Since 2018, BIC’s Integrated Report has explained how we create and share sustainable value for all our Stakeholders. Our 2020 Report focuses on how we are adapting to a changing trading environment through our “Horizon” plan to accelerate long-term growth for BIC and our stakeholders.

This report is consistent with the International Integrated Council (IIRC) framework, and was prepared under the supervision of the Board of Directors, reflecting a comprehensive approach to all aspects of our financial, economic, social, and environmental performance. It was written with all stakeholders in mind, particularly our shareholders, customers, consumers, team members, and partners, including suppliers and NGOs.
Progress made through the transformation plan, launched in 2019, enabled BIC to improve efficiency, strengthen consumer-centricity and drive long-term profitable growth, while limiting impact on the business from the COVID-19 crisis. This laid the groundwork for the new Horizon plan.

Human Expression, Flame for Life and Blade Excellence reflect BIC’s transition from a product lens to a consumer lens. Reframing the company’s core categories enables BIC to leverage consumer trends and drive long-term growth while strengthening and building its capabilities and doubling down on sustainable development.

Overseen by an active Board of Directors and carried out by an executive team, BIC’s strategy for sustained growth is ensured by the professionalism and dedication of its team members.

BIC offers environmentally and socially responsible solutions for consumers, which are continuously improved through ongoing feedback from all stakeholders. Through a global approach to creating value for all its stakeholders, BIC ensures the long-term balance between the distribution of profits and investments in future growth.
BIC is a world leader in stationery, lighters, and shavers, guided by a long-term vision of providing high-quality, affordable products to consumers everywhere. This consistent focus has helped make BIC® one of the world’s most recognized brands, with products sold in more than 160 countries.

We bring simplicity and joy to everyday life

Our ambition is to create a sense of Ease & Delight in the millions of moments that make up the human experience. It is this passion for bringing Simplicity & Joy to people all over the world that drives our team members each day. We reimagine everyday essentials, designing products that are part of every Heart & Home. We believe we positively impact the world by offering sustainable solutions that respect the planet through smart design and the creation of products that last.

Our vision

Our mission

We create high-quality, safe, affordable, essential products, trusted by everyone

Our brands

Integrity
We are honest, open and fair, and demand an environment where everyone feels respected, included and heard

Sustainability
We drive sustainable growth while making meaningful contributions to our team members, communities, and the world

Respect
We make courageous, timely decisions and deliver ambitious results that delight consumers across the world

Ingenious
We dream big and create clever, simple, yet bold solutions for our consumers, customers, and teams.

Teamwork
We set high standards, trust each other, and work together across boundaries, holding ourselves and each other accountable

Simplicity
We believe that simple solutions are often the best solutions. When faced with complexity, we respond with clarity

Sustainability
We have always been committed to creating long-lasting products with a light environmental footprint, manufactured with a minimum of resources. We use an eco-design approach, integrating alternative solutions such as the use of recycled materials or bioplastics in many products.

Market leader in our three businesses

Our core business

Stationery
Human expression
35% of 2020 Net sales

- N°2 writing instruments manufacturer
- The leader in Europe, Latin America, Middle East, Africa & India
- 13.4 million BIC® Stationery products sold every day

Quality commitment
- 100% of the balls of the pens are tested. Perfectly spherical, they are almost as hard as diamond
- More than 2 km of writing for a BIC® Cristal® ballpoint pen

Lighters
Flame for life
38% of 2020 Net sales

- N°1 branded lighter manufacturer
- Global branded leader
- 3.9 million BIC® Lighters sold every day

Quality commitment
- Up to 3,000 constant flames for a BIC® Maxi Lighter
- Each BIC® lighter undergoes more than 50 automatic quality and safety checks

Shavers
Blade excellence
25% of 2020 Net sales

- N°2 one-piece manufacturer
- Leadership positions in the U.S., Europe & Latin America
- 6.2 million BIC® Shavers sold every day

Quality commitment
- Up to 17 shaves from a BIC® Flex 3 Shaver
- 100% of shavers undergo a thorough visual inspection

A GLOBAL PRESENCE

NORTH AMERICA
43% of Net Sales
2 Factories

EUROPE
32% of Net Sales
9 Factories

DEVELOPING MARKETS
25% of Net Sales
14 Factories

25 factories
92% of BIC® products manufactured in BIC factories

*Including BIC Graphic Europe (advertising and promotional products) / PIMACO was sold on February 26th, 2021

OUR GLOBAL FOOTPRINT, WITH 25 PLANTS WORLDWIDE, ALLOWS US TO STAY CLOSE TO OUR CONSUMERS, ENABLING US TO ANTICIPATE AND RESPOND TO EVOLVING TRENDS WHILE MINIMIZING THE GROUP’S ENVIRONMENTAL IMPACT.
If we were asked to call out our most defining years as a Company in the last 75 years of business, then 2020 would certainly rank close to the top! While the world recoiled from the impact of a global health crisis, we set about reshaping and reimagining a stronger, fitter, and more agile BIC of the future, focused firmly on the consumer’s evolving needs, as we strive with every action to bring our Raison d’Être to life.

Amidst unprecedented personal challenge, BIC Team members around the globe worked with intensity to ensure that we not only safely maintained production but that we also continued with our transformation, galvanizing our strategy into what has become known as the ‘Horizon Plan.’

In our drive for enviable growth and profitability, we are transforming BIC from a manufacturing and distribution-led company into one focused on consumers and their needs. By focusing on our innovation capabilities, global supply chain optimization and commercial excellence, we are leveraging our competitiveness, delivering new value and joy to consumers.

Also, we are reinforcing our focus on Sustainability, setting new objectives to reduce plastics in our products and packaging by 2030 dramatically. These ambitious targets extend our pledge to act as a responsible company by minimizing our environmental footprint and meeting our stakeholders’ expectations, in line with our “Writing the Future, Together” commitments.

I would like to thank all our Team members for their commitment, professionalism, and rigorous execution. Through teamwork and pure grit, we achieved a solid operating performance. We proved our resilience during a difficult year, setting a solid foundation from which we will continue building and creating sustainable value for all stakeholders.

Gonzalve Bich
Chief Executive Officer

23.7 million
BIC® PRODUCTS BOUGHT EVERY DAY

2020 NET SALES
€1,627.9 million

TEAM MEMBERS
11,246

2020 NET INCOME GROUP SHARE
€93.7 million

PERCENTAGE OF NET SALES:
7.6%
FROM INNOVATIONS IN THE LAST THREE YEARS

PERCENTAGE OF NON-VIRGIN PETROLEUM PLASTICS IN BIC®’S PRODUCTS
4.3%

PERCENTAGE OF PLASTIC IN CONSUMERS’ PACKAGING THAT IS RECYCLABLE, REUSABLE OR COMPOSTABLE
49.3%

MORE THAN 50% OF BIC® PRODUCTS OFFER ENVIRONMENTAL BENEFITS

80%
RENEWABLE ELECTRICITY USED
Progress made through the transformation plan, launched in 2019, enabled BIC to improve efficiency, strengthen consumer-centricity and drive long-term profitable growth, while limiting the impact on our business from the COVID-19 crisis. This laid the groundwork for the new Horizon plan.
Despite the unprecedented challenges the Covid-19 pandemic created, BIC maintained business continuity while playing an active role in the fight against the spread of the pandemic.

BIC adapted its production facilities to manufacture personal protective equipment, such as face shields for healthcare workers. The Group also partnered with businesses and academic institutions to convert Decathlon’s snorkeling mask into a full-face air filtration mask to be donated to hospitals. Other actions included donations of writing instruments and razors to support local communities, hospitals, children and the homeless, as well as financial and resource contributions to meet the needs of healthcare workers and NGOs across the globe.

The “BIC 2022 - Invent the Future” Transformation Plan allowed BIC to remain resilient and agile during this challenging time.
ADAPTING TO A FAST-CHANGING ENVIRONMENT

IN A WORLD UNDERGOING SWIFT CHANGES, WE ARE ACTIVELY MONITORING EMERGING TRENDS WITH THE POTENTIAL TO AFFECT OUR PRODUCT MARKETS AND THE OVERALL COMPETITIVE LANDSCAPE. ANTICIPATING ECONOMIC AND CONSUMPTION CHANGES ENABLES US TO EFFICIENTLY RESPOND TO THE NEEDS AND EXPECTATIONS OF ALL STAKEHOLDERS.

Economic and consumer trends

• Developing markets heavily impacted: Countries like India, Brazil and Mexico particularly suffered from the crisis.
• Reduced consumer confidence: At the height of the pandemic’s first wave in summer 2020, consumer confidence dropped dramatically and is not expected to fully recover until late 2021.1
• New shopping habits: 78% of Americans have tried a new shopping behavior – such as curbside pick-up, switching merchants or brands, and new digital shopping methods – since the outbreak of the covid crisis. These quarters say they intend to continue post-crisis.2
• Personalization: Consumers increasingly base their buying decisions on perceptions of a brand on its ability to form a unique relationship with them.
• Looking for purpose: Consumers expect that the products they buy are eco-responsible and increasingly base their purchasing decisions on evidence of purpose on the part of brands.
• Digital’s growing dominance: An increasingly digital world presents enormous opportunities in e-commerce, improving the customer experience, personalization and digital writing.

Sustainability

As the world faces massive challenges, climate change represents a threat to the planet. Natural resources are being depleted or contaminated from pollution. Economic and social pressures are straining societal bonds. Stakeholders expect companies to step up and respond by operating sustainably.

IN A WORLD UNDERGOING SWIFT CHANGES, WE ARE ACTIVELY MONITORING EMERGING TRENDS WITH THE POTENTIAL TO AFFECT OUR PRODUCT MARKETS AND THE OVERALL COMPETITIVE LANDSCAPE. ANTICIPATING ECONOMIC AND CONSUMPTION CHANGES ENABLES US TO EFFICIENTLY RESPOND TO THE NEEDS AND EXPECTATIONS OF ALL STAKEHOLDERS.

1 Sources : UNESCO 03/11/20
2 Source: Fitch Ratings’ Estimates: World GDP Growth

High demand for coloring products generally driven by more time spent on creative/arts & crafts at home
Global school closures over the last few months, delays in opening and new e-learning model affecting the demand for Writing Instruments
Massive demand for digital tools triggered by the pandemic
Shift to online shopping

• Decrease of tobacco consumption
• Need for personalization
• Increasing global population
• Rising demand for utility lighters in the US boosted by increased at-home cooking and grilling
• Changing grooming habits (less frequent facial shaving, more body shaving and trimming)
• Increased online channels for shopping for beauty & personal care products expected to continue post-COVID-19

• Launch of EZ Reach that combines the functional benefits of the Utility lighter and portability of the pocket lighter
• Leverage positive trend in coloring to boost “Creativity at home”
• Explore stationery segments/products most complementary to remote learning and working
• Leverage growing trend of e-commerce with relevant/adapted channel products and packaging
• Leverage the female shave growth trends
• Capitabize on Disposable Premium Male trend to improve BIC’s penetration,
• Recognize shift of Personal Care to e-commerce

TRENDS

OPPORTUNITIES
In November 2020, we unveiled Horizon, a plan to reshape our business in the face of market realities and drive future growth and profitability. The objective: transform BIC from a manufacturing and distribution-led company into a consumer-centric company.

An extension of the ongoing “BIC 2022 – Invent the Future” transformation plan, Horizon is focused on a set of initiatives that build on BIC’s strengths, with intensified focus on consumer needs and sustainability. Its objectives are to drive growth and ensure sustainable returns to shareholders.

Through a heightened consumer lens, the Group is reframing its three core categories:

- from Stationery to Human Expression
- from Lighters to Flame for Life
- from Shavers to Blade Excellence

Powered by advanced commercial capabilities, a redesigned Global Supply Chain and consumer-driven innovation, BIC aims for an accelerated growth trajectory while taking its Sustainable Development journey to the next level and transforming its approach to plastics.

Thanks to the daily involvement of its team members, the Horizon plan will enable the Group to fulfill its mission: create high quality, safe, affordable, essential products trusted by everyone.

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**PLAN: DRIVING SUSTAINABLE GROWTH**

**MISSION**

- We create high quality, safe, affordable, essential products trusted by everyone

**INNOVATION**

We are creating unique growth opportunities, better meeting consumer needs through new and groundbreaking technologies, leveraging an open and efficient innovation ecosystem.

**GLOBAL SUPPLY CHAIN**

We have redesigned our Global Supply Chain with an end-to-end organization focused on simplifying processes and reducing product complexity. These shifts will lead to cost reduction, and in turn, cash optimization.

**COMMERCIAL EXCELLENCE**

We are raising the bar on commercial excellence, building capabilities to drive profitable growth. This includes implementing a market portfolio management, accelerating e-commerce, and our new Revenue Growth Management capability, which will improve Net Sales and profitability.

**SUSTAINABILITY**

In line with our “Writing the future, Together” Sustainable Development program, we will significantly improve our products’ environmental footprint and reduce our carbon emission by rethinking our approach to plastics.

**PEOPLE**

From the beginning, BIC has owed its success to its employees and their passion for bringing simplicity and joy to people all over the world. We strive to offer them a safe, stimulating and fulfilling work environment and to unite our teams around our 6 values: integrity, sustainability, responsibility, ingenuity, teamwork and simplicity.
We create high quality, safe, affordable, essential products trusted by everyone

Team members: key to our success
To support growth and development, we continually reinforce our teams’ skills and capabilities by providing customized training programs and opportunities for career development.

State-of-the-art and responsible production
We rely on our state-of-the-art manufacturing process, while reducing the environmental impact of BIC factories and protecting team members’ health.

Sustainable procurement strategy
Through our responsible procurement strategy, we strive to minimize the environmental footprint of BIC® products.

Solid financial foundation
Through sound cash management and a strong balance sheet, we ensure access to the capital needed in order to finance BIC operations and growth.

Innovation
True to our nature of innovation, we maintain a relentless focus on developing new and innovative environmentally-friendly products.

Committed and safe employees
To foster the commitment and loyalty of our teams, we strive to ensure that their everyday work tasks are fulfilling and safe.

A reduced environmental footprint
We have significantly reduced BIC’s environmental footprint by working throughout our production chain from the product’s creation to the end of its life cycle, including a recycling strategy and controlled emissions from BIC factories and headquarters.

Long-lasting products
We are accelerating innovation to tackle tomorrow’s challenges: meeting the needs of consumers while reducing the environmental impact of BIC® products. With society’s growing concerns over the environment, we are increasingly recognized for our high-quality and sustainable products.

Long-term profitable growth
As a company, the creation of financial value is essential to BIC’s sustainability. Over the years, we remained committed in creating value for all our stakeholders, with a particular focus on sharing our success with shareholders.

Education as a priority
Motivated by our conviction that education is crucial to fight for free will, independence, development, and poverty, we are taking our engagement further with ambitious objectives set in 2018, to improve learning conditions for 250 million children around the world by 2025.

11,246 team members
24,202 training days
€466M payroll cost
25 plants on 4 continents
92% Net Sales from products manufactured in BIC factories
Long-term progress in all factories 1 reducing water & energy consumption and waste production
€862.2M purchases of raw materials, consumables and services
300 strategic suppliers identified in 2020
more than 80% of products manufactured in Europe and sold there
€1,456.2M Shareholders’ equity
€537.6M of Net Cash from Operating Activities
€183.9M of Net cash position
346 patents granted at the end of 2020 in total
5.5% Net Sales invested in R&D
100% new stationery products subject to eco-measurement
1.5% Net Sales invested in R&D
100% new stationery products subject to eco-measurement
1.4% absenteeism rate
-32% reportable accidents
+7% water consumption*
+3% energy consumption*
-13% waste production*
-4% greenhouse gas emissions (scopes 1 and 2)*
2 km writing for a BIC® ballpen
3,000 flames for a BIC® lighter
17 days of shaving with a BIC® Flex 3
£1.627.9M Net Sales
£93.7M Net Income
£83.1M Capital Expenditure
£110.2M Ordinary Dividend paid
142 philanthropic projects supported
118M children with improved learning conditions since 2018
£1.4 M invested in community activities

= 862.2M purchases of raw materials, consumables and services
= 300 strategic suppliers identified in 2020
= more than 80% of products manufactured in Europe and sold there
Human Expression, Flame for Life and Blade Excellence reflect BIC’s transition from a product lens to a consumer lens. Reframing the company’s core categories enables BIC to leverage consumer trends and drive long-term growth while strengthening and building its capabilities and doubling down on sustainable development.
FROM PRODUCT-LENS TO CONSUMER-LENS

TO ADAPT TO CURRENT AND FUTURE CONSUMER EXPECTATIONS, WE ARE ADOPTING A PRAGMATIC APPROACH, PIVOTING FROM A PRODUCT-ANCHORED MINDEDSET TO A CONSUMER FOCUS. WE HAVE REFRAmed OUR THREE BUSINESSES: FROM STATIONERY TO “HUMAN EXPRESSION,” FROM LIGHTERS TO “FLAME FOR LIFE,” AND FROM SHAVERS TO “BLADE EXCELLENCE.” THIS SHIFT, ENABLING THE EXPANSION OF OUR ADDRESSABLE MARKETS INTO FAST-GROWING ADJACENT SEGMENTS, WILL HELP DRIVE LONG-TERM GROWTH AND VALUE CREATION.

### MAIN TRENDS

<table>
<thead>
<tr>
<th>From Stationery to...</th>
<th>High demand for coloring products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Expression</td>
<td>New e-learning model affecting demand for Writing Instruments</td>
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<tr>
<td></td>
<td>Shift to online shopping</td>
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<table>
<thead>
<tr>
<th>From Lighters to...</th>
<th>Decrease of tobacco consumption</th>
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<tr>
<td>Flame for Life</td>
<td>Need for personalization</td>
</tr>
<tr>
<td></td>
<td>Rising demand for utility lighter</td>
</tr>
</tbody>
</table>

| From Shavers to...    | Changing grooming habits (less frequent facial shaving, more body shaving and trimming) |
| Blade Excellence      | Increased online shopping |

### WHY CHANGE

- **Human Expression:** BIC goes beyond writing instruments and into creative expression and digital writing. Opening up adjacent markets such as the fast-growing Arts & Crafts, Skin Care, and Digital Writing market spaces will quadruple the estimated value of BIC’s total addressable market to 80 billion euros by 2025.

- **In November 2020, BIC acquired Rocketbook:** the leading smart and reusable notebook brand in the U.S. The acquisition provides an ideal steppingstone for BIC into the emerging digital writing segment.

- **Flame for Life:** By leveraging all flame occasions, evolving to a value-driven model, the Flame for Life strategy will sustain profitability and drive incremental growth in our lighter business. With 50% of flame sales non-smoking related, this market holds enormous growth potential for BIC.

- **In June 2020, BIC acquired Djeep:** one of the world’s main leading manufacturers of semi-luxury lighters and a key supplier to the decorated lighters market.

- **Blade Excellence:** BIC capitalizes upon its advanced R&D and world-class manufacturing capabilities to build a selective new business, enabling other brands to tap into its Blade Excellence. This strategy enables BIC to target the total wet-shave and Precision Blade-enabled markets while delivering consumer-driven innovation.

## THREE CAPABILITIES EMPOWERING THE NEW STRATEGY

### Innovating to meet consumer needs

**Harnessing the Internet of Things and Artificial Intelligence**

BIC uses IoT, AI and machine learning technologies to capture data on how consumers use its products to better meet their needs.

**Engaging directly with consumers**

BIC interacts and co-creates with consumers through the weekly challenges of the BIC Creative Community. An example of a product launched this year through this process: the BIC® Slim Style ProGrip™.

**Sustainable Innovation**

BIC’s innovation efforts are driven by a relentless focus on sustainability. New products are greenlit and developed after their sustainability is assessed. A recent example: the planned launch of a comprehensive range of hybrid razors made from and packaged with recycled materials.

### 1. MAIN OUTCOMES

**7.6%** of Net Sales in 2020 coming from innovations introduced in the last 3 years

**346** patents granted at the end of 2020

**Our Horizon Plan responds to the global challenges of today and tomorrow by leveraging three capabilities: innovation, global supply chain optimization and commercial excellence.**
THREE CAPABILITIES EMPOWERING THE NEW STRATEGY

2 A value-driven global supply chain

THE ENGINE BEHIND BIC’S TRANSFORMATION INTO A GLOBAL, CUSTOMER AND CONSUMER-DRIVEN COMPANY IS AN END-TO-END GLOBAL SUPPLY CHAIN. A GLOBAL SUPPLY CHAIN ENGINE POWERED BY BIC’S “3RS”: RELIABILITY, RESPONSIVENESS, AND REDUCTION IN COSTS.

Reliable business partner
Our on-time delivery and capacity to produce are the basis for BIC’s reliability. BIC’s close relationships with strategic suppliers and ecosystem of Original Equipment Manufacturers (OEMs) is the key to BIC’s flexible product portfolio.

Responding to a changing world
By managing, segmenting and acting to ensure its portfolio’s efficiency, BIC brings products to market faster than ever before. This means the right level of range and value for customers while creating space for new and innovative SKUs.

Reducing cost and optimizing our manufacturing footprint
Around the world, BIC is adapting to a changing environment, improving manufacturing efficiency and creating economy of scale. The objective: produce closer to customers, shorten lead times, respond quicker to new market demands, minimise environmental impact and reduce cost.

13 million euros in savings from procurement efficiencies in 2020

25% reduction in SKUs => 10% cost savings in 2020

3 Commercial excellence

THREE COMPONENTS DRIVE OUR COMMERCIAL TRANSFORMATION: OMNICHANNEL DISTRIBUTION, REVENUE GROWTH MANAGEMENT AND PORTFOLIO MANAGEMENT.

Omnichannel distribution
Through its Omnichannel strategy, BIC is creating a seamless online/offline shopping experience.

Revenue growth management
A data-based analytical approach to pricing, improved promotional efficiency, scaled personalization, and reduced internal complexity.

Portfolio management
BIC’s portfolio management approach: allocate resources, leverage advantages in “Invest to Grow” geographies, change business models in lower potential markets and focus on profitability in mature markets.

13 million euros in savings from procurement efficiencies in 2020

+18% e-commerce Net Sales growth in 2020

25% reduction in SKUs => 10% cost savings in 2020

BIC’s ability to capture growth profitably
SUSTAINABILITY: AT THE CORE OF BIC’S DEVELOPMENT

SUSTAINABILITY DEVELOP HAS GUIDED BIC’S APPROACH TO DOING BUSINESS FOR MORE THAN 15 YEARS. BIC’S “WRITING THE FUTURE, TOGETHER” AMBITION OUTLINES OUR COMMITMENTS TO ACTING AS A RESPONSIBLE COMPANY, LIMITING OUR IMPACT ON THE ENVIRONMENT AND LIVING UP TO OUR STAKEHOLDERS’ EXPECTATIONS.

Sustainable development is embedded in our approach and underpins all of our actions and decisions. We are working to reduce the environmental and societal footprint of our products and operations, including a complete transformation of our approach to plastics. We are committed to fighting against climate change. For BIC, doing business means respecting ethical principles and human rights in the workplace and operating with integrity. We believe in providing our employees with a safe workplace, extending our responsible approach throughout our supply chain and investing ourselves in education. As a corporate citizen, we support the local communities where we operate and do business. Through these and other actions, we strive to constantly improve our performance and to help write a sustainable future for us all.

Goverance

The central role of sustainable development in BIC’s decision-making is overseen and guided through efficient governance. Programs and actions related to sustainability including climate change, plastics and progress on the “Writing the Future, Together” ambitions, are a regular item on the Executive Committee’s agenda. The Sustainable Development Program, its objectives, and its level of progress are presented at least once a year to the Board of Directors and to the shareholders during the General Meeting. The challenges posed by climate change are evaluated in terms of specific risks and opportunities and considered in formulating BIC’s strategy and action plans.

1 FOSTERING SUSTAINABLE INNOVATION IN BIC® PRODUCTS

Description

Simple, inventive designs, with less raw materials and long-lasting performance: sustainable development is embedded into BIC® products starting from the design phase.

Main 2020 Achievements

• At the end of 2020, the BMA tool, containing the process and criteria for evaluating and improving products was finalized and integrated into operational models - 19 products labeled NF Environment
• 4.3% of BIC® products produced from recycled or alternative material
• At the end of 2020, more than 50 million pens have been collected via TerraCycle

2 ACTING AGAINST CLIMATE CHANGE

Description

We deploy a global approach to energy consumption (energy efficiency, use of renewable energy, etc.) based on a Group roadmap and local choices.

Main 2020 Achievements

• 80% of renewable electricity - Target achieved
• Installation of solar panels in Daman (India)
• Partnership signed with Schneider Electric to implement energy consumption management tool on all sites

3 COMMITTING TO A SAFE WORK ENVIRONMENT

Description

The Group is committed to the safety, health and well-being of its team members.

Main 2020 Achievements

• 50 reportable accidents (-32% vs 2019)
• Implementation of health and safety roadmaps delayed due to COVID
• Implementation of a centralized health and safety management system
• Formalization of HSE “family” job descriptions
• Implementation of safety dashboard

4 PROACTIVELY INVOLVING SUPPLIERS

Description

Being a responsible company requires control of our entire value chain. Our purchasing team analyzes all risks and selects and collaborates with our most strategic suppliers on implementing a responsible approach.

Main 2020 Achievements

• 100% of buyers trained in the responsible purchasing process
• Partnership signed with Schneider Electric to implement energy consumption management tool on all sites

5 IMPROVING LIVES THROUGH EDUCATION

Description

Because education has the power to change the world, it has always been at the heart of the Group’s concerns.

Main 2020 Achievements

• Learning conditions improved for more than 116 million children since 2018
• 53% of philanthropic contributions promote education

UN SDG 1

Inclusive Education

250 million children, globally

UN SDG 1

1 United Nations Sustainable Development Goal
2 Excluding Cello Pens
3 United Nations Sustainable Development Goal
4 Excluding Cello Pens, Creion and Pencil
5 UN SDG 4
6 UN SDG 1
7 UN SDG 5
8 UN SDG 7
9 UN SDG 8
10 UN SDG 12
11 UN SDG 13
12 UN SDG 14
13 UN SDG 15
14 UN SDG 16
15 UN SDG 17

Embracing consumers trends
In 2020, BIC reinforced its contribution to Sustainable Development as part of its Horizon plan. The company defined two ambitious objectives to reduce its climate and environmental footprint linked to the use of plastics:

- By 2025, 100% of consumer plastic packaging will be reusable, recyclable, or compostable.
- By 2030, we will use 50% non-virgin petroleum plastic or alternatives in our products.

Through these objectives, BIC responds simultaneously to three major current environmental challenges: climate change, the depletion of natural resources due to the consumption of fossil fuels, and environmental pollution, in particular, plastic pollution in the oceans and on land.

The purchase of goods represents 29% of BIC’s carbon footprint, particularly materials purchased for the manufacture of products. Plastics represent 21% of the company’s carbon footprint. BIC estimates that achieving these commitments could reduce its CO₂ emissions by around 10% by 2030.

A strengthened climate reporting

In 2020, BIC reinforces its transparency policy on climate-related reporting by following the Task Force on Climate-related Financial Disclosure (TCFD) framework.

- In 2020, BIC is listed in the Climate-A and included in the CDP Leaders Index.

**GOVERNANCE**

- Sustainable development and climate change are taken into account in decision making and risk mapping processes.
- Senior management reviews commitments annually, including those that contribute to the fight against climate change.
- In 2020, BIC’s Chief Executive Officer renewed the signing of the French Business Climate Pledge.

**STRATEGY**

- Climate-related risks from both external and internal sources are integrated into company-wide risk identification, assessment and management processes.
- Risks associated with climate change are managed and integrated into overall risk mapping by the Executive Committee and reviewed with the Board of Directors.

**RISK MANAGEMENT**

- In 2020, BIC updated its method for evaluating scope 3 emissions to ensure annual reporting on all emissions items linked to BIC’s activities, in addition to purchases of raw materials and outbound transport.
- In 2020, BIC is listed in the socially responsible investment index CDP Climat 2020 at Leadership Level A.

**METRICS & TARGETS**

- In 2020, BIC reinforced its transparency policy on climate-related reporting by following the Task Force on Climate-related Financial Disclosure (TCFD) framework.

**Sustainability in action**

Through its "4 R" approach (reduce, use recycled materials and alternatives, recharge, recycle), BIC is progressing on the path towards a circular economy.

**PHILOSOPHY OF THE "4 R" ... APPLIED TO BIC® PRODUCTS**

<table>
<thead>
<tr>
<th><strong>Reduce material consumption</strong></th>
<th><strong>Use Recycled or alternative materials</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The BIC® Cristal® ballpoint pen, with optimized material use, has minimum writing length of more than 2 km and uses only 2.9 grams of material per km of writing compared with competitor’s 6.6 grams.</td>
<td>BIC launched the EZ Reach® utility lighter at the end of 2020 with an environmental footprint reduced by two-thirds versus the US40 Utility Lighter.</td>
</tr>
</tbody>
</table>

**Design and manufacture Refillable products and packaging when possible**

- The BIC® Hybrid razor, sold with one handle and four to six heads, uses less plastic and lasts at least four times that of a standard non-rechargeable razor.

**Design and manufacture Recyclable products and packaging**

- Ultracut® fabric is made from used pens, converted into plastic that is recyclable and not prejudicial to ultraviolet rays and graffiti and very robust and easy to maintain.

**Innovative circular economy model**

- Through partnerships and collaborative work with various stakeholders, BIC has helped initiate an independent economy model unique in France.

**Reduced use of materials**

- As an expert in the transformation of plastics, BIC has reduced materials in the BIC® Cristal® ballpoint pen and increased its use to 2.9 grams of material per handle. The handle of its Simply Solide® razor is hollow yet maintains a high level of performance.

**Eco-design**

- BIC is minimizing consumption of non-renewable raw materials by reducing material used in the manufacturing of a product while maintaining its long shelf life, integrating alternative materials, and developing refillable products.

**Development of rechargeable and hybrid products**

- BIC is committed to achieving 50% recycled or alternative plastics in its products by 2030 and 100% reusable, recyclable or compostable plastic packaging by 2025.

**Integration of alternative materials**

- BIC’s R&D and Procurement teams develop products from biomass or recycled material and conduct research with suppliers to identify and test new materials, new concepts or hybrid materials.

**PERFORMANCE**

<table>
<thead>
<tr>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>58 646</td>
<td>45 827</td>
<td>33 097</td>
</tr>
</tbody>
</table>

**PRODUCT ENVIRONMENTAL PERFORMANCE**

- As an expert in the transformation of plastics, BIC has reduced materials in the BIC® Cristal® ballpoint pen and increased its use to 2.9 grams of material per handle. The handle of its Simply Solide® razor is hollow yet maintains a high level of performance.

- The BIC® Hybrid razor, sold with one handle and four to six heads, uses less plastic and lasts at least four times that of a standard non-rechargeable razor.

- Ultracut® fabric is made from used pens, converted into plastic that is recyclable and not prejudicial to ultraviolet rays and graffiti and very robust and easy to maintain.

**A strengthened climate reporting**

- In 2020, BIC reinforces its transparency policy on climate-related reporting by following the Task Force on Climate-related Financial Disclosure (TCFD) framework.

- In 2020, BIC is listed in the CDP Leaders Index.

**TOTAL ANNUAL GREENHOUSE GAS (GHG) EMISSIONS**

<table>
<thead>
<tr>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>58 646</td>
<td>45 827</td>
<td>33 097</td>
</tr>
</tbody>
</table>

**2020 GREENHOUSE GAS (GHG) EMISSIONS per mode of transportation**

<table>
<thead>
<tr>
<th>Mode</th>
<th>Sea</th>
<th>Road</th>
<th>Air</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>27%</td>
<td>49%</td>
<td>24%</td>
</tr>
</tbody>
</table>

**PERCENTAGE OF ENERGY FROM RENEWABLE SOURCES**

<table>
<thead>
<tr>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>68%</td>
<td>76%</td>
<td>80%</td>
</tr>
</tbody>
</table>
Overseen by an active Board of Directors and carried out by an executive team, BIC’s strategy for sustained growth is ensured by the professionalism and dedication of its team members.

A governance tailored to support sustainable growth

A long-term vision

A Board of Directors to drive BIC’s growth

An active Board of Directors supported by committees

An Executive Committee turning strategy into actions

Team members: key to our transformation

A fair and motivating remuneration system

Risks and opportunities

An effective risk management system
A GOVERNANCE TAILORED TO SUPPORT SUSTAINABLE GROWTH

A clear and well-structured governance

BIC’s governance is organized to ensure the proper functioning of the Group and the respect of its values.

Board of Directors

- Monitors the company’s performance
- Provides direction and a set of expectations and guidelines to the CEO
- Monitors the company’s strategy

As of December 31, 2020, the total number of issued shares of SOCIETE BIC was 45,395,857 shares, representing 66,809,211 voting rights.

Executive Committee

- Represents the company’s shareholders
- Defines objectives
- Implements BIC’s strategy
- Manages the company’s performance

45% BIC Family shareholders

Shareholding Structure

1% 54% TREASURY SHARES PUBLIC

EXECUTIVE COMMITTEE

- CEO
- Board of Directors
- Executive Committee

MISSIONS:

- Determines the Group’s strategy
- Defines objectives and boundaries
- Provides direction and a set of expectations and guidelines to the CEO
- Monitors the company’s performance

EXECUTIVE COMMITTEE MEMBERS:

- Vincent Bedhomme
- Marie-Pauline Chandon-Moët
- John Glen
- Inna Kostuk
- Malivya Castella
- Candace Matthews
- Marie-Aimée Bich-Dufour
- Vincent Bedhomme
- Marie-Pauline Chandon-Moët
- John Glen
- Inna Kostuk
- Malivya Castella
- Candace Matthews

MISSIONS:

- Implements BIC’s strategy
- Manages the company’s performance

45% Women
45% Independents
3 Nationalities
12 Meetings in 2020
99.3% Rate of attendance
9 members
Executive Committee

A Board of Directors to drive BIC’s growth

BIC’s Board of Directors is committed to defining the Group’s strategy and is supported by three specialized committees: the Remuneration Committee, the Audit Committee and the Nominations, Governance and Corporate Social Responsibility (CSR) Committee.

A clear and well-structured governance

 Ensuring a long-term vision
An active Board of Directors supported by committees

In 2020, the Board of Directors was highly mobilized for the Covid-19 crisis. In addition to its regular duties (e.g., closing of the accounts, review of the quarterly results, approval of the annual budget, approval of the Corporate Officer’s remuneration, etc.), the Board also deliberated on:

- The evaluation of the Board composition and performance conducted with the support of external consultants and the implementation of consecutive actions
- The review of the 2019 CSR report, and the monitoring of the Group’s Sustainable Development Goals and Roadmaps
- The update of CEO and Chair emergency succession plans. The design of the CEO long-term succession plan
- The design and implementation of the succession at the audit Committee
- The Executive and Non-Executive Officers and Directors Succession Planning
- Defining and reviewing safeguard measures against Covid-19 and how the business reacts. Reviewing the impacts of the pandemic on the Group’s results, the markets where the group operates and the Company’s commercial plans, the measures taken in relation to employees including the revision of short- and long-term management incentives in light of Covid-19 crisis
- Defining the Group Financing Model and Update on Scenario Planning based upon Net Sales and Normalized Income from Operations Estimates
- Studying Group financing options and securing access to external financing capabilities
- Reviewing the Group Risk Mitigation plan
- Controlling the implementation of the global business services company in Sofia. Ensuring the adequacy of Internal controls. Designing the Long-Term Strategy of the Group

An Executive Committee turning strategy into actions

One Executive Committee, one strategy, one long-term vision!

Ensuring a long-term vision
**TEAM MEMBERS: KEY TO OUR TRANSFORMATION**

Unified through common culture and a shared vision, working in an environment that enables their growth and development, BIC team members are at the cornerstone of the Group’s transformation.

### Health and well-being in the workplace

Ensuring employee health and well-being is a priority commitment for BIC. As part of the COVID-19 health crisis, the company organized of remote working and opening of negotiations for a Group agreement. The Group’s target is to reach 40% female in Executive positions by the end of 2027. Programs to build on this momentum include improving talent identification and management processes, delivering gender-balanced slates of candidates, introducing mandatory unconscious bias training, and reviewing employment offer to attract and retain female talent.

### Team member development

Diversity and inclusion is a priority for the communities in which BIC operates and the customers and consumers it serves. Diversity enriches BIC’s culture and increases the dynamism of its teams as engines of innovation and an essential factor in its success. Positive results have emerged from BIC actions to improve representation in the workforce:

- 35% women in top 10% of positions
- 27% women at Executive Management level
- 28% of Executive Committee members are women

### Promoting diversity and inclusion

Diversity and inclusion in a priority with the primary objective of representing the communities in which BIC operates and the customers and consumers it serves. Diversity enriches BIC’s culture and increases the dynamism of its teams as engines of innovation and an essential factor in its success.

#### BIC’s commitment to gender diversity

- Signature of UN business conduct standards for the fight against LGBTQ+ people
- Launch of the “Empowerment” program within the Global Supply Chain department and creation of the Women in Supply Chain network
- Creation of Women @ BIC leadership group in North America
- Launch of the Alliance for Diversity & Inclusion program, that invites employees to express their interest in D&I and become “Allies”
- Launch of the “Empowerment” program within the Global Supply Chain department and creation of the Women in Supply Chain network

#### BIC undertakes numerous programs and initiatives to promote Diversity and inclusion in the workplace

- Launch of the “Empowerment” program within the Global Supply Chain department and creation of the Women in Supply Chain network
- Creation of Women @ BIC leadership group in North America
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### Social dialogue

To create and maintain a high level of employee engagement and listen to their expectations.

#### Country subsidiaries work to improve employment conditions, including by offering competitive remuneration and benefits and investing to improve the working environment. Actions are discussed beforehand with employees and their representatives.

#### Social dialogue

- Partial layoffs due to the sanitary and economic crisis negotiated. (France)
- Continued implementation of redundancy plan and voluntary departures. (France)
- Surveys and discussions to ensure that there was no discrimination. (USA)
- Exchanges and discussions about the health crisis and its consequences. (USA, Mexico, Brazil)
- Promotions to better manage job loss, and retain female talent.
- Training and reviewing employment offer to attract and retain female talent.
A FAIR AND MOTIVATING REMUNERATION SYSTEM

BIC SEeks to maintain a fair and motivating remuneration system that allows the group to combine competitiveness and attractiveness. It is based on three fundamentals principles: the recognition of individual and/or collective performance, internal equity and external competitiveness.

Structure of corporate officer’s remuneration

Based on the recommendation of the Remuneration Committee and in accordance with the remuneration policy, the Board approves the Corporate Officers’ remuneration each year.

Corporate Officers’ remuneration

Remuneration policy – specific principles

(Chairman, Chief Executive Officer, Deputy Executive Officers)

Annual fixed remuneration (+ Supplementary pension plan and in-kind benefits)

- Determined by the Board of Directors
- Reflects the responsibilities of the Executive Corporate Officer, his/her experience & skills

Annual variable remuneration (short-term)

- Criteria set to strengthen the linkage between BIC’s results and bonus payout
- Continued emphasis and explicit focus on CSR as part of individual objectives
- Variable remuneration structure:
  - 25% net sales
  - 25% normalized Income from operations
  - 20% working capital
  - 30% personal objectives: the corporate officers’ personal objectives include CSR criteria. For 2020 and important component was related to the execution of the “Writing the Future Together” Sustainable Development Program

Performance shares (long-term)

- The total number of shares granted to the Corporate Officers will not exceed 0.4% of the share capital
- Performance calculated based on two criteria
  - Net sales growth
  - Net cash flow from operation and change in inventory

Aligning remuneration with Horizon Plan

The awarding of Long-Term Incentive (LTI) remuneration to executives and other critical team members is a core element of BIC’s Total Rewards Strategy. Starting 2021, performance is assessed according to the achievement, over three years, of three objectives set by the Board of Directors. To further align its remuneration policy with its Horizon strategy, BIC added “Net Sales from innovation” and “Percentage of recycled, recyclable and compostable material in packaging” as criteria on which performance is measured in determining LTI awards. The third criteria is Free Cash Flow from Operations.

People remuneration

Recognition of individual and team performance is an essential element of the BIC’s remuneration policy. Thus, for managers, salary increases are based on individual merit, except in certain countries with legal obligations for general increases.

Variable remuneration represents a target percentage of fixed remuneration that can vary by 5% for the most junior positions to more than 50% for certain members of the Executive Committee.

For non-managers, BIC guarantees decent remuneration that respects social minima and is aligned with local companies and international companies operating locally.

Structure of corporate officer’s remuneration

2019

Pierre Vareille
Chairman of the Board of Directors

Fixed remuneration:
€300 000 (unchanged vs. 2019)

Gonzalve Bich
Chief Executive Officer

Fixed remuneration:
€675 142 (Target bonus 125%)

2020

Fixed Income

Variable Income

56%

44%

56%

44%
RISKS AND OPPORTUNITIES

BIC IS EXPOSED TO DIFFERENT RISKS THAT COULD AFFECT ITS REPUTATION, PERFORMANCE AND ABILITY TO ACHIEVE THE OBJECTIVES OF ITS STRATEGIC BUSINESS PLAN. BIC THEREFORE TAKES AN ACTIVE AND DYNAMIC APPROACH TO RISK MANAGEMENT, ANTICIPATING, AND MANAGING RISKS WHILE SEEKING TO CONVERT THEM INTO OPPORTUNITIES.

OPPORTUNITY

Ensure a working environment favorable to the development and fulfillment of team members and working to engage their commitment and loyalty

Respond to consumers’ evolving needs and penetrate new markets through close relationships with BIC’s suppliers and constant quality controls on its products

Position the Group as a leading brand in terms of product quality, affordability, safety and responsibility through ongoing innovation processes

Make BIC’s responsible approach to products a differentiating factor in its markets and limit its impact on the planet

Reinforce the Group’s ability to finance its development and invest in its future

BIC RESPONSE

• Identification and support of future managers
• Continuous improvement of the workplace environment
• Especially in a Covid-19 context, special care given to health and safety at work
• Support of team members career evolution through individual development plans
• BIC University programs

• Close monitoring of distributors’ sales and orders
• Implementation and monitoring of preventive measures and safety systems for gas and solvent storage areas
• Team member training to recognize potential hazards and take corrective actions
• Implementation of a Product Safety Policy

• Support new product launches through communication programs
• Investment of a significant portion of Net Sales in R&D
• Reinforcement of BIC’s commitment to Human Rights: BIC Speak-Up alert system open to third parties in 2019
• Anti-corruption training set up in selected locations
• Continued support to communities through BIC Foundation with a particular focus on Education

• Pursuit of BIC’s Sustainable Development Program “Writing the Future, Together” and its Health, Safety and Environmental (HSE) policy
• Continuous reduction of direct and indirect CO2 emissions per ton of production
• Eco-design approach to limit the use of non-renewable raw materials
• Improved procurement process of packaging suppliers
• Adapt the production process to the circular economy

• Maintain a solid cash position, enabling BIC to invest in operations, and targeted acquisitions, and to ensure sustained shareholder return

AN EFFECTIVE RISK MANAGEMENT SYSTEM

THE BIC GROUP HAS ESTABLISHED A CLEAR AND EFFECTIVE RISK MANAGEMENT METHODOLOGY TO ADDRESS RISKS THAT COULD SIGNIFICANTLY IMPACT THE COMPANY. THIS PROCESS INCLUDES THE IDENTIFICATION, MAPPING AND MONITORING EXTERNAL AND INTERNAL RISKS TO MITIGATE OR INSURE AGAINST THEIR IMPACT.

1 IDENTIFICATION AND ANALYSIS OF RISKS

• Bottom-up approach: self-assessment of significant risks

2 RISK MANAGEMENT

• Top-down approach: Group risks mapping updated every two years. Consolidation carried out by the Risk Management function, which delivers a Group risk matrix

3 RISK MONITORING

• Action plans related to key risks are reviewed and discussed during Board of Directors’ meetings

• Major identified risks are managed and monitored by the Board of Directors

• Each site/department sets up its own dashboards and key indicators to identify and track, to assess the means and reduce their impact

• Scheduled update of risk mapping
Creating sustainable value

BIC offers environmentally and socially responsible solutions for consumers, which are continuously improved through ongoing feedback from all stakeholders. Through a global approach to creating value for all its stakeholders, BIC ensures the long-term balance between the distribution of profits and investments in future growth.

Creating

AND SHARING SUSTAINABLE VALUE
CREATING SUSTAINABLE VALUE

**KPIs**

<table>
<thead>
<tr>
<th><strong>FINANCIAL PERFORMANCE</strong></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>TARGETS</th>
<th>UN SDG*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales (in million euros)</td>
<td>1,949.8</td>
<td>1,949.4</td>
<td>1,627.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Normalised income from operations (in million euros)</td>
<td>592.4</td>
<td>531.8</td>
<td>229.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Normalised income from operations margin (in %)</td>
<td>18.1%</td>
<td>17.0%</td>
<td>14.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income group share (in million euros)</td>
<td>373.4</td>
<td>176.1</td>
<td>93.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash position (in million euros)</td>
<td>161.5</td>
<td>146.9</td>
<td>163.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Normalised earnings per share group share (in euros)</td>
<td>3.80</td>
<td>3.91</td>
<td>2.08</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>NON-FINANCIAL PERFORMANCE</strong></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy consumption (gigajoules)</td>
<td>12.14</td>
<td>12.59</td>
<td>12.96</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of renewable electricity used (WTFT)</td>
<td>68%</td>
<td>76%</td>
<td>80%</td>
<td>80% by 2025</td>
<td>7.8, 12, 13</td>
</tr>
<tr>
<td>Water consumption (m3/tons)</td>
<td>5.32</td>
<td>4.87</td>
<td>5.22</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greenhouse gas emissions normalized to production (CO₂/tons)</td>
<td>2.04</td>
<td>1.00</td>
<td>1.03</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of training days</td>
<td>17,511</td>
<td>16,629</td>
<td>24,202</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of reusable recyclable or compostable packaging</td>
<td>ND</td>
<td>ND</td>
<td>49.3%</td>
<td>100% by 2025</td>
<td></td>
</tr>
<tr>
<td>Use of non-virgin petroleum plastic in BIC’s products</td>
<td>ND</td>
<td>ND</td>
<td>3%</td>
<td>4.3%</td>
<td>20% by 2025 &amp; 30% by 2030</td>
</tr>
<tr>
<td>% of products with improved environmental or societal footprint (WTFT)</td>
<td>15</td>
<td>45</td>
<td>68</td>
<td>100% by 2025</td>
<td>3.6, 8, 12</td>
</tr>
<tr>
<td>Number of accidents across all operations (WTFT)</td>
<td>84</td>
<td>74</td>
<td>50</td>
<td>0 by 2025</td>
<td>3 and 8</td>
</tr>
<tr>
<td>Number of children whose learning conditions were improved (WTFT) (accumulated data in millions)</td>
<td>15</td>
<td>61</td>
<td>118</td>
<td>250M by 2025</td>
<td>1, 4, 5, 6, 8 and 13</td>
</tr>
</tbody>
</table>

* United Nations Sustainable Development Goals
* Writing the Future Together
* ND = Not determined for the third time in 2020, in order for engagement taken by BIC

**Earnings per share group share (in €)**

<table>
<thead>
<tr>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.80</td>
<td>3.91</td>
<td>2.08</td>
</tr>
</tbody>
</table>

**% of net sales by category**

- 25% Stationery
- 35% Lighters
- 38% Shavers

**% of net sales by geography**

- 25% North America
- 14% Europe
- 35% Latin America
- 32% Asia & Oceania (including India)

**Earnings per share group share (%)**

<table>
<thead>
<tr>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.80</td>
<td>3.91</td>
<td>2.08</td>
</tr>
</tbody>
</table>

**% of e-commerce in net sales**

<table>
<thead>
<tr>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2022 OBJECTIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>5</td>
<td>7.3</td>
<td>10</td>
</tr>
</tbody>
</table>

**Incidence rate of workers’ accidents - BIC workforce and temporary workers**

- 2.09 1.87 1.67 0 by 2025
- 2018 2019 2020 2023 OBJECTIVE

**% of product with an improved environmental/societal footprint**

- 100% by 2025
- 15 45 68 100
- 2018 2019 2020 2025 OBJECTIVE
ENGAGING WITH STAKEHOLDERS

A CONTINUOUS DIALOGUE WITH STAKEHOLDERS ENABLES US TO BETTER UNDERSTAND AND RESPOND TO THEIR EXPECTATIONS WHILE LEARNING FROM THEM AND INTEGRATING THEIR PERSPECTIVES INTO OUR ACTIONS.

WHO ARE BIC’S STAKEHOLDERS?

CONSUMERS
- BIC’s consumers are those who buy and use the products
- Revenues from their purchases and recommendations on BIC’s products
- The feedback that drives BIC to continuously improve its products

CUSTOMERS
- BIC’s customers are companies, public administrations, and office supply distributors, as well as major mass-market retailers
- Access to BIC’s consumers
- Promotion and enhancement of BIC’s products

EMPLOYEES
- BIC’s team members are at the heart of the company’s value creation, allowing the Group to achieve its objectives
- Time
- Resources
- Skills and knowledge

PUBLIC AUTHORITIES
- Public Authorities establish the rules for the functioning of the markets in all the countries in which BIC operates
- Public services: Infrastructure
- Access to labor and markets
- License to operate

COMMUNITIES
- BIC’s communities are the population who live in areas where it operates, such as local residents, businesses, schools, and charities
- Opportunity to underline the Group’s civic commitment
- Philanthropic programs involving volunteering, product donations, and financial donations
- Fight against school drop-out rate

SHAREHOLDERS
- Shareholders invest in BIC to continuously improve its products
- High-quality, inventive, reliable and sustainable products
- A comprehensive, transparent and objective understanding of the business

BANKS AND THE FINANCIAL COMMUNITY
- Banks and the financial community provide the Group’s industrial adventure
- Financing capabilities
- Interest payments

SUPPLIERS
- BIC’s suppliers are commercial partners with whom it has a mutual interest in collaborating to satisfy the customer
- High-quality materials and resources at the best possible price
- Commitment to ethical business practices

WHAT DO THEY PROVIDE US?

CONSUMERS
- Revenues from their purchases and recommendations on BIC’s products
- The feedback that drives BIC to continuously improve its products

CUSTOMERS
- Access to BIC’s consumers
- Promotion and enhancement of BIC’s products

EMPLOYEES
- Time
- Resources
- Skills and knowledge

PUBLIC AUTHORITIES
- Public services: Infrastructure
- Access to labor and markets
- License to operate

COMMUNITIES
- Opportunity to underline the Group’s civic commitment
- Philanthropic programs involving volunteering, product donations, and financial donations
- Fight against school drop-out rate

SHAREHOLDERS
- Contributions to public debates and reflections on subjects related to the Group’s Economic Model
- Profitability
- A comprehensive, transparent and objective understanding of the business

BANKS AND THE FINANCIAL COMMUNITY
- Financing capabilities
- Interest payments

SUPPLIERS
- High-quality materials and resources at the best possible price
- Commitment to ethical business practices

WHAT DOES BIC PROVIDE THEM?

CONSUMERS
- High-quality, inventive, reliable and sustainable products
- A comprehensive, transparent and objective understanding of the business

CUSTOMERS
- High-quality, inventive, reliable and sustainable products
- Reliable and efficient supply chain

EMPLOYEES
- Fair salaries and benefits
- Training, development, and career opportunities
- Open and collaborative working environment
- Health and well-being

PUBLIC AUTHORITIES
- Payment of taxes
- Contribution to public debates and reflections on subjects related to the Group’s Economic Model

COMMUNITIES
- Philanthropic programs involving volunteering, product donations, and financial donations
- Fight against school drop-out rate

SHAREHOLDERS
- Access to information: Annual General Meeting
- Dividend paid and share buyback

BANKS AND THE FINANCIAL COMMUNITY
- Financings
- Access to financial markets

SUPPLIERS
- High-quality, inventive, reliable and sustainable products
- A comprehensive, transparent and objective understanding of the business

HOW DOES BIC ENGAGE?

CONSUMERS
- Multiple channels including BIC’s corporate and Direct to Consumer websites, as well as social media (Facebook, Twitter, LinkedIn)
- Regular surveys

CUSTOMERS
- Regular interactions

EMPLOYEES
- Engagement and Adherence to Values Survey

PUBLIC AUTHORITIES
- Regular contact with Treasury Department

COMMUNITIES
- Regular meetings with local, national and international representatives

SHAREHOLDERS
- Supplier responsibility survey
- Regular meetings with community representatives

BANKS AND THE FINANCIAL COMMUNITY
- Regular one-to-one or collective meetings with key management

SUPPLIERS
- Regular meetings with customer representatives

SHARING VALUE AMONG ALL STAKEHOLDERS

THROUGH A GLOBAL APPROACH TO DELIVER LONG-TERM GROWTH FOR ALL STAKEHOLDERS, WE ENSURE A SUSTAINABLE BALANCE BETWEEN DISTRIBUTION OF GENERATED PROFITS AND INVESTMENTS IN BIC’S FUTURE.

DISTRIBUTION TO STAKEHOLDERS

<table>
<thead>
<tr>
<th>STAKEHOLDERS</th>
<th>DISTRIBUTION TO STAKEHOLDERS</th>
<th>INVESTMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONSUMERS</strong></td>
<td><strong>WHAT DO THEY PROVIDE US?</strong></td>
<td><strong>WHAT DOES BIC PROVIDE THEM?</strong></td>
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<tr>
<td><strong>SUPPLIERS</strong></td>
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</table>

CAPITAL EXPENDITURE

| **BIC INTEGRATED REPORT 2020** | **Creating and sharing sustainable value** |

| **2020 NET SALES** | **Invest to ensure a sustainable growth** |

| **Net sales** | **Investment** |

| **SHAREHOLDERS** | **WHAT DO THEY PROVIDE US?** | **WHAT DOES BIC PROVIDE THEM?** | **HOW DOES BIC ENGAGE?** |
| **CUSTOMERS** | **WHAT DO THEY PROVIDE US?** | **WHAT DOES BIC PROVIDE THEM?** | **HOW DOES BIC ENGAGE?** |
| **EMPLOYEES** | **WHAT DO THEY PROVIDE US?** | **WHAT DOES BIC PROVIDE THEM?** | **HOW DOES BIC ENGAGE?** |
| **PUBLIC AUTHORITIES** | | | |
| **COMMUNITIES** | | | |
| **SHAREHOLDERS** | | | |
| **BANKS AND THE FINANCIAL COMMUNITY** | | | |
| **SUPPLIERS** | | | |

SHARING VALUE AMONG ALL STAKEHOLDERS

THROUGH A GLOBAL APPROACH TO DELIVER LONG-TERM GROWTH FOR ALL STAKEHOLDERS, WE ENSURE A SUSTAINABLE BALANCE BETWEEN DISTRIBUTION OF GENERATED PROFITS AND INVESTMENTS IN BIC’S FUTURE.

DISTRIBUTION TO STAKEHOLDERS

| **STAKEHOLDERS** | **WHAT DO THEY PROVIDE US?** | **WHAT DOES BIC PROVIDE THEM?** | **HOW DOES BIC ENGAGE?** |
| **CONSUMERS** | **WHAT DO THEY PROVIDE US?** | **WHAT DOES BIC PROVIDE THEM?** | **HOW DOES BIC ENGAGE?** |
| **CUSTOMERS** | **WHAT DO THEY PROVIDE US?** | **WHAT DOES BIC PROVIDE THEM?** | **HOW DOES BIC ENGAGE?** |
| **EMPLOYEES** | **WHAT DO THEY PROVIDE US?** | **WHAT DOES BIC PROVIDE THEM?** | **HOW DOES BIC ENGAGE?** |
| **PUBLIC AUTHORITIES** | | | |
| **COMMUNITIES** | | | |
| **SHAREHOLDERS** | | | |
| **BANKS AND THE FINANCIAL COMMUNITY** | | | |
| **SUPPLIERS** | | | |

CAPITAL EXPENDITURE

| **BIC INTEGRATED REPORT 2020** | **Creating and sharing sustainable value** |

| **2020 NET SALES** | **Invest to ensure a sustainable growth** |

| **Net sales** | **Investment** |

| **SHAREHOLDERS** | **WHAT DO THEY PROVIDE US?** | **WHAT DOES BIC PROVIDE THEM?** | **HOW DOES BIC ENGAGE?** |
| **CUSTOMERS** | **WHAT DO THEY PROVIDE US?** | **WHAT DOES BIC PROVIDE THEM?** | **HOW DOES BIC ENGAGE?** |
| **EMPLOYEES** | **WHAT DO THEY PROVIDE US?** | **WHAT DOES BIC PROVIDE THEM?** | **HOW DOES BIC ENGAGE?** |
| **PUBLIC AUTHORITIES** | | | |
| **COMMUNITIES** | | | |
| **SHAREHOLDERS** | | | |
| **BANKS AND THE FINANCIAL COMMUNITY** | | | |
| **SUPPLIERS** | | | |