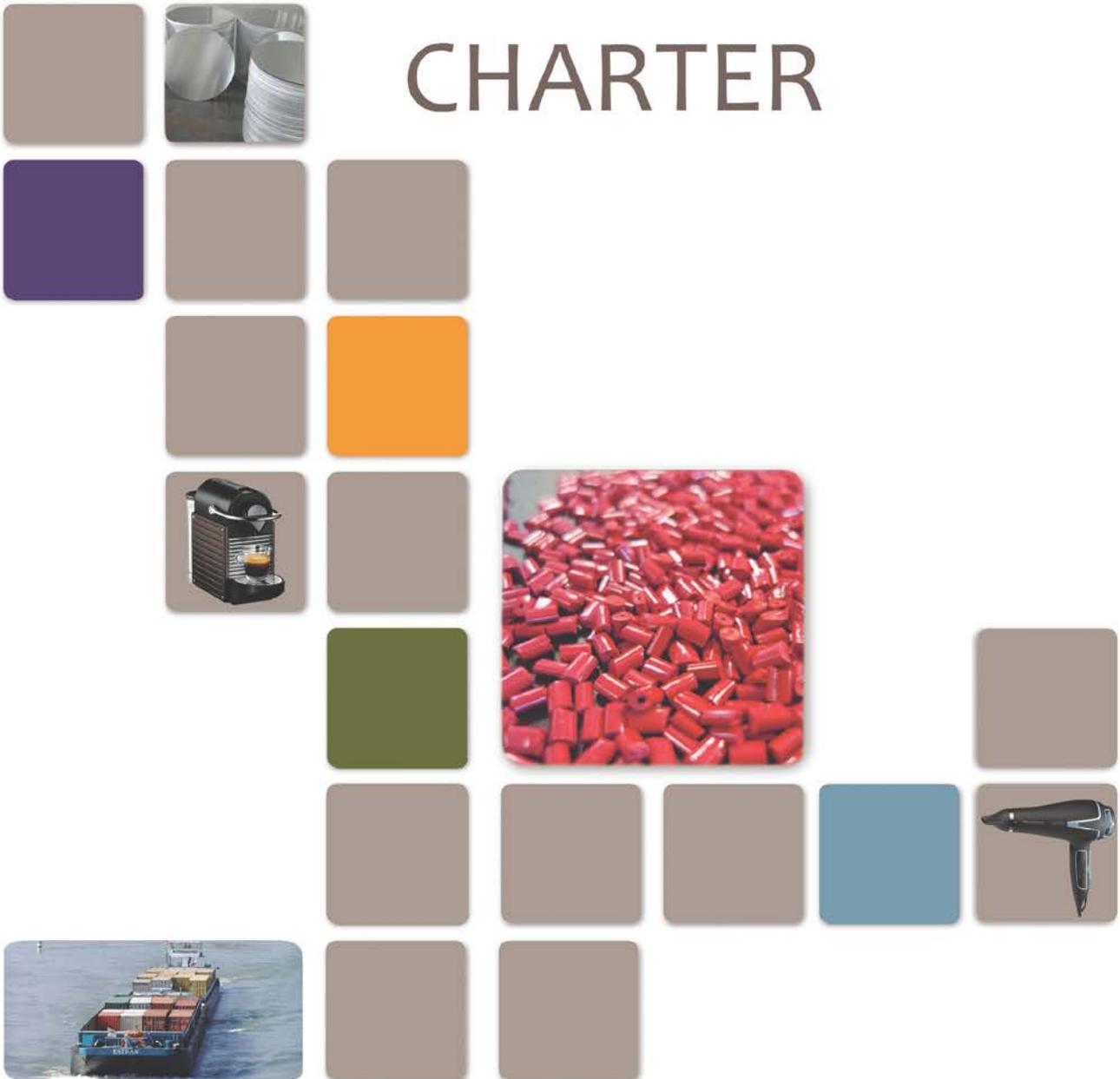


R RESPONSIBLE PURCHASING CHARTER



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WHY DO WE NEED A RESPONSIBLE PURCHASING CHARTER?

Groupe SEB is now one of the world leaders in small domestic equipment. We sell over 200 million products every year in more than 150 countries. This position means that we have responsibilities towards all of our stakeholders, on behalf of whom we owe it to ourselves to design products that are respectful of consumers and of the environment.

We have already formalized all of our ethical, social and environmental commitments in a Group Code of Ethics. This defines individual and group rules of conduct to guide and inspire us in the choices we make, in order to keep our values and commitments alive on a daily basis.

The Groupe SEB Responsible Purchasing Charter builds on this Code of Ethics and aims to provide a common reference system for our Purchasing teams and our suppliers. Because the manufacturing of our products relies on the trust our suppliers place in us, we want to share with them our commitments – including those towards sustainable development - and make these part of our continuous improvement process.

It is very important to us that all of our suppliers, no matter which country they are based in, respect Human Rights and the ethical, social and environmental requirements that we consider to be fundamental and essential to ensure a good working relationship between us. The Groupe SEB Responsible Purchasing Charter presents the commitments we require from all of our suppliers as well as the commitments we make towards them.

This charter is proof of our desire to incorporate the principles of sustainable development in all of our areas of activity and to promote them in our relations with our partners. The respect of this charter is a determining factor for ensuring the continuity of relations between Groupe SEB and our suppliers and we are counting on them, as well as on our own teams, to apply the charter on a daily basis.

Thank you for partnering with us in this endeavor
Sincerely,



Joël Tronchon
Vice-President, Sustainable Development



Hervé Montaigu
Vice President, Purchasing



GROUPE SEB'S COMMITMENTS IN TERMS OF SUSTAINABLE DEVELOPMENT

We adhere to the laws that are valid in each of the countries in which we operate, respect the international laws decreed by the UN and, in particular, stick to the principles set out in the Universal Declaration of Human Rights, the fundamental conventions of the ILO¹ and the guiding principles of the OECD² for multinational companies.

Groupe SEB has also been a signatory of the ten principles of the UN³ Global Compact since 2003...

- **Human Rights**

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;

Principle 2: They should make sure that they are not complicit in human rights abuses.

- **Labor**

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labor;

Principle 5: The effective abolition of child labor;

Principle 6: The elimination of discrimination in respect to employment and occupation.

- **Environment**

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility;

Principle 9: Encourage the development and promotion of environmentally friendly technologies.

- **Anti-corruption**

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

.. and is committed to respecting the nine principles of the CECED⁴ Code of Conduct which it signed in 2005:

- **Forced Labor**

There shall be no use of forced labor in any form. This includes forced prison labor, bonded labor or otherwise.

- **Child Labor**

¹ ILO: International Labour Organisation

² OECD: Organisation for Economic Cooperation and Development

³ UN: United Nations

⁴ CECED: European Committee of Domestic Equipment Manufacturers

There shall be no use of child labor. Unless local law stipulates a higher age limit, no person younger than the age for completing compulsory education or younger than 15 (except as provided for by ILO convention No. 138) shall be employed. Workers under the age of 18 shall not perform hazardous work and may be restricted from night work with consideration given to educational needs.

- **Harassment**

Employees shall not be subject to corporal punishment or to physical, sexual, psychological or verbal harassment or abuse.

- **Compensation**

Wages, including overtime and benefits, shall equal or exceed the level required by applicable law and regulations.

- **Hours of work**

Unless national regulations require fewer maximum work hours, and except under extraordinary business circumstances, employees shall not, on a regularly scheduled basis, be required to work a standard week of more than 48 hours or a total work week of more than 60 hours (including overtime). Workers shall be provided at least one day off in every seven-day period, except in extraordinary business circumstances.

- **Non-discrimination**

All employees shall be treated strictly according to his other abilities and qualifications in any employment decisions, including but not limited to hiring, advancement, compensation, benefits, training, layoffs and termination.

- **Health and Safety**

Employers shall provide a safe and healthy working environment to prevent accidents and injury and, when applicable, safe and healthy residential facilities, with applicable local law as a minimum.

- **Freedom of Association and Collective bargaining**

Employers shall recognize and respect the legal right of employees to the freedom of association and collective bargaining.

- **Environment**

Companies will comply with environmental regulations and standards applicable to their operations and will observe environmentally conscious practices in all locations where they operate.



GROUPE SEB'S COMMITMENTS TO OUR SUPPLIERS

Our suppliers play a key role in the development and success of Groupe SEB. It is therefore important to remind ourselves of our commitments to our suppliers, made through our Purchasing teams.

Independence

- We shall refuse any reward or any kind of gift other than those with a symbolic value (promotional items, for example) from our suppliers and service providers. If they have already been received, these rewards or gifts must be returned. In this respect, we are not authorized to give our personal contact details to a supplier.
- In order to bring this practice to an end, Groupe SEB will not send any gifts to any of our suppliers anywhere in the world, except potentially as part of a global program validated by the Purchasing department.

Confidentiality

- We shall guarantee, both throughout our employment at Groupe SEB and after having left this employment, the confidentiality of non-public data relating to our suppliers, which has been passed on during the course of the business relationship with Groupe SEB. We may not use or reveal to any other person information that is sensitive and/or confidential. Within the framework of contact with suppliers, this type of information relating in particular to sales agreements and technical and financial data, shall be covered by a legal document signed by both parties.
- We shall also ensure the protection and maintenance of confidentiality for data concerning Groupe SEB.

Conflict of interests

- We shall ensure that our activities and personal interests, both direct and indirect, do not create a conflict of interest with those of Groupe SEB. We must be able to make all of our decisions in an objective manner, and in the best interests of the company.
- A conflict of interest occurs when an employee or someone close to an employee (family, friends etc.) is liable to profit personally from a transaction concerning an entity in Groupe SEB.
- In the same way, we shall not put forward for this kind of transaction any entity in which we or any of our friends or family are known to hold a financial interest.
- We must show discretion in order to avoid any situation that could lead to a conflict of interest or that could be perceived as such.

Competition, fairness and transparency

- We shall apply purchasing methods that encourage genuine competition between suppliers.
- We shall treat our suppliers with honesty and respect, and we shall give the same chances to everyone, both during the process of selecting suppliers to build up an approved supplier list as well as in the allocation of business. We shall select our suppliers in an impartial manner according to predefined and transparent criteria. If a decision to purchase is contrary to the application of these methods, we shall advise our hierarchical superior.
- In the case where a supplier makes an obvious error in pricing or transactions, which may be detrimental to sustaining future trade relations, we shall indicate this error in writing, even if this goes against Groupe SEB's short-term interests. Our relations shall be based on the principles of transparency and integrity.

Reduction of risks of reciprocal dependency

- We shall aim to avoid any economic dependency which could endanger Groupe SEB or one of our suppliers.
- Heavy involvement on our part in the business of a small or medium-sized company could be a risk factor in the case of a sudden increase in orders. Where applicable, prior notice will be given of any withdrawal on our part from a supplier and this will be gradual in order to take into account the length of time we have been involved with this company, the possible degree of dependency and their potential to diversify or adapt.
- We shall encourage our suppliers to diversify their client list constantly in order to avoid significant economic dependency.
- A supplier acquiring a technical monopoly can by choice place Groupe SEB's supplies under risk. It is logical therefore, that we aim to find a second supply source, which can for example be expressed in the form of transferring a license with the correct compensation.

Wherever invitations to quote allow, Groupe SEB aims to promote social and environmental clauses and asks its suppliers to present their actions in terms of the Corporate Responsibility of Businesses and to enhance these as competitive advantages.

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COMMITMENTS REQUIRED BY GROUPE SEB FROM ITS SUPPLIERS

We require our suppliers to respect the principles set out in the UN Global Compact, the CECED Code of Conduct, the Universal Declaration of Human Rights and the fundamental conventions of the International Labour Organisation (ILO).

Groupe SEB reserves the right to terminate relations with any suppliers who do not comply with our requirements.

SOCIAL REQUIREMENTS

Suppliers shall be committed to respecting the laws and regulations that are valid in all the countries in which they operate, in particular on the following points:

Human Rights and working conditions

- **Use of forced or compulsory labor**

Suppliers shall be committed never to use any form of forced or compulsory labor as defined in the ILO fundamental conventions 29 and 105: "Any work or service exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily".

The holding of identity papers, passports, training certificates, work permits or any other identification document as a condition of work is prohibited, as is any obligation for workers to supply deposits or financial guarantees.

- **Child labor**

Suppliers shall be committed not to employ any person under the minimum age for working as defined in the ILO fundamental conventions 138 and 182. The minimum age for admission to employment shall not be less than the age of completion of compulsory schooling, which is 15 years old or 14 if legislation in the relevant country allows it. In all cases, dangerous work may not be allocated to young people under the age of 18.

In cases where the presence of children is nevertheless observed in factories, it shall be up to the suppliers to assume responsibility towards these children and to guarantee that they have access to healthcare and schooling, while taking into account the economic impact of this kind of decision on their family's level of resources. If the removal of children from factories is the chosen solution, Groupe SEB recommends that priority is given to adult members of the same family when it comes to replacing these children.

- **Working hours**

The duration of work deemed acceptable by Groupe SEB shall be determined by the regulations in force in the countries in which suppliers carry out their activity. All workers must have at least one day off a week, except under exceptional circumstances.

Compensation

All workers must be paid at least the legal minimum wage, in force either nationally or locally, and receive legal benefits. This pay must satisfy their basic needs and those of their family members who directly depend on them. Suppliers shall be committed not to make any deduction from pay for any disciplinary reason or for any other reason not provided for by the regulations in force and without the formal agreement of the worker.

Health and Safety

Suppliers shall be committed to implementing a health and safety policy, which aims to guarantee a healthy and safe working environment for each employee and to maintain an environment in which people's dignity is respected.

In particular:

- The work place must not present any risk to the health and safety of workers.
- In cases where the materials or products used may be dangerous, workers must be informed and trained in the prevention of risks arising from their use.
- Suppliers must provide their workers with the appropriate protective clothing and equipment.
- Any use of corporal punishment, verbal or physical abuse or the threat of physical abuse, as well as any form of harassment, sexual or moral, is prohibited.
- Emergency exits must be marked and easily accessible and usable; alarm systems and extinguishers must be in good working order and adapted to the risks.
- Access to healthcare must be guaranteed wherever needed by workers.

We encourage our suppliers to set up a structured health and safety approach in all countries in which they operate and, where possible, to obtain OHSAS 18001 certification.

Discrimination

Suppliers shall not make any distinction between people based on their: social or ethnic origin, sex, age, marital status, sexual orientation, genetic characteristics, nationality, surname, political opinion, trade union involvement, religious convictions, physical appearance, health, disability or pregnancy.

In conformance with the ILO fundamental conventions 100 and 111, suppliers shall be committed to ensuring that employees are treated equally and to providing them with equal opportunities. Suppliers shall prohibit any discrimination in the hiring, compensation, access to training, promotion or membership of a union.

Freedom of association and right to collective bargaining

Suppliers shall be committed to respecting the freedom of association and right to organize and collective bargaining as defined in ILO fundamental conventions 87 and 98: "Freedom of association means that workers and employers shall have the right to establish organizations of their own choosing, and to join and manage these organizations without any interference from public authorities or anyone else." All workers shall benefit from adequate protection against any act of discrimination, which may affect their freedom of association in terms of employment.

ENVIRONMENTAL REQUIREMENTS

Suppliers shall be committed to ensuring that their activities do not harm the environment. They shall respect the laws and regulations that are valid in all the countries in which they operate, in particular on the following points:

Risk prevention

Suppliers shall apply the principle of precaution in their approach to environmental issues and ensure the control of all potential risks by the strictest respect of best practices.

Impact on the environment

Suppliers shall be committed to developing a system for measuring the effectiveness of methods used to reduce:

- The use of non-renewable resources (oil, natural gas, metals etc.);
- Consumption of energy and water;
- Greenhouse gas emissions;
- Pollution (water, ground, air);
- Production of waste.

Emissions

The discharge into the air, water or ground of materials, emissions or substances that could endanger the environment shall be identified, monitored, controlled and processed according to regulations, before being discharged.

Hazardous substances

Suppliers shall be committed to respecting bans / restrictions on substances and materials in force under various regulations as well as those enforced by Groupe SEB. Procedures used by suppliers must enable them to ensure that regulations are respected and that products do not contain any material for which use is restricted or banned; and to inform Groupe SEB immediately in the case of any changes made either voluntarily or by imposition concerning the composition or manufacture of products supplied.

Chemical products and other materials, which are hazardous when released into the environment, shall be identified, labeled and managed in such a way as to guarantee that their handling, use, transport, storage, recycling, reuse and elimination all take place safely and within the respect of regulations in force. Workers in charge of handling these products and other materials shall be trained and equipped and there shall be provisions for emergency procedures in the event of an accident constituting a risk for the environment.

Certification

As far as possible, we shall encourage our suppliers to apply an Environment Management System and to obtain ISO 14001 certification.

MONITORING AND ACTION PLAN

Our suppliers must have mechanisms in place to guarantee that their company respects all the rules set out in this charter. We shall carry out regular checks to ensure that the Responsible Purchasing Charter is being respected. These checks may take the form of document requests, as well as on-site assessments and audits carried out by Groupe SEB or by a specialist consultancy appointed by Groupe SEB.

In the case of non-conformity and in accordance with the procedure in force at Groupe SEB, we shall insist that the supplier sets up a plan of corrective actions, which we shall then monitor. In the case of a serious breach or if a non-conformity is not sorted out, we reserve the right to end our relationship with the supplier concerned.



SIGNATURE

We the undersigned confirm that:

- We have received and familiarized ourselves with the Groupe SEB Responsible Purchasing Charter;
- We are committed to implementing these principles and understand that failure to comply may be considered as a breach of our obligations, which may - depending on the seriousness of the non-compliance - lead to the termination of our contract;
- We shall consequently inform all of our direct suppliers and encourage them to follow these principles.

Date: / /

Name of company:

Name of representative:

Title of representative:

Signature:

Company logo/stamp: