe SEB's teams are made up of almost 25,800 men and women. To support their dynamism and motivation, the Group invests in the development of skills, validating performance and quality of life in the workplace, in a spirit of fair treatment and social dialogue.

ATTRACTING TALENTS: AN INTERNATIONAL APPROACH

The quality of the recruitment of young graduates is essential for Groupe SEB, which then encourages internal promotion to fill management positions. In 2014, in order to expand its pool of young talents, the Group extended its relations with higher education establishments at an international level. In particular, it formed a partnership with the global alliance CEMS, which brings together around thirty leading management institutions (1,000 students, 65 nationalities). At the CEMS annual forum, which was held in Vienna in November, the Group was able to meet almost 80 students.

MOBILITY LEADS TO DYNAMIC CAREER PATHS

The Group's management community has more than 2,600 members. Mobility between countries, business sectors and entities advances careers and contributes towards the distribution of a shared vision of the Group's values and strategy. It concerns a growing number of managers: + 25% en 2014. During the same year, more than 100 managers were working outside their home countries. Half of them had a nationality other than French and a third were women, a proportion that is steadily increasing.

Zhemín Wang

Industrial Project Manager, participant in the managers' exchange programme, Hangzhou (China)



“ FROM HANGZHOU TO SELONGEY: A NEW INSIGHT INTO THE GROUP

The six months I spent in France, as part of the marketing team at the Kitchen Electrics business unit in Selongey, profoundly altered my vision of the way the Group works. Until then, I had been working as an R&D project manager at Supor, without really knowing what the other teams in the Group were doing.

Sometimes I didn't understand why some of my suggestions, though good at a technical level, were not accepted by marketing. In Selongey, I found myself at the heart of this universe, in charge of studying the English kettle market. This allowed me to find out all about the role of marketing and how it interacts with other business sectors. I also learned to communicate with colleagues from different backgrounds and discovered a new culture.... and I found out that sometimes you need to know how to say no because going down the wrong track can waste a lot of time. I can sum up my experiences in one word – cooperation.”





MORE THAN
1,700
MANAGERS TOOK PART
IN UGS SEMINARS

70
NATIONALITIES
IN THE GROUPE SEB
MANAGEMENT
COMMUNITY

4
WELCOME SEMINARS
WERE HELD FOR **118**
NEW EMPLOYEES FROM
24 NATIONALITIES

GROUPE SEB IS ONE
OF THE
80
MOST FOLLOWED CONSUMER
GOODS COMPANIES ON
LINKEDIN

GROUPE SEB UNIVERSITY: AIMING FOR EXCELLENCE

To enhance managers' leadership skills and spread operational excellence throughout key professional divisions, the Group relies on the Groupe SEB University (UGS). In 2014, UGS expanded its Digital Academy programmes, with the development of new modules dedicated to producing content for brand websites. It also looked more closely at the subject of relations with customers and consumers within the framework of the Sales & Marketing School.

SUPOR, THE BENCHMARK FOR SUCCESSFUL INTEGRATION

Seven years after the first stake in Supor was acquired, the experience of its integration into Groupe SEB has turned out to be very positive. Solid ties have been formed: adoption of Group processes such as Human Resources Annual Reviews, participation in Groupe SEB University training courses, increase in communication tools translated into Chinese, increased use of English, development of contact between managers, certifications according to Group standards, etc. The integration of recently acquired companies takes inspiration from this tried-and-tested approach.



Intracom, Groupe SEB's intranet, was completely overhauled in 2014 to offer an information platform that is more representative of the Group's priorities and organisation. This development was supported by the launch of new collaborative websites (customer services, retailing etc.) and local intranets (Spain/Portugal, Japan etc.).

BUILDING ON DIFFERENCES

A source of dynamism and creativity, diversity is an essential component of our teams. The Group encourages diversity by acting at various levels – gender equality, mixing of ethnic and social origins, a balance of ages, integration of people with disabilities etc. As an example, equality between men and women at management level is improving worldwide – in 2014, the proportion of female managers reached 36% (32% in 2009).

In France, local diversity committees set up at each site have been trained in diversity indicators and how to measure diversity.

Namra Chatra

machine operator, Selongey (France)



WELCOMING AND TRAINING YOUNG PEOPLE

The agreement on inter-generational contracts, signed in France with social partners at the end of 2013, allowed 99 young people under 26 years old to be taken on, 21 of whom had no qualifications. They have benefitted from training schemes and support, including mentoring. Each year, the Group takes on around 300 people on

internship and apprenticeship positions as part of their studies. Following a study carried out amongst 230 of these students, the Group was awarded the Happy Trainees label (France), which recognises its outstanding commitment to these students.



“ A DESIRE TO PROGRESS

I started working as a machine operator at Selongey in 2010, without any specific qualifications. In 2011, my manager explained the process for validating prior experience (VAE or Validation des Acquis de l'Expérience) system to me. I got started on the programme and I obtained my automated machine operator certificate. That made me want to carry on moving forward. So I started on a second VAE and gained my industrial production technician's diploma in 2014. But I still had weaknesses in French and IT. So when a colleague told me about the CFG-B2I training scheme, which leads to a general qualification and an IT certificate, I jumped at the chance. The lessons were really interesting. For me, this is a really enriching process, both on a personal and on a professional level."

A CONSTRUCTIVE SOCIAL DIALOGUE

In France, 2014 also saw the renewal of the collective agreement on the forward-planning careers and skills management programme named GPEC, signed with social partners. This is based on a shared vision of the socio-economic environment in which the Group operates and of its markets and strategies for years to come. In this agreement, the Group reasserts its commitment to supporting those who want help with their professional careers, through training for example.

EMPLOYEE BENEFITS: AIMING FOR FAIRNESS

In line with its values, the Group wants its employees in each country to benefit from a good level of social protection in relation to the local context, going beyond standard obligations. A worldwide census of practices carried out in 2014 revealed that a large number of them already benefit from coverage in the event of death or disability. The Group has established a plan of action in order to extend life insurance to all employees and improve health insurance.



624,793

HOURS OF TRAINING UNDERTAKEN BY GROUP EMPLOYEES IN 2014

114

COLLECTIVE AGREEMENTS SIGNED ALL OVER THE WORLD

36%

OF THE GROUP'S MANAGERS ARE WOMEN

76%

OF THE FRENCH EMPLOYEES IN THE GROUP SAY THEY ARE PROUD TO WORK FOR THEIR COMPANY (GREAT PLACE TO WORK BAROMETER)

Vous avez **des idées** pour améliorer votre environnement de travail ?

Tant mieux. Nous sommes tout ouïe.
Le Groupe SEB a initié une démarche dont l'objectif est d'améliorer l'environnement de travail de ses collaborateurs. La première étape consiste à identifier les points d'amélioration grâce à une enquête de satisfaction totalement confidentielle. En y répondant **avant le 28 juin**, vous participerez à l'élaboration d'un meilleur climat de travail.

Construisons ensemble une entreprise où il fait bon travailler.

GREAT PLACE TO WORK

VENDREDI 14 NOVEMBRE
INAUGURATION DES SALLES DE PAUSES

RELAX

VENEZ DÉCOUVRIR SES NOUVEUX ESPACES !
À CETTE OCCASION, LES DRINGSONS CHAUFFÉS SERONT OFFERTS

GREAT PLACE TO WORK

A great place to work

The Group takes quality of life in the workplace very seriously. In 2012, it set up a system for listening to employees in France with the help of the Great Place To Work social barometer, which will be rolled out on a European scale in 2015. During the latest survey, which was carried out in 2014, 76% of employees said that they were proud to work for the Group. The Great Place To Work barometer enables the identification of good practices such as "Live my job" days, which boost understanding of different positions and connections between different departments. These good practices are shared with the idea of duplicating them within the Group.



The Group's Six Golden Rules of safety are brought to life in a cartoon translated into 9 languages.



ALL EMPLOYEES RESPONSIBLE FOR THEIR OWN SAFETY AND THE SAFETY OF OTHERS

With the "Safety in SEB" approach, the Group breathed new life into its safety policy in 2012 and the results are clear to see – in 2014, the Lost Time Injuries Rate (LTIR) dropped below 3 for the first time at a world-wide level, thus achieving the target. This rate has more than halved in five years.

New campaigns were introduced in 2014, such as the publication of the six Golden Rules, enabling each person to be involved in everyone's safety. This idea of shared responsibility is also at the heart of the Safety Pyramid, set up in France in 2014 and due to be rolled out worldwide in 2015. This is based on the principle that, when facing a potentially dangerous situation, each and every person must act immediately to prevent the risk and report it so that corrective measures can be taken.

HEALTH AND PERFORMANCE ARE INSEPARABLE

Preventing musculoskeletal disorders (MSD) remains a priority for the Group. Within the framework of its OPS industrial performance programme, it is reviewing the product development process to take this health issue into account at every stage. The objective is to ensure the work of operators making the products is the least arduous possible. New training courses have been developed on this topic, aimed at methods technicians and MSD experts.

30

HEALTH, SAFETY, ENVIRONMENT COORDINATORS WORLDWIDE

89.5%

OF FACTORIES AND LOGISTICS ENTITIES ISO 18001 CERTIFIED

THE WORLDWIDE LOST TIME INJURIES RATE (LTIR) HAS DROPPED BELOW THE THRESHOLD OF

3



Colombia is passing the message on

Going by the principle that messages are better received if they are passed on in a fun way, Groupe SEB Colombia has used its imagination when rolling out the "Safety in SEB" programme. A puzzle based on the six Golden Rules, games in which good conduct is rewarded by prizes, a Sebycat costume to bring the Group's safety mascot to life, a family fun day to remind everyone that safety extends beyond the workplace... this subsidiary has been active in this area for several years now and it has made a lot of progress – its accident rate was divided by three between 2012 and 2014.

+ More commitment

Linda Sarralangué
Supplies and scheduling
technician, Saint-Lô (France) –
API'Sol sponsor



A really great initiative

"A little disabled girl at my son's school was going to get a dog to help her with everyday tasks. That's how I found out about the Handi'Chiens association and I wanted to support it as part of the API'Sol call for proposals. I thought it was a really great initiative to help people with reduced mobility regain a bit of independence."

Julián Chaparro
Human Resources Director,
Medellin (Colombia) – Habitat for
Humanity volunteer



Giving something back

"Last August, I got involved in a campaign to build and renovate houses for people living in makeshift camps in Medellin. It was an amazing and unique experience. For me, voluntary work is a way of giving something back to life and to the community."

Redouane Messaoud Nacer
International logistics coordinator,
Selongey (France) – Volunteer for an
international solidarity project



A rich human experience

"In summer 2014, I went to Tanzania to help women from disadvantaged backgrounds set up their own small businesses. My role was to provide advice and direction and teach basic finance and marketing skills. It was a very rich human experience, one of those moments that teach you to be pragmatic, humble and generous."

Many employees volunteer to help with projects supported by Groupe SEB or its Foundation. They come from various sectors and countries and their help comes in all shapes and sizes.

What encourages them to make a commitment?

What do they get out of it? Reports in their own words.



Yadan Xia
Cultural Specialist, Shaoxing
(China) – volunteer at Supor
schools

Lots of positive energy

"I started doing voluntary work when I was a student and I just kept on going. It gives me a lot of positive energy. I've helped in schools built by Supor. I recently spent a day at one of these schools. I organised a geography lesson, some games for the children and we took some photos.... helping others makes me so happy!"

Nasir Hussain
Customer services adviser,
Windsor (United Kingdom) –
Charity Week volunteer



A day that opened my eyes

"When I was asked if I wanted to get involved in renovation work at an adventure playground for children and adults with special needs in the Thames Valley, I said to myself, why not, it's for a good cause. But it was only when I saw the children's beaming faces that I realised how important centres like these are.

It was a day that opened my eyes and an experience I would like to repeat."

Showing solidarity

Groupe SEB focuses its corporate philanthropy on fighting exclusion. The Groupe SEB Foundation manages and coordinates this policy by supporting projects in France and other countries worldwide, with the help of the subsidiaries. This commitment has received widespread support from employees, who are getting involved alongside the Group.



A different kind of holiday

A holiday spent volunteering for international charity work with an association – this is what the Groupe SEB Foundation offered 7 French employees chosen at random from 13 applicants. The Foundation supported their commitment by helping with expenses. They went to various countries and helped with campaigns concerning education, nutrition and microloans.



PARTNERSHIPS TO FIGHT EXCLUSION

To fight exclusion, the Group is active in three main areas of integration – work, housing and education/training. The Groupe SEB Foundation supported around fifty projects in 2014. 25 of these projects are large-scale and run in France by associations with which the Foundation has forged close links: the French Red Cross, Energie Jeunes, Fédération Nationale des Ecoles de Production, ANDES (Association nationale de développement des épiceries solidaires) etc. The Foundation is also active at an international level, supporting organisations such as Care in Brazil, Life Project 4 Youth in Vietnam and Habitat for Humanity in Colombia.

COLOMBIA – A ROOF FOR THE DESTITUTE

In Colombia, the Groupe SEB Foundation and 18 volunteers from the subsidiaries in Colombia and Brazil lent their support to the Habitat for Humanity association. Together, they spent a day helping to improve living conditions for four families living in extremely vulnerable situations to the north-east of Medellin. A second initiative on the same theme took place in another part of Medellin to mark the 80th anniversary of Imusa. As part of its "Dream Builders" project, Imusa assembled more than 200 employees, customers, consumers and suppliers to build wooden houses for eight families in need.

On 14 May 2014, 400 young job-seekers sat for the Voltaire certificate at the Gerland Stadium in Lyon. This campaign, known as "Stade de l'Ecrit", enabled them to improve and certify their level of French in order to improve their employment prospects.



CHARITY WEEK – A EUROPEAN FIRST

Group employees in Europe shared an intense period of participation during Charity Week, which took place from 23 June to 4 July 2014. This first charity campaign run by the Groupe SEB Foundation across eight European countries focused on children in need. Various initiatives were organised across all four corners of the continent, including voluntary work, collecting money or toys, product donations etc. At the same time, all European employees were invited to get involved in the Babyloan Challenge by sponsoring a small business with a financial loan. Thanks to this collective commitment, a total of approximately 25,000 euros was loaned to 48 beneficiaries.

PROJECTS SPONSORED BY EMPLOYEES

Employees' commitment to the Group's philanthropic approach is also apparent in the success of the API'Sol call for proposals, organised for the second year in a row in France. The objective of this campaign is to support solidarity projects sponsored by Group employees. Of the 24 projects proposed in 2014, the Foundation supported 11 that were selected by local juries at the sites.



€2,147,784

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

€600,000

BUDGET OF THE GROUPE SEB FOUNDATION (CASH AND PRODUCT DONATIONS)

49

PROJECTS SUPPORTED BY THE FOUNDATION (25 OF WHICH ARE LARGE-SCALE)

430

PUPILS JOINED THE TWO NEW SCHOOLS SET UP BY SUPOR IN 2014

Building a future

In partnership with the Life Project 4 Youth association, the Groupe SEB Foundation launched a professional training centre in Vietnam to help excluded young people to build a future for themselves. Set up close to the Asia Fan site, this centre has just started making lamps using recycled materials. The centre has already trained seven young people since June 2014, and it will soon take on fifteen or so more to begin a 9 to 18 month integration programme. In addition to learning basic skills, the young people experiment with design, development and managing a small economic initiative. They are given support with their personal plans, whether they want to set up their own business, start working for a company or continue their studies.



Supporting consumers



High-quality products, repairable to make them last longer, new services to help people use them better, innovations for a better everyday life for everyone, campaigns to raise awareness for a more responsible consumption.... the Group is making progress alongside its consumers.

Serving consumers with the circular economy

Willing to take part in the sharing economy? Groupe SEB is helping you. To make consumers' lives easier when they need a product for occasional use, Groupe SEB has come up with the Eurêcook rental service. An experimental service will be introduced in France in 2015. This initiative, which also benefits the environment, has received the support of the French Environment and Energy Management Agency (ADEME).

QUALITY: BETTER AND BETTER

The quality of its products is one of the Group's primary concerns. A sign of continuous improvement, return rates of products under guarantee keep going down and indicators measuring the quality of goods leaving the factory have improved considerably – the rate of potentially defective products has been divided by more than ten over six years (from Group factories and from sub-contractors)

REPAIRABILITY: CONSUMERS IN FAVOUR

Extending the service life of products is beneficial both for the environment and for consumers. The Group is convinced of this and is a pioneer in the field with its repairability policy introduced in 2008. In 2014, 95% of the total volume of electrical appliances sold by the Group were repairable. What do consumers think of this? A study carried out by the Group in France and Germany in 2014 reveals that they are in favour of product repair but that they are not very well-informed of this option. The Group there-



Satisfied consumers

Groupe SEB France has been voted "Customer Service of the Year 2015" for the quality of its telephone calls, empathy, helpfulness, efficiency and clarity of response. In Brazil, Arno became one of the top 15 brands "that respect and take care of consumers".

fore intends to enhance its communication on this subject.

SERVICE IN ALL ITS FORMS

To support consumers in all areas of life, the Group is expanding its range of services. In 2014, it launched a series of videos on the use and maintenance of products, which have been posted on YouTube and are accessible via the brand websites. The Group has also hosted new mutual assistance communities for consumers on several brand web-

sites, based on the one hosted on www.seb.fr since the end of 2013, which has registered more than 20,000 active members in just one year.

In addition, the Group integrates consumers' remarks collected by customer contact centres into its continuous improvement process: these are passed on via a centralised IT platform to marketing teams, who then take the comments into account during the product development process.

Omar Quiroga

Consumer Satisfaction Service Coordinator for South America, Sao Paulo (Brazil)



SUPPORT FOR REPAIR CENTRES IN SOUTH AMERICA

Repair centres are essential partners for us, since they are in direct contact with the consumers of our products. In Brazil, repair centres are mostly small structures. We want to help them improve the quality of their services, as well as the management and development of their businesses. To do this, in 2014 we introduced a training scheme with the association SEBRAE, aimed at the 950 repair centres in the country. This will be finalised in 2015 with customised training solutions based on an initial diagnosis of each structure. We are also carrying out similar campaigns in Colombia. In June 2014, we welcomed 60 repair workers to our Cajica factory. Quality control technicians trained them in our products and then organised work groups on topics they chose themselves, including marketing and organising their workshops."



Satisfied consumers

Groupe SEB France has been voted "Customer Service of the Year 2015" for the quality of its telephone calls, empathy, helpfulness, efficiency and clarity of response. In Brazil, Arno became one of the top 15 brands "that respect and take care of consumers".



MORE THAN
6,500
APPROVED REPAIR
CENTRES WORLDWIDE

36,000
SPARE PARTS AVAILABLE
FOR 7 TO 10 YEARS ON
AVERAGE, AT THE LOWEST
POSSIBLE PRICE

20,000
ACTIVE MEMBERS OF
THE CONSUMERS'
MUTUAL ASSISTANCE
COMMUNITY ON
WWW.SEB.FR

95%
OF ELECTRICAL PRODUCTS
SOLD BY THE GROUP IN 2014
WERE REPAIRABLE

Respecting the environment

From product design to the end of the products' lifecycle, Groupe SEB is active at every stage in the process to reduce the ecological footprint of our products. All the Group's employees and service providers, working in factories, offices, laboratories and warehouses, are made aware of the importance of respecting the environment.



ECO-DESIGN: FOLLOW THE GUIDE!

The new eco-design guide was rolled out in 2014 across the Group's entire Innovation Community: marketing, R&D and design teams, as well as purchasing, quality control, legal affairs etc. 33 training sessions were organised in France, Hong Kong and South America and others are planned for 2015, including sessions at Supor in China. This guide provides new impetus for developing products that are more environmentally friendly, which is

already an established priority for the group.

RECOVERING ALUMINIUM FROM OLD PANS

Since 2012, the Group has been working with Eco-systèmes and major retailers in France to set up a system for recycling cookware at the end of its lifecycle: in three years, more than 300,000 frying pans, saucepans and casserole dishes have been collected and processed.

Jean-Pierre Soulié

Director of Industrial Operations, Home Care



ENERGY REVOLUTION IN THE WORLD OF VACUUM CLEANERS

"Within the space of four years, our R&D teams have managed to halve (and more) the energy consumption of vacuum cleaners without any compromise on dust pick-up performance. In 2014, all new Rowenta vacuum cleaners have a power rating of between 750 and 900 watts, which is well below the new European standard of 1,600 watts. To achieve this level of performance, we have developed low-energy-consumption, high-performance motors. We have also designed more efficient suction heads and optimised all air flows to make it easier for air to circulate and to reduce friction

loss – smoother panels, wider tubes, less pronounced angles etc. And we have not finished yet! We are continuing our work, especially in the area of new motor technologies. After all, we want to make sure we maintain our lead over the regulations... and over the competition."

This initiative led to Groupe SEB being awarded the ESSEC Grand Prix of the Responsible Consumers Industrie in the resource management category. Other countries carried out similar campaigns in 2014, including the Netherlands and Finland.

FULLY LOADED TRANSPORT UNITS

In order to reduce CO₂ emissions associated with the transport of products and components, Groupe SEB is continuing to improve the loading rate of transport units. It relies particularly on the EffyPACK system, which optimises the dimensions of packaging. For example, you only need to reduce the Fresh Express packaging by a few centimetres to



increase the number of products per pallet by 50%. The Group also encourages transport solutions with low environmental impact. In China, for example, products manufactured in the north are now taken by barge to the Yantian platform in the south. Compared with the previous system, which used container ships with a stopover in Hong Kong, this solution has cut CO₂ emissions by 40%, costs by 30% and delivery times by 20%. In the same vein, the Group favours rail transport over road transport. New replacement rail routes were opened in 2014 in countries including France, Germany, Spain and Mexico.



Since it consumes 30% less energy whilst maintaining the same performance, the latest Eco Intelligence iron from Rowenta has been given the support of the WWF. A proportion of the sales price goes to the WWF to support its environmental campaigns.

New advances in the use of recycled plastics

In 2014, the Group intensified its work on the use of recycled plastics in its products: working with recycling companies to improve the quality of the plastics concerned, verification of their compliance with regulations, carrying out injection and prototype tests, launching pre-production runs etc. Some of the projects will be finalised in 2015, such as steam generator housing made from recycled polypropylene. Tests have already started on espresso machine parts made from recycled ABS. It's worth noting that these plastics come from recycled electric and electronic appliances, and so the circle is complete.



In Spain, all products imported from Asia are now taken from the port to the central warehouse by rail rather than by road. Result: 48% reduction in CO₂ emissions, lower costs and shorter delivery times.



33

TRAINING SEMINARS ON THE GROUP'S NEW ECO-DESIGN GUIDE ON THREE CONTINENTS, MORE THAN 370 PEOPLE TRAINED

95%

OF THE GROUP'S PRODUCT FAMILIES HAVE BEEN SUBJECTED TO LIFECYCLE ANALYSIS

IN EUROPE,

3.9 million

FEWER PAGES PRINTED OVER TWO YEARS

IN THREE YEARS, FRENCH CONSUMERS HAVE HANDED IN MORE THAN

300,000

OLD COOKWARE PRODUCTS WITHIN THE FRAMEWORK OF A RECYCLING PROJECT ORGANISED BY THE TEFAL BRAND

Stakeholders overview

Worldwide

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.

Customers: €4,253.1 million

Western Europe (of which France: 16%)	36%
North America	12%
South America	10%
Asia / Pacific	27%
Central Europe, Russia and other countries	15%

"Sourced" products represent 28% of sales

Reserved funds: €242.6 million

Refinancing of investments	€122.3 million
Variations of provisions linked to business risks	€4.8 million
Transferred to reserves	€115.5 million



Suppliers: €2,998.2 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: €2.1 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: €138.5 million

Corporation tax	€71.2 million
Local tax	€67.3 million

Shareholders: €78.0 million

Paid in 2014 for the 2013 financial year.

Employees: €746.7 million

Paid to **25,759** employees

75% total salary

25% social charges

Profit-sharing and legal profit-sharing **28.1 M€** to be paid in 2015.

Banks and bondholders: €47,0 million

Mainly financial charges linked to interest on bank loans.



SHAREHOLDER INFORMATION

Fact Sheet

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 shares

50,169,049 shares with a nominal value of €1

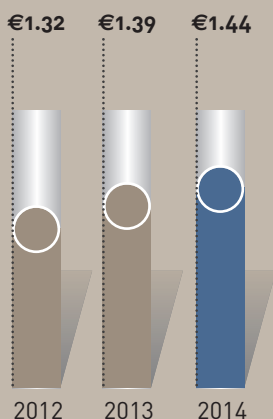
Tickers

Reuters: SEBF.PA

Bloomberg: SK.FP

Dividend

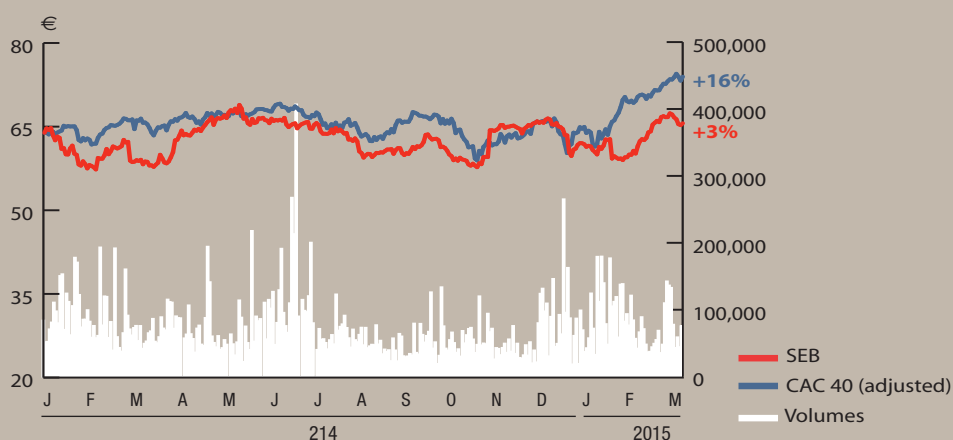
At its meeting on 24 February 2015, the Board of Directors decided to propose for fiscal year 2014 a dividend of €1.44 per share, an increase of 3.6% over the previous year. The increase takes into account the decline of the net profit in 2014 but at the same time testifies to the Board's confidence in the Group's future performance. The shares will be quoted ex-dividend from 15 May 2015 and the dividend will be paid as from 19 May 2015.



In 2014

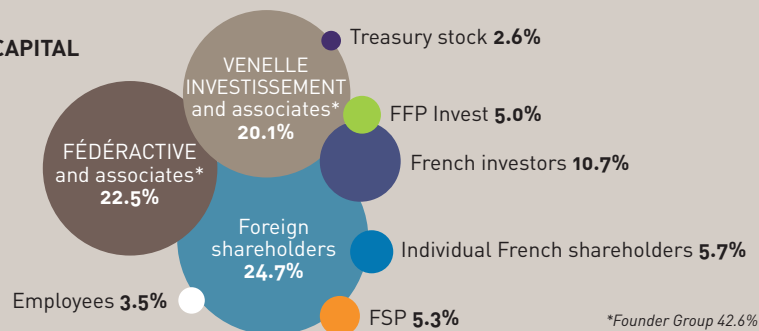
Stock market capitalisation at 31/12/2014	€3,089 million
Price on 31/12/2014	€61.57
Average price for the year	€62.65
Average of the last 30 closing prices of 2014	€63.97
Highest price	€68.99
Lowest price	€56.85
Average of daily share transactions	56,210

Share price performance since 1 January 2014

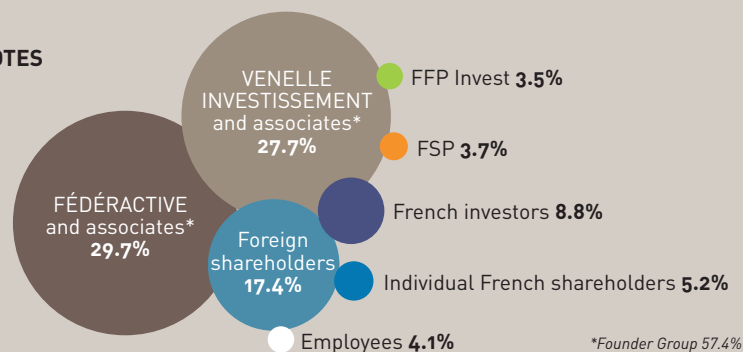


Breakdown of capital and voting rights at 31/12/2014

CAPITAL



VOTES



A relationship based on trust and commitment

Shareholders, a personal service

The Shareholders Department is the key point of contact for any questions relating to the SEB share and procedures to follow (transfer to a registered account, taxation etc.).
Jacqueline SALAÜN – Shareholders Department Manager – and Delphine LE GOUEVEC – Shareholders Relation Officer – are there to provide all the help you need on a daily basis.

Shareholders Department

+ 33 (0)4 72 18 16 01 - actionnaires@groupeseb.com

At the same time, the Securities Department manages registered shares – dealing with orders to buy or sell, managing personal data, sending out invitations to Annual General Meetings, paying dividends etc.

Service Titres SEB (Securities Department) - BP2S – Corporate Trust Services

Paris.bp2s.registered.shareholders@bnpparibas.com

+33 (0)1 57 43 90 00 - <https://planetshares.bnpparibas.com>



Investors and analysts, an active and transparent relationship

Groupe SEB fosters trust and respect in its relationship with the financial community (financial analysts, institutional investors, shareholders etc.).

Throughout the year, Isabelle POSTH – Vice-President Financial Communications and Investor Relations – and Emmanuel FOURRET – Investor Relations Manager – meet up with these parties at regular meetings, roadshows, one-to-one meetings in France and other countries and via conference calls.

Financial Communications and Investor Relations Department

comfin@groupeseb.com

+33 (0)4 72 18 16 40



Stakeholders, a responsible commitment

Preserving the Group's fundamentals depends on a company philosophy based on a sense of responsibility, solidarity and commitment.

Groupe SEB has a set of deep-rooted values passed on from its founders, which have shaped and nourished our spirit since the very beginning.

Joël TRONCHON – Vice-President, Sustainable Development – and Morane MANGEANT – Sustainable Development Coordinator – support this process.

Sustainable Development Department

sustainabledevelopment@groupeseb.com

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www.groupeseb-devdurable.com



Stay connected

Discover the new dedicated app for investors, **Groupe SEB IR** for tablets.
Rediscover the website www.groupeseb.com and its smartphone app **Groupe SEB**.



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2014

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