

Dear Sir or Madam,

For more than 165 years, the brands that make up WMF have represented the best in cooking, drinking and dining. Every day, more than 100 million people around the world use products from WMF, Silit and Kaiser to prepare, cook, bake, eat and drink. And when they are not doing that, they are enjoying coffee specialties and foods prepared by the hotel and catering industry using WMF, Schaerer, Curtis or Hepp products. Our employees are passionate about bringing people together, whether at home, on the move or at fine-dining establishments, in order to give them shared moments that are both precious and delicious. All this with products that have outstanding design, perfect functionality and excellent quality which makes every culinary experience a real joy. Our business has a long tradition, having been founded in Geislingen an der Steige in 1853, and has been part of the French Groupe SEB since the end of 2016.

Groupe SEB is today the world leader in Small Domestic Equipment, with more than 33,000 employees spanning 150 countries and with leading brands such as Tefal, Rowenta, Krups, WMF, Supor, Imusa, All Clad. Our job is to design and offer to consumers across the whole world solutions to improve their daily lives. We thus bear great responsibility to manufacture our products under ethical conditions.

In 2003, the Group signed the **Global Compact**, pledging to uphold 10 points relating to Human and labour rights, the environment and anti-corruption. These principles are in tune with our commitment to responsible corporate values. We renew our commitment each year through a Communication on progress that is available on the Global Compact website.

In 2012, Groupe SEB edited a global **Code of Ethics**, which was distributed to all employees. Based on Group values, it sets out all the main rules of conduct for employees. The Code of Ethics tackles 18 key topics, from respecting Human Rights to the fight against corruption and including non-discrimination, protecting the environment and preventing conflicts of interest. It has been translated into 11 languages so everyone can read it. Each of these 18 key topics was explored further, through counter-examples and practical questions and answers, in training materials provided to international HR Managers for use with employees. This roll out represented almost 10,000 training hours. In 2018, the Group launched a new wave of training to ensure that every employee understood the key concepts and knows how to act when faced with an ethical dilemma. At year-end 2020, 88% of 11,109 connected employees had taken the online training program. For employees who are not connected, an equivalent classroom-based training has started in 2020 but due to COVID crisis will be ramped up in 2021 to cover all teams concerned. Read Groupe SEB Code of Ethics [here](#).

Groupe SEB is committed to the protection and promotion of health and safety of its employees. At the end of 2020, 100 % of international industrial and logistics entities were **ISO 45001** certified. The Group is also advancing towards **ISO 14001** certification, the international environment management standard with 100 % of the group's industrial and logistics entities certified. New acquisitions will be included progressively in the reporting process and have set down action plans to earn certification.

As a signatory of the Global Compact since 2003, the Group decided to evaluate its teams' practices in relation to Human Rights in subsidiaries employing more than 10 people, starting in 2007. To achieve this, up until 2014 it used the HRCA (**Human Rights Compliance Assessment**) Quick Check self-assessment tool, developed by the Danish Institute for Human Rights and, for sites operated by its Chinese subsidiary Supor, the CBSSC (China Business and Social Sustainability Check) a version of the HRCA, specially adapted for China. These self-assessments, which were carried out every couple of years or so, **covered almost 99% of the workforce** and resulted in corrective action plans where necessary. In seven years, they enabled all sites to gain a high level of awareness of this issue.

In 2015, Groupe SEB decided to take things to another level by applying the same ethical, social and environmental audit procedure that it operates with its suppliers to its industrial sites in hazard areas, using the same specialist consulting firm (Intertek). Audits will be accompanied by action plans to correct

any non-compliances. These plans will be monitored by the Sustainable Development department and forwarded to the Audit and Organisation department, which can verify their application during internal audits. For the industrial sites in question, which will be audited every two years, this system will allow to make external comparisons and to generate audits on which the Group's customers can rely. In 2020, five sites were audited in Egypt, China, Colombia and Russia. The average compliance score was 91.6/100, and no zero tolerance non-compliances were identified.

Groupe SEB is then very vigilant when it comes to its suppliers respecting its ethical, social and environmental requirements. In 2012, a responsible Purchasing Charter was sent to the Group panel suppliers in the world and distributed internally to the buyers. It commits suppliers to meet the local labour law, Human Rights, or to comply with the regulations in terms of environmental protection. This Charter follows from the Code of Ethics and aims to be a common framework for purchasing teams and our suppliers.

Read Groupe SEB Responsible Purchasing Charter [here](#).

Every year, Groupe SEB carries out **ethical, social and environmental audits** to monitor its suppliers' practices. For any serious breach of regulation, the Group suspends new orders with the supplier and imposes him to implement a corrective action plan that is being monitored. In 2020, the audit plan was disrupted by the Covid-19 outbreak, which led to temporary site closures or access restrictions, meaning that 59 audits had to be postponed until 2021, mainly in South America. Overall, the Group completed 137 initial audits (168 in 2019) of suppliers in Asia (123), South America (8) and Europe (6). Over the past three years (2018–2020), 121 follow-up audits were scheduled to check the implementation of action plans. In 2020, four suppliers, which refused to undergo this follow-up audit or did not take action, were removed from the Group's listed suppliers and the Group stopped all new projects with them. Intertek also hands out an Achievement Award (AA) label to suppliers who have an overall score of at least 85/100 and do not present any major or zero tolerance-type non-compliances. In 2020, 33 Group suppliers received the AA label. Some suppliers already had a social audit procedure, based on the BSCI (Business Social Compliance Initiative). These audits are added to the Intertek database, and so the Group has signed up to the BSCI in order to better monitor them.

All of our sustainable development actions including the one presented previously are developed in the 2020 [registration document and annual financial report](#) (p.124 to p.201).

Finally, the SEB share is included in several SRI (Socially Responsible Investment) indices. The Group has kept its place in Vigeo-Eiris's Europe 120 and Eurozone 120 indices, composed of the companies with the highest scores based on more than 330 indicators. It also reaffirmed its position in the FTSE4Good international index, a global benchmark in the field, with a score of 4.4/5 (Personal & household goods category), an improvement on 2019. The SEB share also features in Forum Ethibel's Excellence Europe index. Finally, it is on the research panels of Gaïa Rating, Sustainalytics and ISS-ESG, which has awarded it Prime status.

We hope this Social Compliance Letter answer your questions. If you require additional information, please do not hesitate to contact us.

Yours faithfully,

[Signature]