

## **MINUTES FROM THE ANNUAL GENERAL MEETING HELD ON MAY 16, 2018**

**SOCIÉTÉ BIC Annual General Meeting** was held on Wednesday, May 16, 2018 in Clichy (92) under the chairmanship of Bruno BICH, Chairman of the Board and Chief Executive Officer.

The Shareholders' Meeting approved the payment, from May 30, 2018, of an ordinary dividend amount of 3.45 euros per share, and all the proposed resolutions, among them:

- the financial statements for 2017;
- the authorizations given to the Board of Directors to undertake operations with regards to the shares of the Company (share buybacks and cancellations);
- the renewal of John GLEN, Pierre VAREILLE, Marie-Henriette POINSOT and SOCIÉTÉ M.B.D. as Directors;
- the appointment of Gonzalve BICH as new Director succeeding Bruno BICH;
- the compensation elements for 2017 fiscal year of Bruno BICH, Gonzalve BICH, James DIPIETRO and Marie-Aimée BICH-DUFOUR;
- the compensation policy for 2018 of the Chairman, Chief Executive Officer and Executive Vice-Presidents;
- the renewal of delegations of authority to the Board of Directors to increase the share capital;
- the renewal of authorization to be given to the Board of Directors to grant shares and stock-options of the Company to employees and Corporate Officers;
- the amendment of article 8 bis "Threshold Crossing" of the Articles of Incorporation.

The Board of Directors, held after the Shareholders' meeting, took the following decisions:

- the separation of the functions of Chairman and of Chief Executive Officer;
- the nomination of Pierre VAREILLE as Chairman of the Board;
- the nomination of Gonzalve BICH as Chief Executive Officer.

The Board also decided to appoint Candace MATTHEWS as a member of the Audit Committee, replacing Pierre VAREILLE. Candace MATTHEWS remains member of the Nominations, Governance and CSR Committee but is no longer part of the Compensation Committee.

### **Minutes of the Annual Shareholders' meeting:**

Following the projection of an introduction film "Made to Last", President Bruno BICH opens up the session with a few words and introduces the Directors, the Executive Vice-Presidents, as well as the members of the Leadership Team present in the room.

The President then announces the beginning of the session and starts by giving the floor to Marie-Aimée BICH-DUFOUR, Secretary of the Shareholders' meeting, who presents:

- the terms of convening the Assembly;
- the composition of the Bureau;
- the list of documents at the disposal of shareholders;
- the agenda of the meeting.

Bruno BICH takes the floor again giving a short introduction on the Group, a recall of the 2017 difficult environment, as well as a summary of 2017 key figures. He then presents the (unchanged) use of cash policy of the Group, before announcing the proposal of an ordinary dividend of 3.45€ for shareholders, stable versus a year ago.

Bruno BICH then gives the floor to James DIPIETRO, Chief Financial Officer, who describes more in detail the 2017 consolidated results and some P&L key figures:

- 2017 net sales increase by 1.4 %, on a comparable basis;
- normalized IFO margin of 19.8 % decreasing by 0.8 points;
- Group net income of 288.3 M€, up 15.5 % as reported;
- 2017 Capital expenditures and those estimated for 2018;
- evolution of Group cash situation as well as dividend payment and share buybacks made during 2017.

James DIPIETRO gives the floor to Gonzalve BICH, Chief Operating Officer, who comments on the 2017 operational performances notably: key figures for the Group's three categories (stationery, lighters and shavers), as well as each category's performance by geography.

After that, Bruno BICH comments on the values and vision of the BIC Group: to offer simple, reliable products that consumers use every day, inventive products that are for everyone, everywhere around the world. The President then talks about the launching of the new sustainable development program « Writing the future Together » and gives the floor to Marie-Aimée BICH-DUFOUR who presents the Group's accomplishments in terms of sustainable development for the last 14 years, as well as the circular economy initiative taken via the "Ubicuity" project.

On this note, Gonzalve BICH takes the floor again to describe the Group's new sustainable development program more in detail, with five commitments taken by the Group, up until 2025:

- fostering sustainable innovation in BIC products by improving the environmental and/or societal footprint of the products;
- acting against climate change by using 80% of renewable energy by 2025;
- committing to a safe work environment by aiming zero accidents across all operations;
- proactively involving suppliers by working responsibly with BIC's strategic suppliers to ensure the most secure, innovative and efficient sourcing;
- improving lives through education by enhancing learning conditions for 250 million children globally.

The Governance theme is then introduced by Bruno BIC, who presents the following topics:

- the Board of Directors' main missions in 2017 as well as its activity (number of meetings held, attendance rate, independence rate, etc.);
- the decision to split up the Compensation and Nomination Committees into two committees. The Board will thus benefit from three specialized committees: the Audit Committee, the Compensation Committee and the Nominations, Governance and CSR Committee;
- the renewal of four Directors mandates': Pierre VAREILLE, John GLEN, Marie-Henriette POINSOT and MBD, of which the permanent representative is Édouard BICH ;
- appointment of Gonzalve BICH as Director, succeeding to Bruno BICH;
- the new Board of Directors organization, which now has 11 members (including an employee representative), following the Annual General Meeting and the outcome of the votes.

Bruno BICH turns over to John GLEN, President of the Audit Committee, who presents the Committee's main activities during 2017:

- goodwill amortization and impairment tests;
- analysis of the Group's effective tax rate;
- group's Internal Control and Audit findings;
- review of treasury arrangements including liquidity, banking arrangements and FX Hedging Policy;
- rules relating to the Audit Committee's composition, remits and operating methods;

- updating of the procedure for delegating authority within the Group.

Elizabeth BASTONI, President of the Nominations, Governance and CSR Committee, as well as of the Compensation Committee, describes the following points:

- main activities from these committees in 2017;
- general principles governing compensation policy for the Chairman, Chief Executive Officer avec Executive Vice-Presidents;
- particular principles of their compensation;
- Directors' compensation structure (fixed and variable) ;
- and lastly, their compensation for the fiscal year 2017.

Bruno BICH resumes the floor for the key moment of this meeting, the managerial transition. Bruno BICH gives his speech, recalling his last 25 years during which he was at the head of the company, highlighting his vision and values, unchanged throughout this long period of time. He then recalls the transitional period which led to today's handover of power « without apprehension and with optimism and confidence » to his son Gonzalve, as Chief Executive Officer, as well as to Pierre VAREILLE, as Chairman of the Board.

Pierre VAREILLE takes over the floor and introduces himself in a few words before thanking the shareholders, the Board and the BIC family for their trust.

Gonzalve BICH also gives a short thank you speech.

*A film : « Made to Last » is projected.*

Gonzalve BICH now comments on the operational priorities and on the Group's 2018 objectives:

- key figures of the 2018 first quarter at Group level and by category;
- 2018 objectives with net sales growth expected to be between +1% and +3% on a comparable basis, and a forecasted normalized IFO margin between 17% et 18%.

Gonzalve BICH invites four members of the leadership team to join him on the floor in order to present the following theme « Paving the way for future growth »:

- Peter DALSBURG, in charge of the Stationery category, comments on operational efficiency through the example of the current project to improve the industrial performance of the factory in Marne la Vallée and then gives another example of the on-going construction project of a new factory in India;
- Thomas BRETTE, in charge of the Shaver category, comments on innovation through a short analysis of consumer needs, explaining that they are at the heart of the product development process today;
- Benoît MAROTTE, in charge of Europe, North America and Asia-Pacific, presents how the recent development of product personalization is a way to adapt to new consumer trends (notably with the lighter as an example);
- and Nicolas LAUNAY, in charge of Europe Sales, finishes the round-table by exchanging a few words with Gonzalve BICH on the Group's intention to accelerate growth and gain market shares through e-commerce expansion.

Gonzalve BICH concludes this part of the meeting by giving his vision on the Group's future, as the new Chief Executive Officer, and comments on the headwinds, the opportunities, and the Group's strategy to face these challenges in the future.

Bruno BICH also concludes with a few words before giving the floor to François BUZY, representative of Deloitte company, External Auditor, who does the reading of the External Auditor' report.

Turning over to Marie-Aimée BICH-DUFOUR who then presents the resolutions which will be submitted to the General Assembly's voting.

Before proceeding to the voting of the resolutions, the President Bruno BICH introduces a "Q&A" (question and answer) session, during which the following topics are brought up by shareholders:

- the foreign exchange risk and the FX hedging policy for the Group's transactions;
- product personalisation;
- opportunities for external growth and for a « fourth leg »;
- US shaver market and its difficult conditions;
- male/female diversity amongst the leadership team;

- decrease of US employees due to BIC Graphic divestment in 2017.

Following the Q&A session, Pierre VAREILLE takes over the floor and gives a speech in tribute to Bruno BICH. Lastly, Marie Aimée BICH-DUFOUR lists the 25 resolutions for which the votes will be made with electronic tablets. The voting results show that the 25 resolutions were adopted with a large majority.

These voting results, as well as the presentation of the AGM are available on the BIC website : [www.bicworld.com](http://www.bicworld.com).

Bruno BICH ends the session and thanks the shareholders one last time for their attendance.