



integrated REPORT 2020

Reporting

LANDSCAPE

About this

REPORT

2020

UNIVERSAL REGISTRATION DOCUMENT

Published on April 1, 2021

A document prepared under French and European regulations, encompassing the Financial Report, Board of Directors' Management Report, Consolidated and Annual Financial Statements, and all Social, Environmental, Corporate and Governance-related information, including the Group's Non-Financial Performance Statement

GROUP PRESENTATION FOR INVESTORS

https://us.bic.com/en_us/investors

Presentation of BIC's financial and operational performance

integrated REPORT 2020

ANNUAL GENERAL MEETING PRESENTATION

May 19, 2021

The presentation made at the Annual General Shareholders' meeting, a key event dedicated to BIC's shareholders

BIC.COM

Our corporate website with information about BIC, its products, commitments, financial results, and latest announcements



All these documents are available on the BIC corporate website:
https://us.bic.com/en_us/investors

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.

Accelerating

GROWTH

10

19

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.

Embracing

CONSUMER TRENDS

20

29

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.

Ensuring

A LONG-TERM VISION

30

41

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.

Creating

AND SHARING
SUSTAINABLE VALUE

42

47

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 VISION

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 MISSION

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

OUR VALUES

<p>Integrity</p> <p>We are honest, open and fair, and demand an environment where everyone feels respected, included and heard</p>	<p>Sustainability</p> <p>We drive sustainable growth while making meaningful contributions to our team members, communities, and the world</p>	<p>Responsibility</p> <p>We make courageous, timely decisions and deliver ambitious results that delight consumers across the world</p>
<p>Ingenuity</p> <p>We dream big and create clever, simple, yet bold solutions for our consumers, customers, and teams.</p>	<p>Teamwork</p> <p>We set high standards, trust each other, and work together across boundaries, holding ourselves and each other accountable</p>	<p>Simplicity</p> <p>We believe that simple solutions are often the best solutions. When faced with complexity, we respond with clarity</p>

OUR BRANDS



OUR VALUE PROPOSITION

<p>HIGH QUALITY</p> <p>When creating our first product, the BIC® Cristal® ballpoint pen, we decided to focus on the essentials: creating a simple, high-quality product, sold at the right price, to facilitate an everyday gesture and to be used by anyone, everywhere.</p>	<p>INVENTIVE</p> <p>The Group has evolved by responding effectively to consumers' changing expectations. Our Research & Development teams work proactively to identify consumer needs and come up with ingenious solutions to optimize performance.</p>	<p>RELIABLE</p> <p>The best way to create consumer loyalty is to offer the same high quality throughout the product's life: more than 2km of writing from one BIC® Cristal® ballpoint pen, 3,000 ignitions from one BIC® Maxi pocket lighter and 17 shaves from a BIC® Flex 3 Shaver.</p>	<p>SUSTAINABLE</p> <p>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.</p>

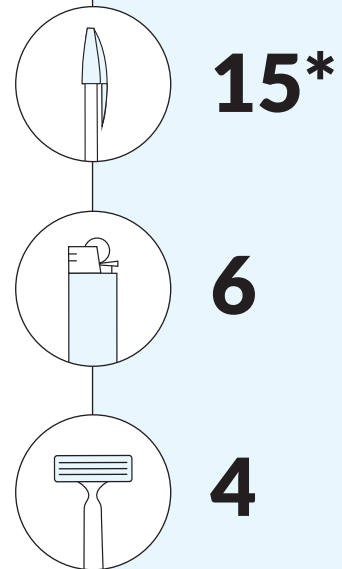
MARKET LEADER IN OUR THREE BUSINESSES
OUR CORE BUSINESS

<p>STATIONERY HUMAN EXPRESSION</p> <p>35% of 2020 Net sales</p>	<p>LIGHTERS FLAME FOR LIFE</p> <p>38% of 2020 Net sales</p>	<p>SHAVERS BLADE EXCELLENCE</p> <p>25% of 2020 Net sales</p>
<p>● N°2 writing instruments manufacturer cc. 9% market share*</p> <p>● The leader in Europe, Latin America, Middle East, Africa & India</p> <p>● 13.4 million BIC® Stationery products sold every day</p> <p>Quality commitment</p> <p>● 100% of the balls of the pens are tested. Perfectly spherical, they are almost as hard as diamond</p> <p>● More than 2 km of writing for a BIC® Cristal® ballpoint pen</p>	<p>● N°1 branded lighter manufacturer cc. 55% market share (excluding Asia)*</p> <p>● Global branded leader</p> <p>● 3.9 million BIC® Lighters sold every day</p> <p>Quality commitment</p> <p>● Up to 3,000 constant flames for a BIC® Maxi Lighter</p> <p>● Each BIC® lighter undergoes more than 50 automatic quality and safety checks</p>	<p>● N°2 one-piece manufacturer cc. 23% market share*</p> <p>● Leadership positions in the U.S., Europe & Latin America</p> <p>● 6.2 million BIC® Shavers sold every day</p> <p>Quality commitment</p> <p>● Up to 17 shaves from a BIC® Flex 3 Shaver</p> <p>● 100% of shavers undergo a thorough visual inspection</p>

*Sources: Euromonitor 2019 for Stationery, Global Pocket Lighters Market Report 2019 (excluding Asia), Euromonitor 2019 for Shavers

A GLOBAL PRESENCE

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.

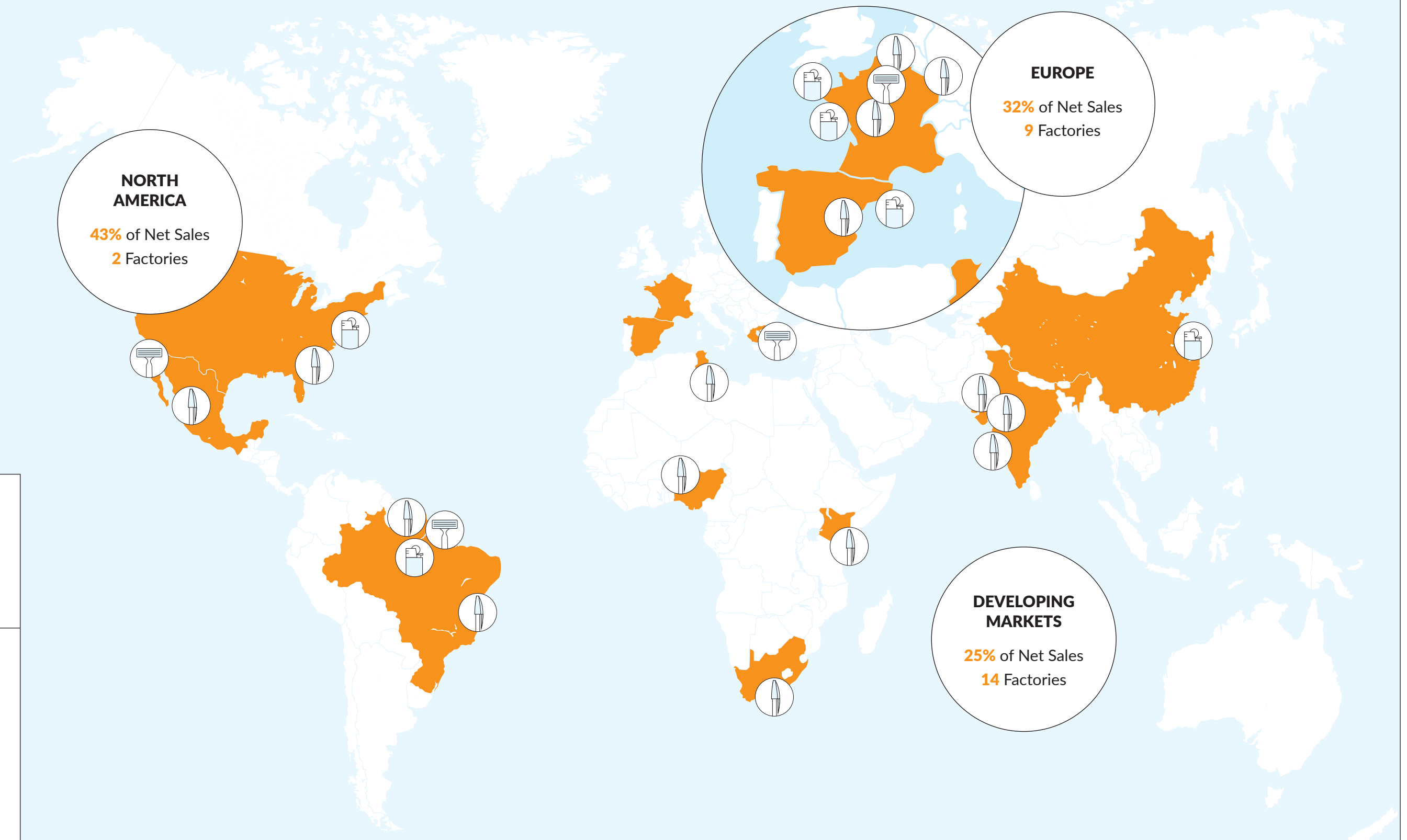


* including BIC Graphic Europe
(advertising and promotional products) /
PIMACO was sold on February 26th, 2021

25
factories

92%
of BIC® products
manufactured
in BIC factories

■ Manufacturing footprint



MESSAGE FROM THE CEO



Gonzalve Bich
Chief Executive Officer

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.

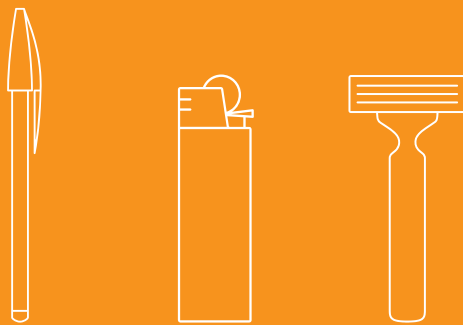
Also, we are reinforcing our focus on Sustainability, setting new objectives to reduce plastics in our products and packaging by 2030 dramatically. These ambitious targets extend our pledge to act as a responsible company by minimizing our environmental footprint and meeting our stakeholders' expectations, 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.

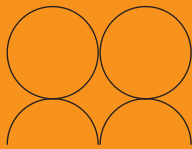


23.7 million

BIC® PRODUCTS BOUGHT EVERY DAY



2020 NET SALES
€1,627.9 million



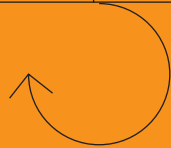
TEAM MEMBERS
11,246

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

2020 NET
INCOME
GROUP SHARE
€93.7 million

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%



80%
RENEWABLE ELECTRICITY USED

MORE THAN
50%
OF BIC® PRODUCTS
OFFER
ENVIRONMENTAL
BENEFITS

Accelerating

GROWTH

- 12 ▶ BIC 2022 - Invent the Future: The groundwork for the Horizon plan
- 14 ▶ Adapting to a fast-changing environment
- 16 ▶ Horizon plan: Driving sustainable growth
- 18 ▶ Enhancing our business model's consumer focus

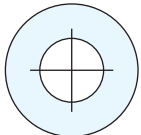
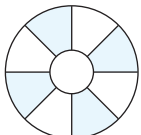
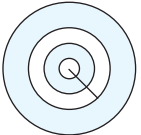
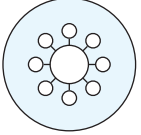
Progress made through the transformation plan, launched in 2019, enabled BIC to improve efficiency, strengthen consumer-centricity and drive long-term profitable growth, while limiting the impact on our business from the COVID-19 crisis. This laid the groundwork for the new Horizon plan.

BIC 2022 - INVENT THE FUTURE: THE GROUNDWORK FOR THE HORIZON PLAN

IN FEBRUARY 2019, WE INITIATED OUR TRANSFORMATION PLAN, “BIC 2022 - INVENT THE FUTURE.” BASED ON FOUR STRATEGIC PILLARS – EFFECTIVENESS, INNOVATION, RELEVANT AND CONSUMER-CENTRIC BRANDS, AND OMNICHANNEL DISTRIBUTION-, THE PLAN AIMS AT IMPROVING EFFICIENCY TO DRIVE LONG-TERM PROFITABLE GROWTH.

COVID-19 CRISIS



	OBJECTIVE	2022 TARGET	2020 PERFORMANCE
	Effectiveness Increase efficiency throughout BIC’s global manufacturing operations and build a more comprehensive, flexible, cost-effective, data-centric and responsible production model by exploring ways to optimize procurement processes and our Supply Chain model while maintaining product Safety, Quality, and Affordability	Achieve 50 million euros in annualized savings	<ul style="list-style-type: none">Over 25 million in savings, of which 13 million euros is from procurement efficienciesSKU portfolio decreased by around 25%, saving 10% cost
	Innovation Enhance BIC’s consumer insights capabilities and increase the pace of new innovative product launches to drive consumer-centric sustainable innovation	Increase the number of new patent submissions by 20% per year	<ul style="list-style-type: none">Patent filing rate flat versus 2019, at 68Patent portfolio up more than 50% year-on-year with 346 patents grantedLaunch of the Data-Driven Invention Lab, co-developed with IProvaPartnership with Plug and Play, the largest global innovation platform for startups and corporations
	Relevant and consumer-centric brands Connect and engage more effectively with all consumers to continue to leverage BIC’s unique brands, tailoring and strengthening our digital communications infrastructure and embracing new shopping trends such as personalization	Engage directly with consumers by allocating above 2/3rd of total brand support in Digital Media in its top markets	<ul style="list-style-type: none">83% media investment in digital
	Omnichannel distribution Sharpen commercial operations to become a genuine omnichannel specialist, off-line and online, to drive value growth	Reach 10% of Net Sales in e-commerce	<ul style="list-style-type: none">+18% growth in e-commerce7.3% of Net Sales in e-commerce

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.

The pandemic acted as a catalyst for change, enabling BIC to further accelerate its transformation

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.

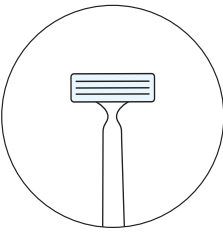
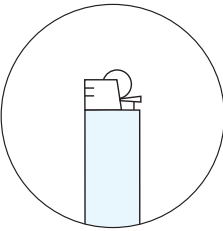
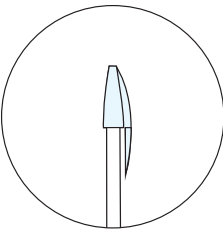
Economic and consumer trends

- 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 . Three 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.

MARKET TRENDS



TRENDS ¹	OPPORTUNITIES
<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• 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
<ul style="list-style-type: none">• Decrease of tobacco consumption• Need for personalization• Increasing global population• Raising demand for utility lighters in the US boosted by increased at-home cooking and grilling	<ul style="list-style-type: none">• Launch of EZ Reach that combines the functional benefits of the Utility lighter and portability of the pocket lighter
<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• Leverage the female shave growth trends• Capitalize on Disposable Premium Male trend to improve BIC’s penetration,• Recognize shift of Personal Care to e-commerce

¹Source: Fitch Ratings' Estimates: World GDP Growth
²McKinsey & Company, COVID-19 US Consumer Pulse Survey October 2020

¹Sources : UNESCO 03/11/20



Horizon

**PLAN:
DRIVING SUSTAINABLE GROWTH**

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:

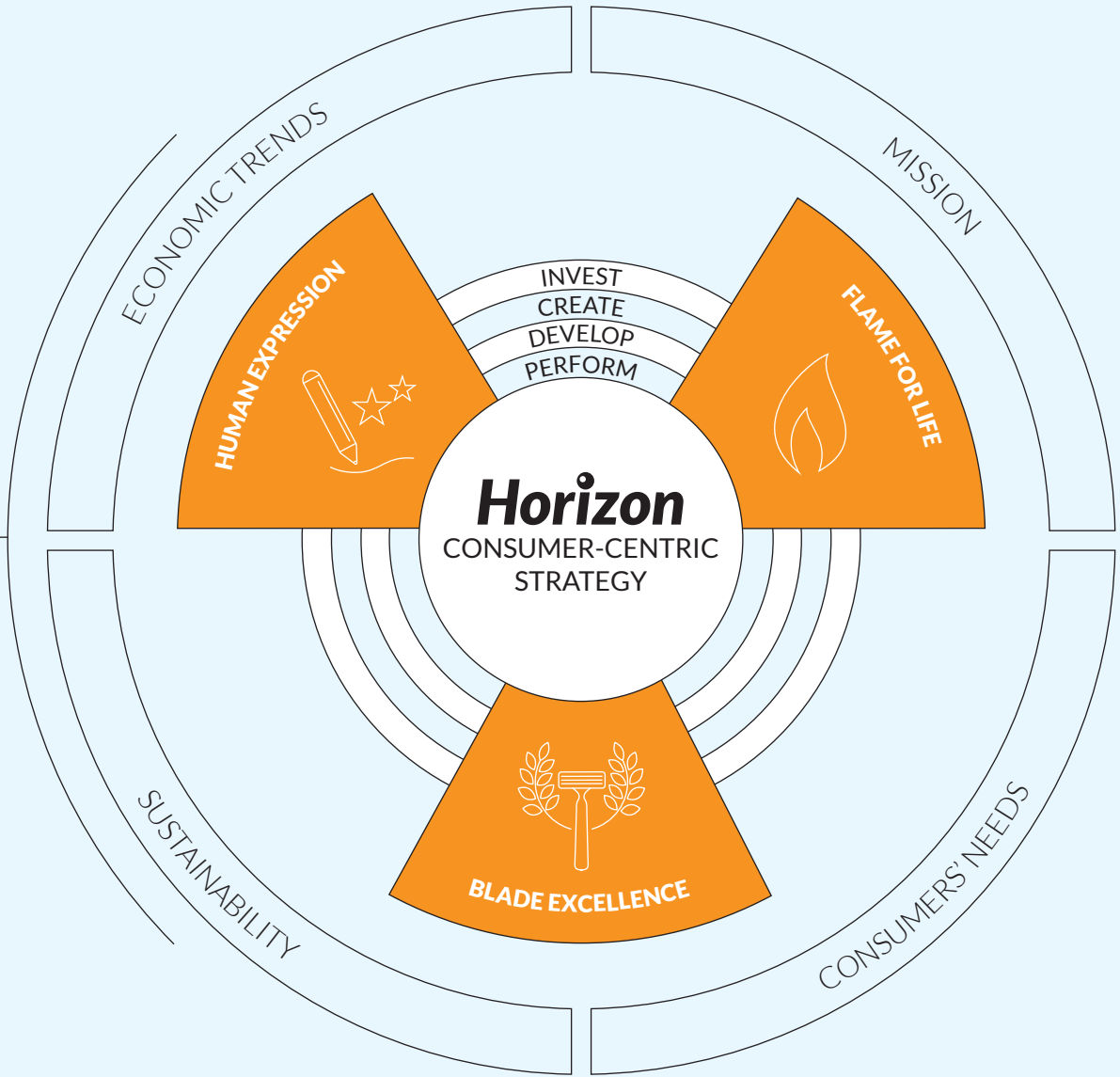
- from Stationery to **Human Expression**
- from Lighters to **Flame for Life**
- from Shavers to **Blade Excellence**

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.**








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

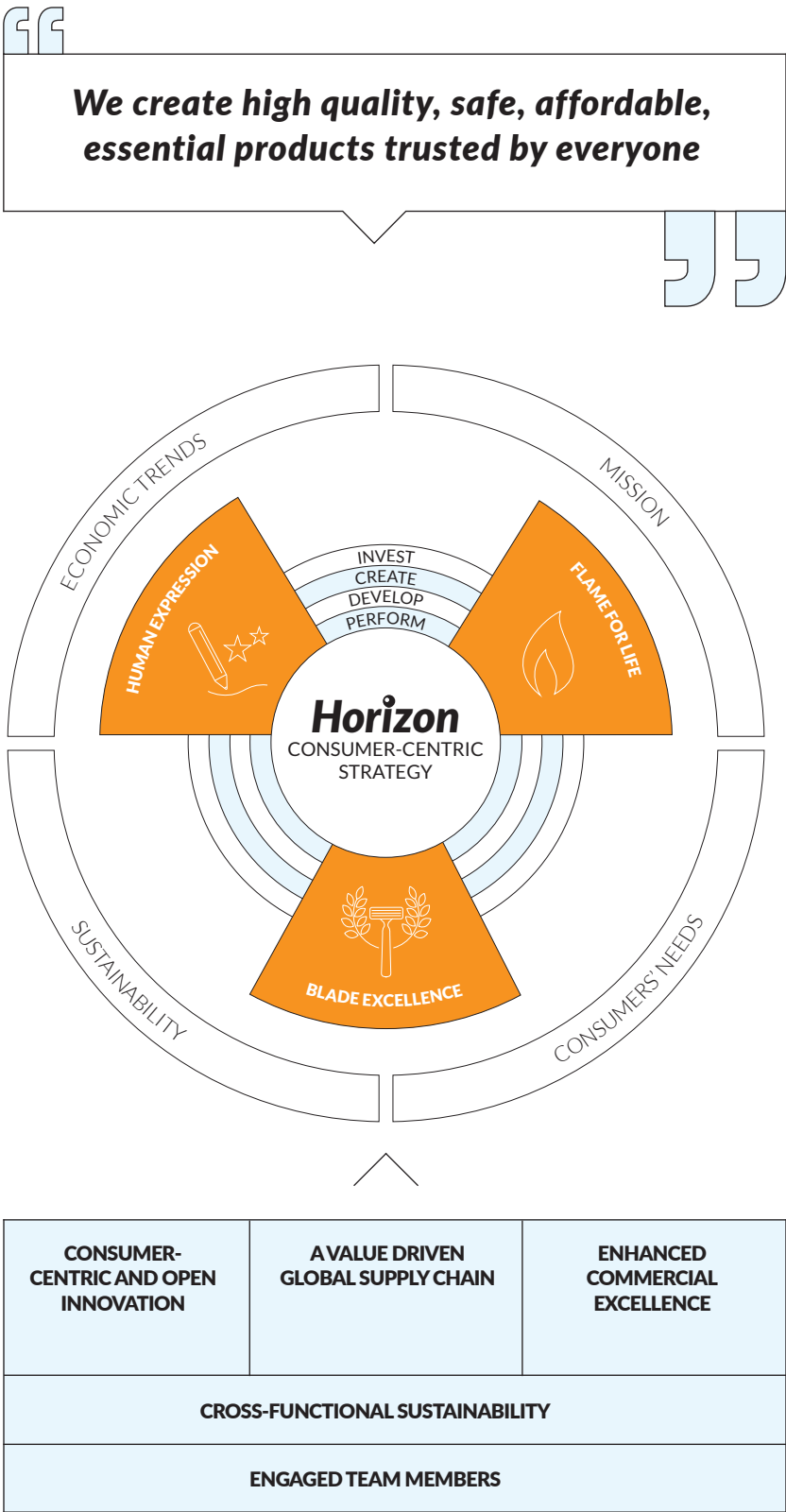


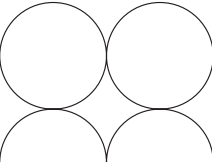
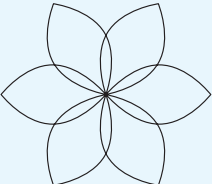
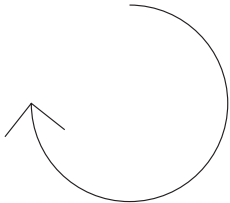
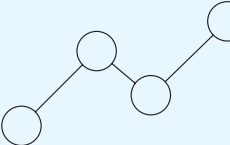
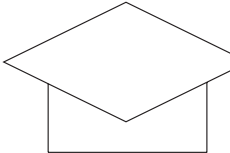
<p>INNOVATION</p> <p>We are creating unique growth opportunities, better meeting consumer needs through new and groundbreaking technologies, leveraging an open and efficient innovation ecosystem.</p>	<p>GLOBAL SUPPLY CHAIN</p> <p>We have redesigned our Global Supply Chain with an end-to-end organization focused on simplifying processes and reducing product complexity. These shifts will lead to cost reduction, and in turn, cash optimization.</p>	<p>COMMERCIAL EXCELLENCE</p> <p>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.</p>
<p>SUSTAINABILITY</p> <p>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.</p>		
<p>PEOPLE</p> <p>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.</p>		

ENHANCING OUR BUSINESS MODEL'S CONSUMER FOCUS

WITH THE HORIZON PLAN, WE ARE EVOLVING FROM A VOLUME TO A MORE VALUE-DRIVEN BUSINESS MODEL BY FOCUSING ON CONSUMERS AND THEIR NEEDS, UNDERPINNED BY AN EMPHASIS ON SUSTAINABILITY.

	<ul style="list-style-type: none">● 11,246 team members● 24,202 training days● €466M payroll cost	<p>Team members: key to our success</p> <p>To support growth and development, we continuously reinforce our teams' skills and capabilities by providing customized training programs and opportunities for career development.</p>
	<ul style="list-style-type: none">● 25 plants on 4 continents● 92% Net Sales from products manufactured in BIC factories● Long-term progress in all factories: reducing water & energy consumption and waste production	<p>State-of-the-art and responsible production</p> <p>We rely on our state-of-the-art manufacturing process, while reducing the environmental impact of BIC factories and protecting team members' health.</p>
	<ul style="list-style-type: none">● €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	<p>Sustainable procurement strategy</p> <p>Through our responsible procurement strategy, we strive to minimize the environmental footprint of BIC® products.</p>
	<ul style="list-style-type: none">● €1,456,2M Shareholders' equity● €357.6M of Net Cash from Operating Activities● €183.9M of Net cash position	<p>Solid financial foundation</p> <p>Through sound cash management and a strong balance sheet, we ensure access to the capital needed in order to finance BIC operations and growth.</p>
	<ul style="list-style-type: none">● 346 patents granted at the end of 2020 in total● 1.5% Net Sales invested in R&D● 100% new stationery products subject to eco-measurement	<p>Innovation</p> <p>True to our culture of innovation, we maintain a relentless focus on developing new and innovative environmentally friendly products.</p>



<p>Committed and safe employees</p> <p>To foster the commitment and loyalty of our teams, we strive to ensure that their everyday work tasks are fulfilling and safe.</p>	<ul style="list-style-type: none">● 1.63 incident rate of workplace accidents● 1.4% absenteeism rate● - 32% reportable accidents	
<p>A reduced environmental footprint</p> <p>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.</p>	<ul style="list-style-type: none">● +7% water consumption*● +3% energy consumption*● -13% waste production*● -4% greenhouse gas emissions (scopes 1 and 2)* <p><small>*per ton of production between 2019 and 2020</small></p>	
<p>Long-lasting products</p> <p>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.</p>	<ul style="list-style-type: none">● 2 km writing for a BIC® ballpen● 3,000 flames for a BIC® lighter● 17 days of shaving with a BIC® Flex 3	
<p>Long-term profitable growth</p> <p>As a company, the creation of financial value is essential to BIC's sustainability. Over the years, we remained committed on creating value for all our stakeholders, with a particular focus on sharing our success with shareholders.</p>	<ul style="list-style-type: none">● €1,627.9M Net Sales● €93.7M Net Income● €83.1M Capital Expenditure● €110.2M Ordinary Dividend paid	
<p>Education as a priority</p> <p>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.</p>	<ul style="list-style-type: none">● 142 philanthropic projects supported● 118M children with improved learning conditions since 2018● €1,4 M invested in community activities	

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.

Embracing

CONSUMER TRENDS

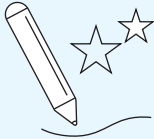


- 22 From product-lens to consumer-lens
- 23 Three capabilities empowering the new strategy
- 23 1. Innovating to meet consumer needs
- 24 2. A value driven global supply chain
- 25 3. Commercial excellence
- 26 Sustainability: at the core of BIC's development

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 MINDSET 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.

THREE CAPABILITIES EMPOWERING THE NEW STRATEGY

OUR HORIZON PLAN RESPONDS TO THE GLOBAL CHALLENGES OF TODAY AND TOMORROW BY LEVERAGING THREE CAPABILITIES: INNOVATION, GLOBAL SUPPLY CHAIN OPTIMIZATION AND COMMERCIAL EXCELLENCE.

	MAIN TRENDS	WHY CHANGE	2020 OUTCOMES
<div>From Stationery to... Human Expression</div> <div></div>	<ul style="list-style-type: none">• High demand for coloring products• New e-learning model affecting demand for Writing Instruments• Shift to online shopping	Human Expression goes beyond writing instruments and into creative expression and digital writing. Opening up adjacent markets such as the fast-growing Arts & Crafts, Skin Creative 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
<div>From Lighters to... Flame for Life</div> <div></div>	<ul style="list-style-type: none">• Decrease of tobacco consumption• Need for personalization• Raising demand for utility lighter	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 usage 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. The acquisition strengthens BIC's position in pocket lighters, offering substantial growth opportunities in Europe and North America while delivering real value to consumers at a premium price
<div>From Shavers to... Blade Excellence</div> <div></div>	<ul style="list-style-type: none">• Changing grooming habits (less frequent facial shaving, more body shaving and trimming)• Increased online shopping	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	The Sustainable Development hybrid shaver range , launched in 2021, illustrates BIC's capacity to create new ranges of sustainable products. This revolutionary hybrid “disposable shaver” for male and female consumers is easy to refill and made from recycled material, carefully chosen to meet production quality criteria

1

Innovating to meet consumer needs

INNOVATING MEANS APPLYING TECHNOLOGIES TO TAILOR BIC'S PRODUCT OFFERING TO RESPOND FULLY TO CONSUMER EXPECTATIONS.

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® Clic Stic PrevaGuard™.

Open-Innovation ecosystem

Developed with Iprova, BIC's Data-Driven Invention Lab identifies just-emerging technologies in other industries that can be integrated into BIC's pipeline. Its partnership with Plug&Play gives BIC access to a wide diversity of startups and talent.

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.

7.6%

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

Innovation in action: the Connected Shaver

A consumer panel of more than 500 individuals transmits data directly to the BIC R&D team using a “connected shaver.” Using IoT sensors and AI technology, the razor captures data about the complete shaving experience, including temperature, humidity, hair density, and shaving speed. One of the results: the development of a technology for shaving long hair without clogging the cartridge that, reduces water consumption and improves the shaving experience.

346

patents granted at the end of 2020

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, minimize environmental impact and reduce cost.

Saving procurement cost

Our Supply Chain will contribute more than 60% toward BIC’s 2022 total savings target of 50 million euros by optimizing the supplier mix for products, achieving manufacturing efficiencies, improving productivity and reducing inventory costs.

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

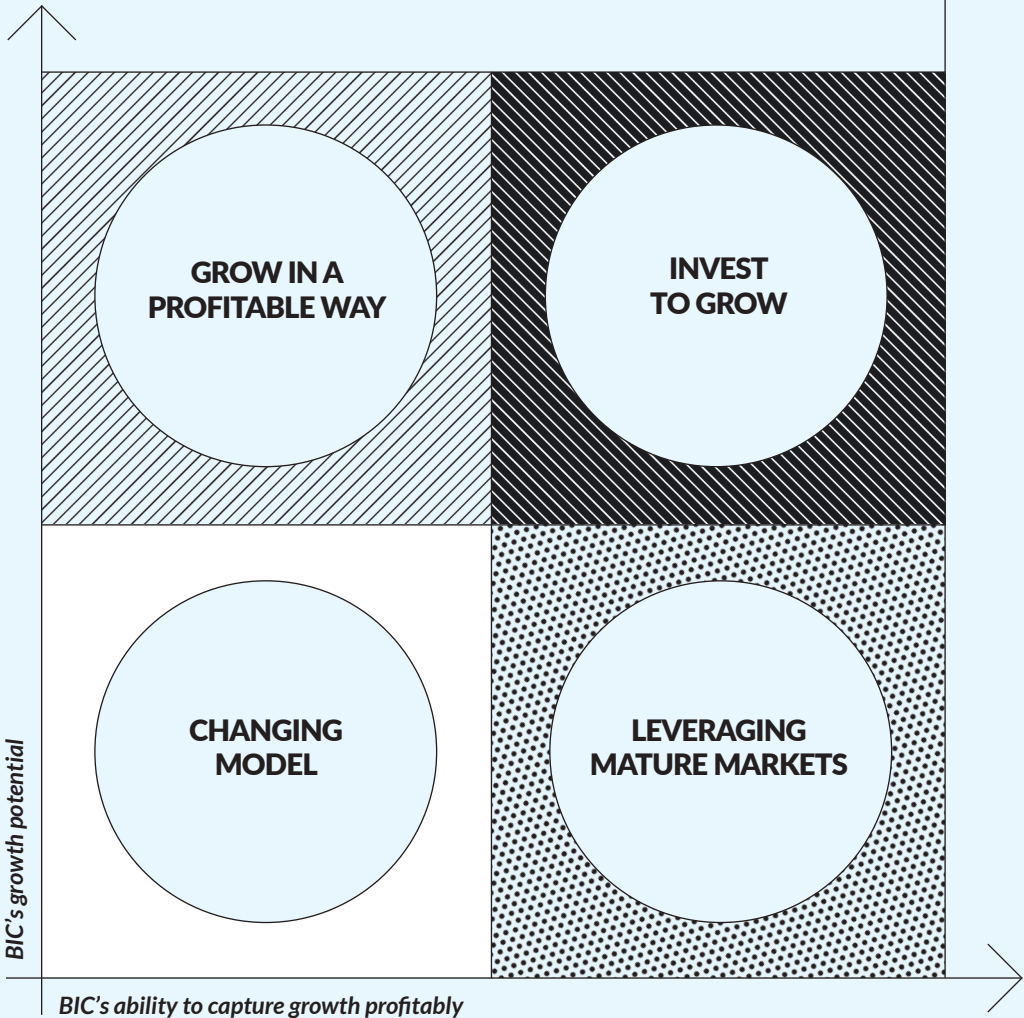
Through its Omnichannel strategy, BIC is creating a seamless online/offline shopping experience.

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.



+18%

e-commerce Net Sales growth in 2020

SUSTAINABILITY: AT THE CORE OF BIC'S DEVELOPMENT

SUSTAINABLE DEVELOPMENT 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.

Governance

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 EMA tool, containing the process and criteria for evaluating and improving products was finalized and integrated into operational models
- 19 products labeled NF Environnement
- 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

**2025
Commitment**

By 2025, the environmental and/or societal footprint of all BIC® products will be improved

UN SDG¹



¹ United Nations Sustainable Development Goals

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

**2025
Commitment**

By 2025, BIC will use 80% renewable electricity

UN SDG¹



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

**2025
Commitment**

By 2025, BIC aims for zero accidents across all operations

UN SDG¹



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

- 300 strategic suppliers identified at the end 2020
- 25.8%² of strategic suppliers part of the Responsible Purchasing Program
- 100% of buyers trained in the responsible purchasing process

**2025
Commitment**

By 2025, BIC will work responsibly with its strategic suppliers to ensure the most secure, innovative and efficient sourcing

UN SDG¹



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 118 million children since 2018
- 53% of philanthropic contributions promote education

**2025
Commitment**

By 2025, BIC will improve learning conditions for 250 million children, globally

UN SDG¹



¹ United Nations Sustainable Development Goals

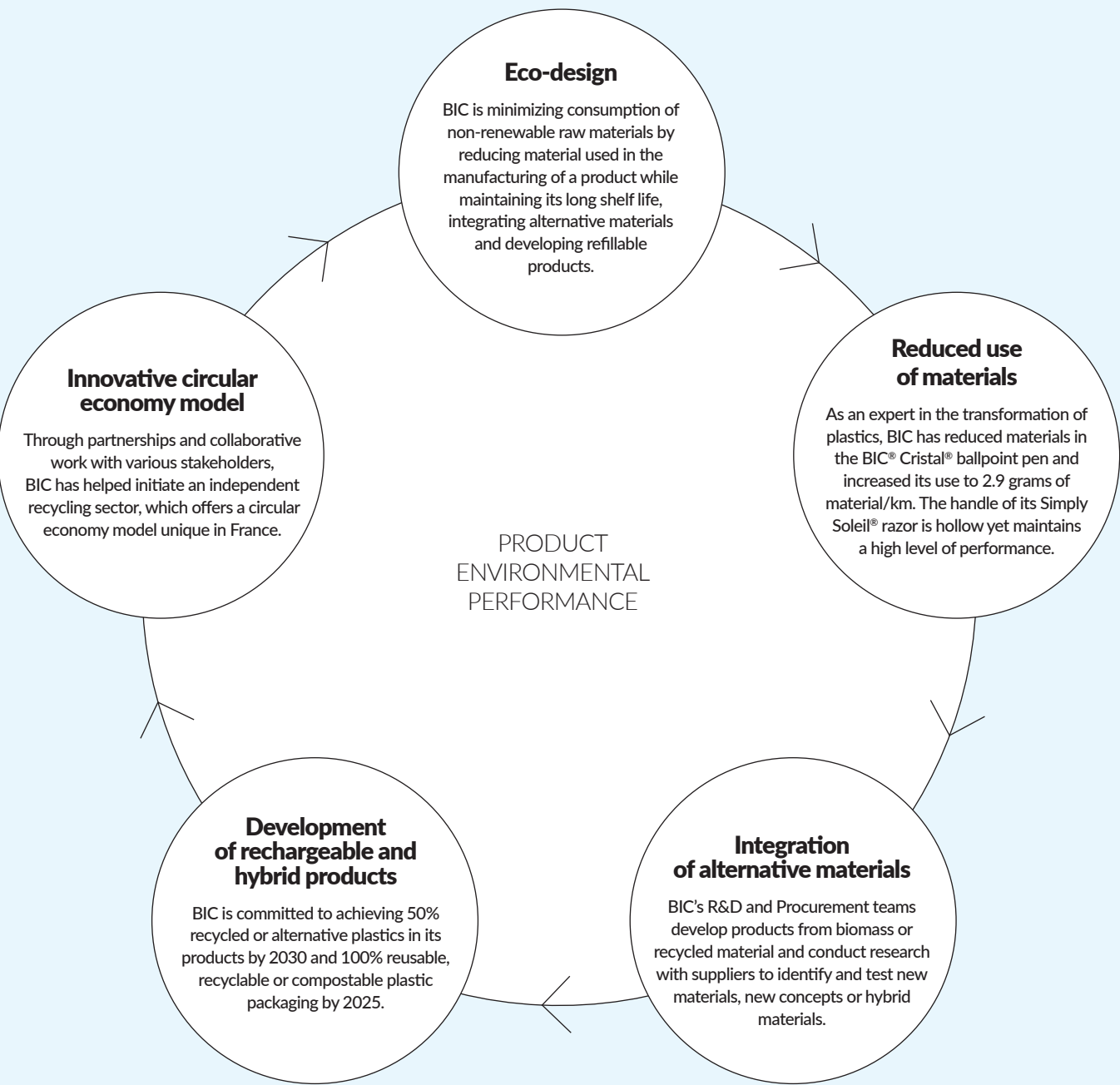
² Excluding Cello Pens

New commitments for plastics

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.



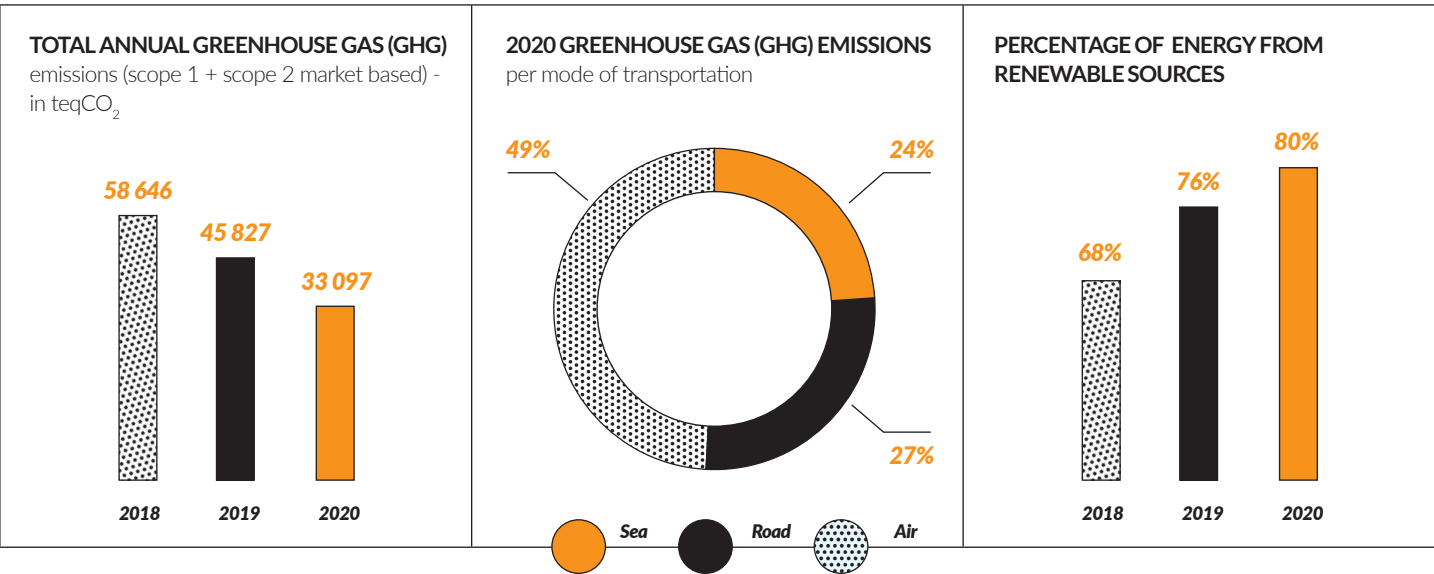
Sustainability in action

Through its “4 Rs” 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
Reduce material consumption	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
Use Recycled or alternative materials	BIC launched the EZ Reach® utility lighter at the end of 2020 with an environmental footprint reduced by two-thirds versus the U140 Utility Lighter
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.	Ubicuity™ furniture is made from used pens, converted into plastic that is recyclable and rot-proof, resistant 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.



GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS & TARGETS
<ul style="list-style-type: none">• 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	<p>BIC's strategy to address the risks and opportunities linked to climate change includes:</p> <ul style="list-style-type: none">• The use of renewable energies for the energy supply of BIC sites• Optimization of energy consumption• Reducing emissions associated with purchases• Reducing the carbon footprint of our transport activities	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• In 2020, BIC revised 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-

Ensuring

A LONG-TERM VISION

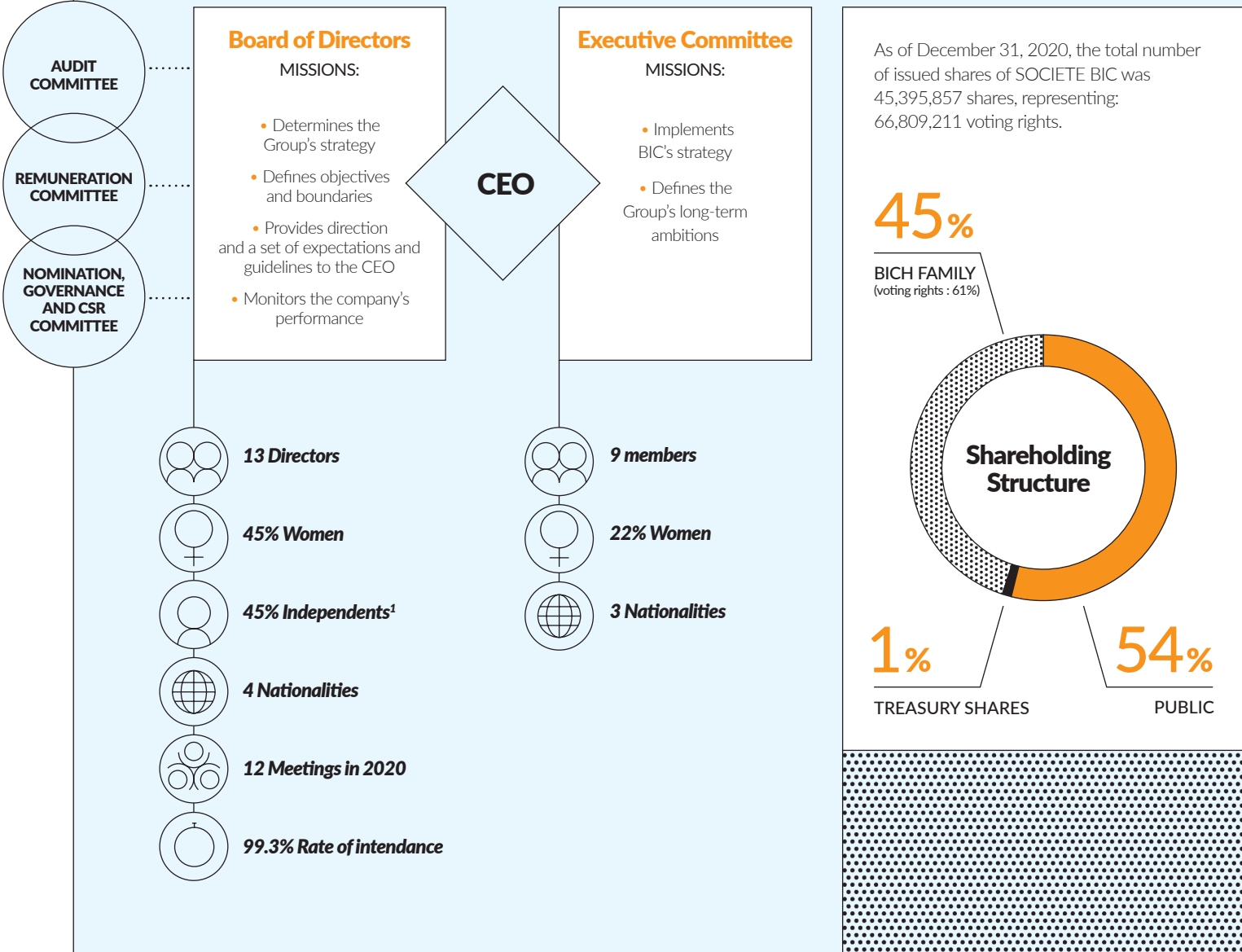
Overseen by an active Board of Directors and carried out by a executive team, BIC’s strategy for sustained growth is ensured by the professionalism and dedication of its team members.

- 32 ▶ A governance tailored to support sustainable growth
- 32 ▶ A clear and well-structured governance
- 33 ▶ A Board of Directors to drive BIC’s growth
- 34 ▶ An active Board of Directors supported by committees
- 35 ▶ An Executive Committee turning strategy into actions
- 36 ▶ Team members: key to our transformation
- 38 ▶ A fair and motivating remuneration system
- 40 ▶ Risks and opportunities
- 41 ▶ 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.



¹ In accordance with the AFEF-MEDEF Code, Directors who represent the employees are not taken into account when assessing the ratio of Independent Directors. Furthermore, in accordance with the law, the Directors who represent the employees are not included when assessing the percentage of women on the Board. Data as of 31 December 2020

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.



- Independent
- 1 Pierre Vareille¹ •**
Chairman of Board of Directors
Appointed Independent Director on May 14, 2009. Chairman of the Board since May 16, 2018
Expertise: Management, Finance, Manufacturing
- 2 Gonzalve Bich**
Director and Chief Executive Officer
Appointed Director and Chief Executive Officer since May 16, 2018
Expertise: Management, International, Consumer, Innovation, Human Resources
- 3 Elizabeth Bastoni •**
Director
Appointed Independent Director on May 15, 2013. Chair of the Remuneration Committee, and of the Nomination, Governance and CSR Committee
Expertise: Consumer, Human Resources, CSR
- 4 Vincent Bedhome**
Director
Representing the employees. Appointed Director on December 13, 2017. Member of the Remuneration Committee
Expertise: Manufacturing
- 5 Marie-Aimée Bich-Dufour**
Director
Appointed Director on May 22, 2019. Member of the Nominations, Governance and CSR Committee
Expertise: Legal, CSR
- 6 Timothée Bich**
Director
Coopted Director on December 10, 2019, ratified by BIC's AGM meeting on May 20, 2020
Expertise: Finance, International
- 7 Maëlys Castella •**
Director
Appointed Independent Director on May 22, 2019. Member of the Remuneration Committee and Chair of the Audit Committee
Expertise: Finance, CSR, Innovation
- 8 Marie-Pauline Chandon-Moët**
Director
Appointed Director on May 28, 2003
Expertise: Consumer, Management
- 9 John Glen**
Director
Co-opted Independent Director on December 10, 2008, ratified by BIC's AGM on May 14, 2009
Expertise: Management, Finance
- 10 Inna Kostuk**
Director
Appointed Director on December 08, 2020. Representing the Employees
Expertise: Finance
- 11 Candace Matthews •**
Director
Appointed Independent Director on May 10, 2017. Member of the Audit Committee and of the Nominations, Governance and CSR Committee
Expertise: Management, Distribution, Consumer, International
- 12 Société MBD**
Director
Represented by Edouard Bich. Appointed Director on May 24, 2006. Member of Audit Committee
Expertise: Investing, Finance
- 13 Jake Schwartz •**
Appointed as Independent Director on May 20, 2020. Member of the Audit Committee
Expertise: Digital, Finance, Management

¹ Acknowledging that he will lose his Independent Director status after his 12 years of tenure on the Board, Pierre Vareille informed the Board that he will not stand for re-election at the Annual Shareholders' Meeting on May 19, 2021. The recruitment of a new Independent Non-Executive Chair remains underway, though no longer expected to be completed before BIC's 2021 Annual Shareholders' General Meeting. Consequently, the Board of Directors will submit John Glen's re-election as Director at the upcoming Annual Shareholder's Meeting and intends to appoint him to serve as Interim Non-Executive Chairman. John Glen's mandate as Director will be effective for a period of one year. The Board also intends to appoint Elizabeth Bastoni as Interim Independent Lead-Director.

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

BOTH THE NON-EXECUTIVE DIRECTORS AND INDEPENDENT DIRECTORS MET SEVERAL TIMES DURING 2020

Three committees chaired by Independent Directors

Each committee is made up of Directors with skills specifically identified to carry out its missions.



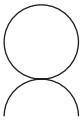
Audit Committee

The Audit Committee reviews and monitors the relevance of financial information and the reliability of risk management, internal control and auditors' appointment process



Remuneration Committee

The Remuneration Committee makes recommendations on remuneration policy for the Chairman of the Board and Executives and their remunerations and/or benefits elements, on Director's remuneration and on performance metrics, in collaboration with the Audit Committee



Nominations, Governance and CSR Committee

The Nominations, Governance and CSR Committee regularly examines issues concerning the composition and functioning of the Board of Directors, proposes solutions to the Board for the succession planning of the Chairman of the Board and Executives, and reviews the report on social, societal and environmental responsibility, the action taken by the Group in his respect and the progress made on BIC's strategy and commitments

An Executive Committee turning strategy into actions



1 Gonzalve Bich
Chief Executive Officer

2 Thomas Brette
Group Insights and Innovation Officer
Objective: reinvigorate our innovation processes, placing the consumer at the center of our business, collect data and generate insights to create innovative products and services aligned with our brand strategy and our Sustainable Development commitments

3 François Clément-Grandcourt
Group Lighter General Manager
Objective: continue to grow the Lighter category through its unique manufacturing processes and R&D, maintaining a strong focus on safety and quality

4 Peter Dalsberg
Group Supply Chain Officer
Objective: enhance efficiency throughout manufacturing operations, centralized procurement and "end to end" Supply Chain while maintaining product safety, quality, and affordability

5 Sara LaPorta
Chief Strategy & Business Development Officer
Objective: develop a comprehensive corporate strategy, identify and analyze potential business growth opportunities

6 Mallory Martino
Chief Human Resources Officer
Objective: build organizational and people capabilities in support of the long-term strategy, through the implementation of effective talent acquisition, talent management and talent development processes and solutions

7 Charles Morgan
Chief Administrative Officer
Objective: lead the Group Information and Technology (IT) function

8 Chad Spooner
Chief Financial Officer
Objective: evolve a best-in-class Finance function by establishing reliable, transversal processes, and continue to ensure the accuracy of financial reporting and efficient planning to drive our global financial performance

9 Chester Twigg
Group Commercial Officer
Objective: lead commercial operations and drive an omnichannel online and off-line go-to-market while integrating next generation capabilities

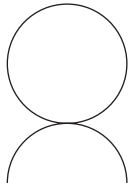
TEAM MEMBERS: KEY TO OUR TRANSFORMATION

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.

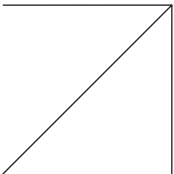
BIC's commitment to gender diversity

- Positive results have emerged from BIC actions to improve women representation in the workforce:
- 36% women in top 10% of positions
 - 27% women at Executive Management level
 - 22% of Executive Committee members are women

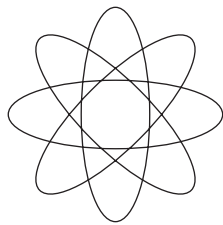
The Group's target is to reach 40% female in Executive positions by the end of 2027. Programs to build on this momentum include improving talent identification and management process, delivering gender balanced slates of candidates, introducing mandatory unconscious bias training and reviewing employment offer to attract and retain female talent.



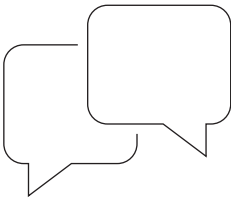
Health and well-being in the workplace



Team member development



Promoting diversity and inclusion



Social dialogue

WHY IT'S MATTER

Ensuring employee health and well-being is a priority commitment for BIC

Loss of experienced employees could lead to a slowdown in implementing BIC's development plans and strategy implementation

BIC'S APPROACH

Through initiatives like its "Quality of Life at Work" program, BIC defines goals and actions to improve quality of life in the workplace. The company works to protect health and safety and respond to all employment-related concerns of its teams. As part of its sustainable development ambition, BIC is committed to safety in the workplace, aiming for zero accidents on its sites by 2025

Providing opportunities for team members' growth and development is key to BIC's ability to achieve business goals. All BIC team members are provided opportunities to learn and grow through new professional experiences, training and from others

MAIN 2020 ACTIONS

- Building of a centralized health and safety management system
 - Formalization of HSE job descriptions,
 - Implementation of safety dashboard
- As part of the COVID-19 health crisis**
- Manufacture and distribution of masks and hydro-alcoholic gel
 - Organization of remote working and opening of negotiations for a Group agreement

- As of December 31, 2020, all BIC University courses had been converted to virtual training
- Continuation of programs to define internal succession plans,
- Development and deployment of a crisis management training program to help employees adapt to their new environment

KPIs

- 1.63 incident rate of workplace accidents
- Absenteeism rate (excluding accidents at work and maternity leave): 1.4%
- Permanent staff 2020: 11,246 (-12% vs 2019),
- Health and safety management systems operational on 86% of BIC sites

- Number of training days 2020: 24,202
- More than 2,000 employees received comprehensive training in 54 countries and in all business units in 2020 (+59% vs 2019)

WHY IT'S MATTER

Diversity and Inclusion is 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 APPROACH

BIC undertakes numerous programs and initiatives to promote Diversity and Inclusion, including training programs, communications to raise awareness of D&I issues, and sponsoring internal networks to elevate the discussion

MAIN 2020 ACTIONS

- Signature of UN business conduct standards for the fight against LGBTQI+ people
- Launch of the "EmpowHerment" 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 Alliances for Diversity & Inclusion program, that invites employees to express their interest in D&I and become "Allies"
- Launch of the "Black Leadership" academy, to support black executives and leaders around the world
- Membership in the CEO Action for Diversity and Inclusion™, the largest CEO-driven business commitment pledging to advance diversity and inclusion in the workplace

KPIs

- Percentage of women
 - in management positions: 36%
 - in non management positions: 49%
- Number of employees living with disabilities: 137

To create and maintain a high level of employee engagement and listen and respond 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

- 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)

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.



Remuneration policy - specific principles (Chairman, Chief Executive Officer, Deputy Executive Officers)	
Annual fixed remuneration (+ Supplementary pension plan and in-kind benefits):	<ul style="list-style-type: none">• Determined by the Board of Directors• Reflects the responsibilities of the Executive Corporate Officer, his/her experience & skills
Annual variable remuneration (short-term)	<ul style="list-style-type: none">• 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:<ul style="list-style-type: none">- 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)	<ul style="list-style-type: none">• 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<ul style="list-style-type: none">- Net sales growth- Net cash flow from operation and change in inventory

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.



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

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.

RISKS AND OPPORTUNITIES

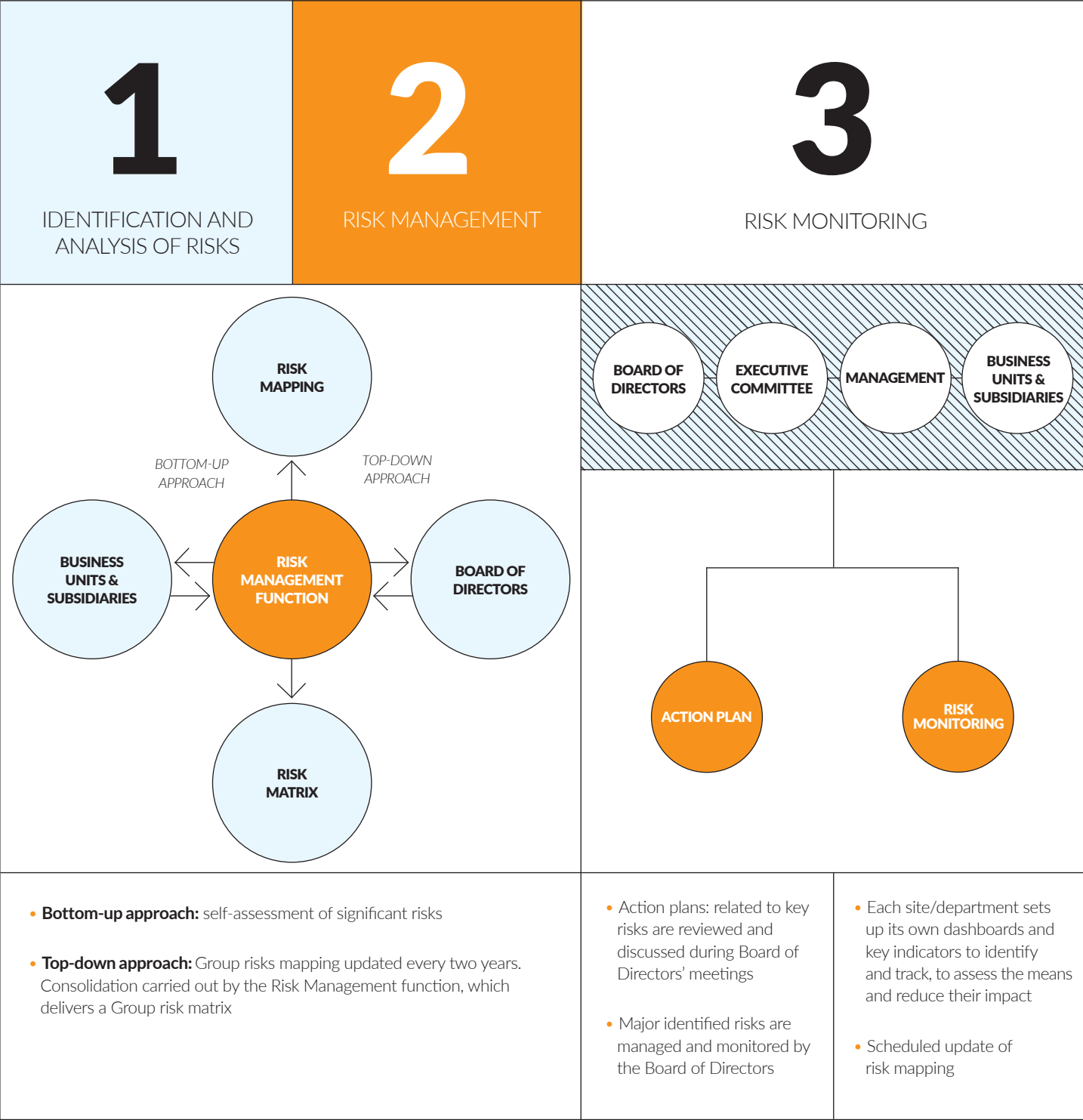
BIC IS EXPOSED TO DIFFERENT RISKS THAT COULD AFFECT ITS REPUTATION, PERFORMANCE AND ABILITY TO ACHIEVE THE OBJECTIVES OF ITS STRATEGIC BUSINESS PLAN. BIC THEREFORE TAKES AN ACTIVE AND DYNAMIC APPROACH TO RISK MANAGEMENT, ANTICIPATING, AND MANAGING RISKS WHILE SEEKING TO CONVERT THEM INTO OPPORTUNITIES.

Social and human	Industrial and commercial	Intellectual, brand and image	Environmental	Financial
RISK				
<ul style="list-style-type: none">• Team member health and safety NFPS*• Team member experience and skills NFPS*• Human Rights and fundamental freedoms NFPS*	<ul style="list-style-type: none">• Strategic and operational risks• Industrial risks• Product safety and consumer health and safety NFPS*	<ul style="list-style-type: none">• Reputation and brand NFPS*• Corruption and fair practices NFPS*	<ul style="list-style-type: none">• Environmental footprint NFPS*• Climate change NFPS*• Production of plastic waste and resource depletion NFPS*	<ul style="list-style-type: none">• Market risks
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				
<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• 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

*NFPS: Non-Financial Performance Statement

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.



Creating

AND SHARING
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.

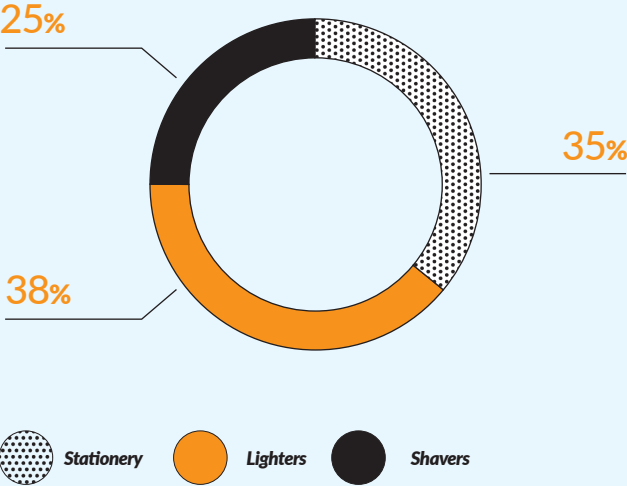
- 44 ▶ Creating sustainable value
- 46 ▶ Engaging with stakeholders
- 47 ▶ Sharing value among all stakeholders

CREATING SUSTAINABLE VALUE

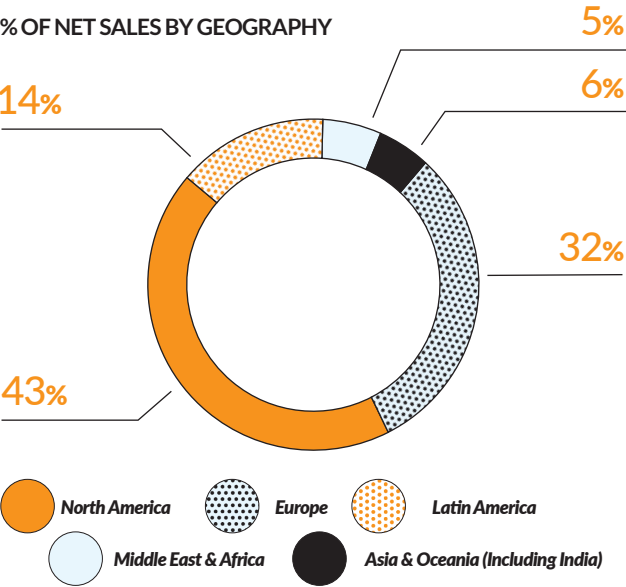
KPIs	2018	2019	2020	TARGETS	UN SDG ¹
FINANCIAL PERFORMANCE					
Net sales (in million euros)	1,949.8	1,949.4	1,627.9		
Normalized income from operations (in million euros)	352.4	331.8	229.1		
Normalized income from operations margin (in %)	18.1%	17.0%	14.1%		
Net income group share (in million euros)	173.4	176.1	93.7		
Net cash position (in million euros)	161.5	146.9	183.9		
Earnings per share group share (in euros)	3.80	3.91	2.08		
Normalized earnings per share group share (in euros)	5.87	5.47	3.54		
NON-FINANCIAL PERFORMANCE					
Energy consumption (gigajoules/tons)	12.14	12.59	12.96		
% of renewable electricity used (WTFT ²)	68%	76%	80%	80% by 2025	7,8,9,12,13
Water consumption (m3/tons)	5.32	4.87	5.22		
Greenhouse gas emissions normalized to production (tCO ₂ e/tons)	1.014	1.070	1.031		
Number of training days	19,511	16,629	24,202		
% of reusable recyclable or compostable packaging	ND ³	ND ³	49.3%	100% by 2025	
Use of non-virgin petroleum plastic in BIC's products	ND ³	3%	4.3%	20% by 2025 & 50% by 2030	
% of products with improved environmental or societal footprint (WTFT)	15	45	68	100% by 2025	3,6,8,12
Number of accidents across all operations (WTFT)	84	74	50	0 by 2025	3 and 8
Number of children whose learning conditions were improved (WTFT) (accumulated data in millions)	15	61	118	250M by 2025	1, 4, 5, 6, 8 and 13

¹ United Nations Sustainable Development Goals
² Writing the Future Together
³ KPIs measured for the first time in 2020, to monitor the engagement taken by BIC

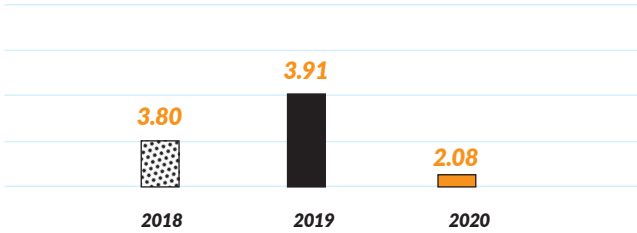
% OF NET SALES BY CATEGORY



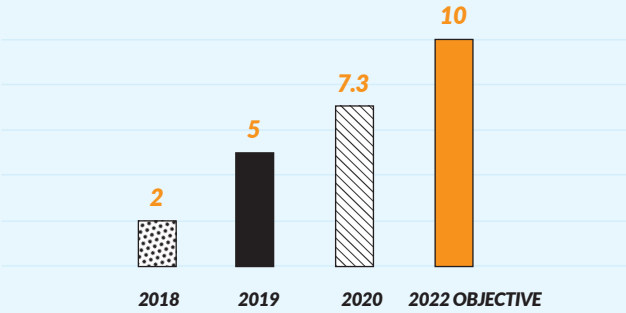
% OF NET SALES BY GEOGRAPHY



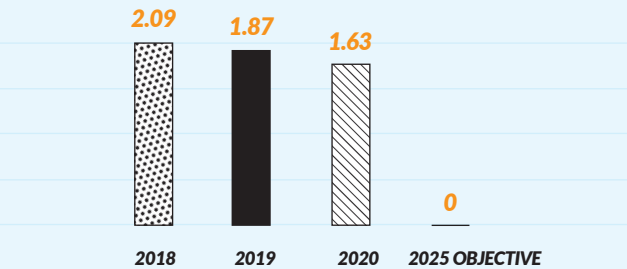
EARNINGS PER SHARE GROUP SHARE (in €)



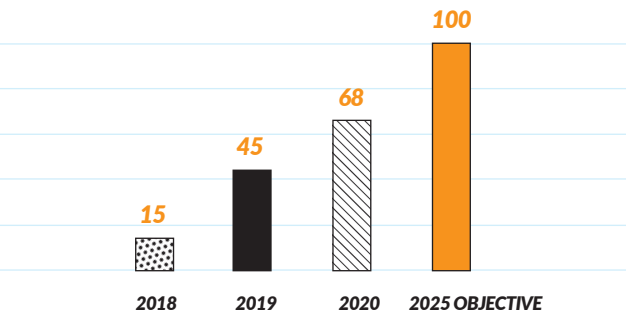
% OF E-COMMERCE IN NET SALES



INCIDENCE RATE OF WORKERS' ACCIDENTS – BIC WORKFORCE AND TEMPORARY WORKERS (accidents with temporary or permanent incapacity)



% OF PRODUCT WITH AN IMPROVED ENVIRONMENTAL/SOCIETAL FOOTPRINT



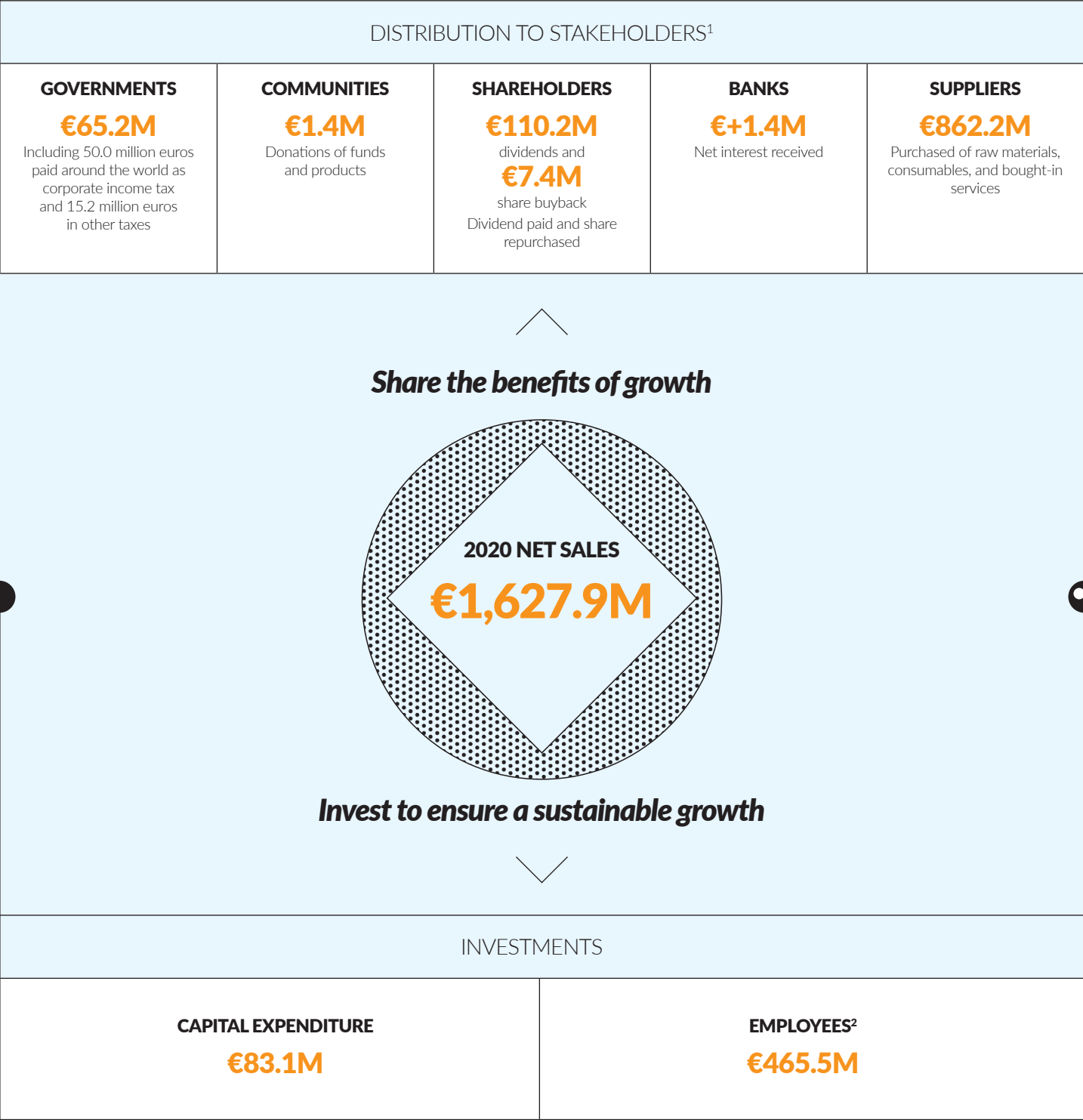
ENGAGING WITH STAKEHOLDERS

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?	WHAT DO THEY PROVIDE US?	WHAT DOES BIC PROVIDE THEM?	HOW DOES BIC ENGAGE?
CONSUMERS BIC's consumers are those who buy and use the products	<ul style="list-style-type: none">Revenues from their purchases and recommendations on BIC® productsThe feedback that drives BIC to continuously improve its products	<ul style="list-style-type: none">High-quality, inventive, reliable and sustainable productsAn ambitious innovation policy to meet their emerging needs	<ul style="list-style-type: none">Multiple channels including BIC's corporate and Direct to Consumer websites, as well as social media (Facebook, Twitter, and LinkedIn)Regular surveys
CUSTOMERS BIC's customers are companies, public administrations and office supply distributors, as well as major mass-market retailers	<ul style="list-style-type: none">Access to BIC's consumersPromotion and enhancement of BIC's products	<ul style="list-style-type: none">High-quality, inventive, reliable and sustainable productsReliable and efficient supply chain	<ul style="list-style-type: none">Regular interaction
EMPLOYEES BIC's team members are at the heart of the company's value creation, allowing the Group to achieve its objectives	<ul style="list-style-type: none">TimeResourcesSkills and knowledge	<ul style="list-style-type: none">Fair salaries and benefitsTraining, development and career opportunitiesOpen and collaborative working environmentHealth and well-being	<ul style="list-style-type: none">Engagement and Adherence to Values SurveyTraining sessionsRegular performance reviewsRelationships with Trade Union representativesProtection against the risks presented by the COVID-19 health situation
PUBLIC AUTHORITIES Public Authorities establish the rules for the functioning of the markets in all the countries in which BIC operates	<ul style="list-style-type: none">Public servicesInfrastructureAccess to labor and marketsLicense to operate	<ul style="list-style-type: none">Payment of taxesContribution to public debates and reflections on subjects related to the Group's Economic Model	<ul style="list-style-type: none">Regular meetings with local, national and international representatives
COMMUNITIES BIC's communities are the population who live in areas where it operates, such as local residents, businesses, schools, and charities	<ul style="list-style-type: none">Opportunity to underline the Group's civic commitment	<ul style="list-style-type: none">Philanthropic programs involving volunteering, product donations, and financial donationsFight against school drop-out rate through BIC Corporate Foundation	<ul style="list-style-type: none">Public consultationsRegular meetings with community representatives
SHAREHOLDERS Shareholders invest in BIC, to receive a return on investment and share the Group's industrial adventure	<ul style="list-style-type: none">Capital through investments in shares	<ul style="list-style-type: none">A comprehensive, transparent and objective understanding of the businessRegular and sustainable return on investment	<ul style="list-style-type: none">Annual General MeetingQuarterly updates on financial performanceRegular one-to-one or collective meetings with top management
BANKS AND THE FINANCIAL COMMUNITY Includes all the institutions through which BIC finances its operations	<ul style="list-style-type: none">Financing capabilities	<ul style="list-style-type: none">Interest payments	<ul style="list-style-type: none">Regular contact with Treasury DepartmentQuarterly updates on financial performance
SUPPLIERS BIC's suppliers are commercial partners with whom it has a mutual interest in collaborating to satisfy the customer	<ul style="list-style-type: none">High-quality materials and resources at best possible priceCommitment to ethical business practices	<ul style="list-style-type: none">ExpertiseA reliable, professional relationshipPartnership and knowledge sharingClose relationship with BIC's strategic suppliers (300) as part as of its Responsible Procurement 2025 Commitment	<ul style="list-style-type: none">Regular meetingsSupplier responsibility survey

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.



¹ Distribution to stakeholders does not take into account the change in working capital requirements
² Payroll, bonuses & profit-sharing payments



- ▶ DESIGN AND PRODUCTION:
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